



GOVERNING BOARD AGENDA ITEM
AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10

DATE OF MEETING: May 24, 2017

TITLE: Approval of Food Service Meal Pricing for School Year 2017-2018

BACKGROUND:

The District's Food Service Department is self-funding and operates using revenues generated from sales. If managed properly, no Maintenance and Operations (M&O) funds are used to support the program. All revenues generated, by law, may only be spent to support Food Service activities. With the implementation of the new minimum wage for Arizona, Food Service costs will increase \$290,058.93 by school year 2020 - 2021. This will eliminate the current margin and result in the department having to be supplemented with M&O funds. To adjust for these increased costs, a price increase is recommended and shown below.

Breakfast	Grades K-5	Grades 6-8	Grades 9-12	Reimbursement Rate
Current Full Price	\$1.25	\$1.25	\$1.50	\$1.71 - \$2.04
Proposed Full Price	\$1.35	\$1.35	\$1.60	\$0.29
Reduced Price	\$0.30	\$0.30	\$0.30	\$1.74

Lunch	Grades K-5	Grades 6-8	Grades 9-12	Reimbursement Rate
Current Full Price	\$2.20	\$2.35	\$2.60	\$3.24
Proposed Full Price	\$2.50	\$2.75	\$3.00	\$0.38
Reduced Price	\$0.40	\$0.40	\$0.40	\$2.84

Snacks	Grades K-5	Grades 6-8	Grades 9-12	Reimbursement Rate
Current Full Price	\$0.65	\$0.65		\$0.86
Proposed Full Price	\$0.80	\$0.80		\$0.86

The "Reimbursement Rate" in the chart reflects the amount the District is reimbursed for students participating in the free meals program. For breakfast, the higher rate shown is provided if the school qualifies for Title I funding. The lunch is reimbursed at the same rate regardless of Title status. The proposed rates, when compared to the current reimbursement rate, continues to provide a discount on meals for students that pay full price. It has been six (6) years since the last price increase.

RECOMMENDATION:

It is the recommendation of administration that the proposed price increases for Food Service Breakfast, Lunch, and Snacks be approved.

INITIATED BY:

James Burns, Executive Manager, Operational Support

Date: May 10, 2017

Patrick Nelson, Superintendent