

June 26, 2023

Dear Superintendents:

With the initiation of the “Free School Meals for Kids Program”, all students will receive free breakfasts and lunches this coming fall. In light of this change, we wanted to raise an opportunity with you. This opportunity involves the pricing of your “ala carte” food items. Ala carte items are defined as any food item sold to students during the school day. Ala carte foods are considered non-program foods*. Ala carte items would include milk sold to students bringing their own lunch; a second milk; any second entrees or meals; and any food items sold during the school day.

The USDA has guidelines School Food Authorities are expected to follow in pricing these food items (your school district is a SFA if you operate the national school lunch program-NSLP). At a minimum, pricing should cover the actual cost of the food item, but can also cover staff time to prepare these items.

In our experience, we encounter many school districts who underprice their ala carte items. Usually under pricing comes from a point of concern that all students and families can afford these food items. It is our recommendation that you consider raising your ala carte pricing this fall, since all of your students will now be receiving breakfast and lunch free.

By raising your ala carte pricing, you will not only fall into compliance with USDA’s regulations, but you will improve your bottom line by increasing revenue within your school nutrition program and decrease the need to shift general fund monies into your School Nutrition Program account at year’s end.

Here are a few examples of what ala carte pricing should have been this past year:

Carton of Milk: \$.50 at a minimum (a carton of 1% chocolate milk cost \$.46)

Second Entrée: \$2.00 at a minimum (a hamburger and bun can cost \$2.19)

Second Meal: \$your district’s adult meal price

We thank you for your consideration of the above. We usually recommend changes such as this to take place in the fall and wanted you to have the chance to consider and discuss with your school board members over the summer. If you have any questions, please do not hesitate to reach out to one of us.

Your NW Co-op School Nutrition Consultant Team

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*USDA guidance:

SFAs are required to annually compare program and non-program funds to ensure that non-program foods generate **sufficient revenues so that prices for non-program foods are not subsidized by revenues from program meals.**

Adult meals are also considered a non-program food expense. Pricing of adult meals must follow USDA guidelines to ensure coverage of cost of food at a minimum. Pricing guidelines for adult meals for the school year just ending were: Breakfast - \$2.25 and Lunch - \$4.95 If your pricing for adult meals is less then this guideline, we suggest you consider increasing adult meal prices for next school year as well.