




## Bullitt County Public Schools

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DATE: May 7, 2018  
TO: Mr. Keith Davis, Superintendent  
FROM: Angela Voyles, Director of School Food Service   
RE: Request to Increase Meal Prices for SY 18-19

### Paid Lunch Equity Pricing for Student Paid Meals

In accordance with the Healthy Hunger-Free Kids Act of 2010 and child nutrition program regulation 7 CFR 210.14(e), sponsors of the National School Lunch Program (NSLP) must ensure that "sufficient funds are provided to the nonprofit school food service account for meals served to students not eligible for free or reduced price meals." Sponsors of the program have two options in meeting this requirement: 1) Using the Paid Lunch Equity tool to determine the necessity of an increase in the paid lunch meal price and increase the paid lunch meal price to said amount; or 2) Using other non-Federal funding sources in lieu of raising paid lunch meal price.

School Food Service requests approval for an increase of the paid lunch meal price to \$2.75, an increase of ten (10) cents, for SY 18-19. This increase to the paid lunch meal price would apply to all grade levels and schools. The current price for paid lunch meals for SY 17-18 is \$2.65. Student reduced price lunch is set by federal regulation at \$0.40.

Student breakfast meals would remain at current pricing of \$1.25 for paid breakfast and \$0.30 for reduced price breakfasts.

### Adult Meal Pricing

Per FNS 785-2 Rev.1, all adult meal prices for breakfast and lunch must be priced so that the adult payment is sufficient to cover the overall cost of the meal including any USDA reimbursement and value of donated commodities. Currently, our adult lunch meal prices meet this requirement; however, our adult breakfast prices do not, particularly at our CEP schools. In addition, if we do not increase our adult lunch prices, we can expect to be out of compliance in SY 18-19, as each year our federal reimbursement rates and commodity assistance dollars increase.

  
Keith Davis  
Superintendent

School Food Service requests approval for an increase to the adult breakfast meal price to \$2.50, and adult lunch meal prices to \$3.75, an increase of twenty-five (25) cents for each meal, for SY 18-19. This increase to the adult breakfast meal price would bring our pricing into compliance with USDA requirements.

Pricing Request Summary

Meal Type	SY 17-18 Pricing	SY 18-19 Pricing Request	Justification
Student Paid Breakfast	\$1.25	\$1.25	No change required
Student Reduced Breakfast	\$0.30	\$0.30	Price set by regulation
Adult Breakfast	\$2.25	\$2.50	To meet requirements of free reimbursement plus commodity assistance
Student Paid Lunch	\$2.65	\$2.75	Minimum price requirement using USDA's PLE tool (attached)
Student Reduced Lunch	\$0.40	\$0.40	Price set by regulation
Adult Lunch	\$3.50	\$3.75	To meet requirements of free reimbursement plus commodity assistance

Please let me know if you need additional information regarding this request.

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## SY 2018-19 Price Adjustment Calculator

[Go to Instructions](#)

SY 2018-19 Weighted Average Price Requirement	
Requirement price to the nearest cent	Optional price requirement ROUNDED DOWN to nearest 5 cent
\$ 2.81	\$ 2.80
Note: Above prices are based on adjusting SY 2017-18 price requirement by the 2% rate increase plus the Consumer Price Index (2.31%)	

SY 2017-18 Weighted Average Price Calculator			
Enter the paid prices and number of paid lunches sold at each price for October 2017.			
	Monthly # of Paid Lunches	Paid Lunch Price	Monthly Revenue
1.	28,562	\$ 2.65	\$ 75,689.30
2.			\$ -
3.			\$ -
4.			\$ -
5.			\$ -
6.			\$ -
7.			\$ -
8.			\$ -
9.			\$ -
10.			\$ -
TOTAL	28,562		\$ 75,689.30
			\$ 2.65
Note: SY 2017-18 Weighted Average Price equal to or above the target price of \$2.92 are compliant for SY 2017-18. \$2.92 is the difference between the Free and Paid reimbursement rates for SY 2017-18.			

Total Price Increase for SY 2018-19
\$ 0.15

Required price increase for SY 2018-19 (with 10 cent cap)
\$ 2.75

Remaining increase carried forward to SY 2019-20
\$ 0.05

Remaining credit carried forward to SY 2019-20
\$ -

[Go to SY2018-19 Report](#)

## Step 3 (Optional)

Pricing Estimation Calculator			
Below is a tool allowing users to manipulate prices to achieve the required new weighted average price.			
	Monthly # of Paid Lunches	Paid Lunch Price	Monthly Revenue
1.			\$ -
2.			\$ -
3.			\$ -
4.			\$ -
5.			\$ -
6.			\$ -
7.			\$ -
8.			\$ -
9.			\$ -
10.			\$ -
TOTAL	-		\$ -

Note: This tool is created to allow the user to only enter the number of paid lunches and the related prices. If any other parts of the tool are modified, the user runs the risk of calculating an incorrect new average price. Users should not modify the tool's current functionality.  
April 2018

SFA NAME:	Bullitt County BOE
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### SY2017-2018 Weighted Average Pricing Report

*This report assists in tracking the pricing requirements and amounts carried forward for SY 2017-2018. Information on this report is used to determine the SY 2017-2018 weighted average price requirements.*

*Please print and keep in records.*

*NOTE: If information is changed in the tool, the report contents will change.*

#### Section 1: SY2017-2018 Weighted Average Paid Price Requirements

A. SY 2017-18 Weighted Average Price Requirement*:	\$2.69
*This price will be entered into the SY 2018-2019 tool to determine the SY2018-2019 weighted average price requirements	
B. Optional Price ROUNDED DOWN to nearest 5 cents:	\$2.65

#### Section 2: Amounts Carried Forward to SY 2018-2019

Select the SY 2017-2018 method used to ensure sufficient funds are provided for PAID Lunches

Increase SY2017-2018 average weighted price ▼

#### Average Weighted Price Adjustments

A. Remaining increase carried forward to SY 2018-19:	\$0.00
B. Remaining credit carried forward to SY 2018-19:	\$0.00
Enter In the new average weighted price for SY 2017-18:	

#### Non-Federal Source Contributions

C. Remaining Annual Non-Federal Source Contribution carried forward to SY 2018-19:	N/A
D. Remaining Credit carried forward to SY 2018-19:	N/A
Enter the amount of Non-Federal Source contributions for SY 2017-18:	

Enter Sources of Non-Federal Funds Contributed:

#### Split Calculations

*Both average weighted price adjustments and Non-Federal source contributions*

E. Remaining Annual Non-Federal Source Contribution carried forward to SY 2018-19:	N/A
F. Remaining Credit carried forward to SY 2018-19:	N/A
Enter the amount of Non-Federal Source contributions for SY 2017-18:	
Enter the new average weighted price for SY 2017-18:	

ACTION BY: Regional Directors  
Special Nutrition Programs

SOURCE CITATION: Section 210.6 and 220.6

Pricing of Adult Meals in the National School Lunch  
And School Breakfast Programs

This Instruction sets forth the policy on pricing of meals served to adults under the National School Lunch, Commodity School and School Breakfast Programs in participating schools and institutions which claim reimbursement under Sections 4 and 11 of the National School Lunch Act and Section 4 of the Child Nutrition Act. Since the expressed purpose of Federal assistance is to safeguard the health and well-being of the Nation's children, meals served to adults are neither eligible under the authorizing legislation and regulations for Federal cash reimbursement, nor do they earn donated food assistance for the school food authority.

Since implementation of the cost accountability revisions of Public Law 97-35, program funds (other than severe need breakfast funds) are available to school food authorities for use within their overall nonprofit school food service operations, rather than being restricted solely to the financing of program specific costs. Nevertheless, school food authorities must ensure to the extent practicable, that the Federal reimbursements, children's payments, and other nondesignated nonprofit food service revenues do not subsidize program meals served to adults. Also, while FNS Instruction 770-1 allows donated foods to be used for preparing food items served in adult meals, the current per-meal value of entitlement and/or bonus donated foods must be taken into consideration in establishing the price charged to adults for meals.

Breakfasts and lunches served to teachers, administrators, custodians and other adults must be priced so that the adult payment in combination with any per-lunch revenues from other sources designated specifically for the support of adult meals (such as State or local fringe benefit or payroll funds, or funding from voluntary agencies) is sufficient to cover the overall cost of the lunch. Including the value of any USDA entitlement and bonus donated foods used to prepare the meal. If cost data are not available, the minimum adult payment should reflect the price charged to

DISTRIBUTION: 5, 6, 12	MANUAL MAINTENANCE INSTRUCTIONS: Remove FNS Instruction 782-5, from Manual. Insert this Instruction.	RESPONSIBLE FOR PREPARATION AND MAINTENANCE: CND-100	Page 1 6-6-88
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Students paying the school's designated full price, plus the current value of Federal cash and donated food assistance (entitlement and bonus) for full price meals. In nonpricing programs, the adult charge should be at least the amount of reimbursement received for a free lunch under Section 4 and 11 of the National School Lunch Act, plus the per-meal value of both entitlement and bonus donated foods, or for breakfasts, the rate established for free meals under Section 4 of the Child Nutrition Act, plus the value of bonus commodities.

Meals served to adults who are directly involved in the operation and administration of the school nutrition programs may, at the discretion of the school food authority, be furnished at no charge. As such, their cost may be fully attributed to and supported by the nonprofit food service operation.

Meals served to these adults may not be claimed for reimbursement or counted towards the donated foods entitlement. The determination of individuals, positions involved, and the degree to which their services are attributed to the nonprofit food service program operations is left to State and local officials.



**SAMUEL P. BAUER**  
**Director**  
**Child Nutrition Division**