

BALTIMORE COUNTY PUBLIC SCHOOLS

DATE: June 10, 2008

TO: **BOARD OF EDUCATION**

FROM: Dr. Joe A. Hairston, Superintendent

SUBJECT: **CONSIDERATION OF THE STUDENT MEAL PRICES FOR
2008-2009 SCHOOL YEAR**

ORIGINATOR: J. Robert Haines, Esq., Deputy Superintendent

**RESOURCE
PERSON(S):** Michele Prumo, Executive Director, Planning and Support Operations
Karen Levenstein, Director, Office of Food and Nutrition Services

RECOMMENDATION

That the Board of Education approve the proposed student meal prices for school year 2008 – 2009.

STUDENT LUNCH MEAL PRICES
Office of Food and Nutrition Services
2008 – 2009

The price charged to students for the complete lunch meal is established upon review of the full cost of a meal. Included in the meal prices are expenses related to the cost of food, employee salaries and benefits, equipment repairs and replacement, cleaning and paper supplies, staff training, office/food warehouse expenses, and administrative costs. The effects of rising food costs, i.e., bread and cereal-14%, milk and dairy items-40%, other supply increases-5%, are significantly influencing the cost of meals to students.

The Superintendent’s Rule 3330 states, “Student meal prices shall be established to recover up to, but not exceed, the full cost of the meal minus the federal and state subsidies.”

For the period 1992 – 2004, lunch meal prices remained constant at \$1.60 per meal. Student meal prices were adjusted in FY05 by 20 cents and by 40 cents in both FY06 and FY07 bringing the price to the current price of \$2.60 for lunch at the secondary school level. There were no increases in FY08. Other local education agencies are in the process of reviewing the affect of higher fuel prices, transportation surcharges, and rising food costs for the purpose of adjusting their meal prices to cover increased costs.

The amount of reimbursement from the USDA is governed by federal law and is determined each July. In recent years, it has increased an average of three to four percent a year. The current rate is \$2.47 per lunch for free meals served to students. The Office of Food and Nutrition Services operates as an enterprise fund charging fees for food programs.

The overall projected breakdown for 2008 – 2009 is outlined below:

2008 – 2009	
<u>Projected: Revenues, Expenses, and Meal Participation</u>	
\$ 29,881,009.00	Total expense for lunch meals
÷ 8,594,327	Projected lunch meals
\$ 3.48	Lunch meal cost
- 3.02	Paid lunch meal revenues (federal/state subsidies, student payment)*
\$.46	Revenue shortage/loss per paid lunch meal

<u>Level</u>	<u>2007 – 2008 Meal Price</u>	<u>Recommended Increase</u>	<u>Proposed 2008 – 2009 Meal Price</u>
Elementary	\$2.50	\$.40	\$2.90
Secondary	\$2.60	\$.40	\$3.00

*Federal and state Child Nutrition Program reimbursements do not cover the full cost of lunch meals. À la carte profits are used to make up the shortages.