DATE: July 13, 2004

TO: BOARD OF EDUCATION

FROM: Dr. J. Hairston, Superintendent

SUBJECT: STUDENT MEAL PRICE

ORIGINATOR: J. Robert Haines, Deputy Superintendent, Business Services

RESOURCE PERSON(S): Rita Fromm, Executive Director, Planning and Support Operations

RECOMMENDATION

That the Board of Education approve a student meal price increase for school year 2004-05.

Background Information: Student meal prices have not changed since 1992.

Estimated Operating Funds Fiscal Impact: $_None$_ for FY _____
Possible Funding Source: N/A
STUDENT MEAL PRICE RECOMMENDATIONS
Budget And Audit Committee
June 15, 2004

Issue

The Office of Food and Nutrition Services is recommending an increase in student meal prices for school year 2004-05. Presentation of a formal recommendation to the Board of Education is planned for July 2004.

Background

The Office of Food and Nutrition Services student meal prices have remained unchanged since 1992. Among Maryland LEAs, BCPS currently maintains the fourth lowest elementary and secondary lunch price at $1.50 and $1.60 respectively. Elementary prices throughout Maryland range from $1.25 to $1.75. Secondary prices range from $1.50 to $2.00.

Recommendations

1) The Office of Food and Nutrition Services recommends establishing a meal price policy that aligns student meal prices with net program costs. The student meal price would be calculated in accordance with the following:

Total program expenses for the prior fiscal year will be reduced by the total of all miscellaneous sales subsidies, increased by the projected salary and food price increase, divided by the projected or prior year meal participation, and reduced by federal, state program reimbursements. The remaining cost will be the unit meal cost.

The student meal cost will be the unit meal cost rounded up to the nearest nickel.

2) The Office of Food and Nutrition Services recommends phasing in a student meal price increase to keep pace with rising food and labor expenses.

Phase-in Options

OFFICE OF FOOD AND NUTRITION SERVICES
Meal Cost Recommendation As Of June 30, 2004

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<tbody>
<tr>
<td>Meal Cost Recommendation - Lunch</td>
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<td>Lunch Cost per meal after Reimb. &amp; Subsidy</td>
<td>$ 1.86</td>
<td>$ 2.43</td>
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<td>Option B - .20 first year, then .40 to full cost</td>
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<td>$ 1.80</td>
<td>$ 2.20</td>
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<td>Option C - .40 first year, then to full cost</td>
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<tr>
<td>Meal Cost Recommendation - Breakfast</td>
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<td>Breakfast Cost per meal after Reimb. &amp; Subsidy</td>
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<td>Option B - .15 per year to full cost</td>
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<td>$ 1.30</td>
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