

FARGO BOARD OF EDUCATION MEMO #112 – 2021-22

May 10, 2022

RE: School Lunch Prices

FROM: Planning Committee – Jim Johnson, Chair
Jackie Gapp, Business Manager
Cindy Hogenson, Director of Nutrition Services
Dr. Rupak Gandhi, Superintendent

BOARD FOCUS: Action Required

Regulation **7 CFR Section 210.14(e)** requires school food authorities (SFAs) participating in the National School Lunch Program to ensure sufficient funds are provided to the nonprofit school food service account for meals served to students not eligible for free or reduced-price meals. Schools currently charging full pay students less than the USDA’s target rate are required to increase prices annually.

The USDA target rate for lunch pricing to cover anticipated food and labor costs is \$3.31. The district’s comparable price is \$2.58. Per the USDA regulation, the district is required to raise lunch prices a minimum of ten cents. An exemption waiver from the price increase requirement is available if the foodservice department has a positive fund balance as of December 31, 2021. The district meets this criterion.

On Friday, April 29, Planning Committee reviewed the federal guidelines, comparative pricing data from across North Dakota, financial standing of the nutrition services department, and options for recommended price increases. Planning Committee recommended that meal prices increase as follows:

	SY 2021-22	Proposed Increase	Proposed 2022-23
Elementary Breakfast	\$1.45	\$0	\$1.45
Elementary Lunch	\$2.45	\$0	\$2.45
Secondary Breakfast	\$1.55	+\$0.05	\$1.60
Secondary Lunch	\$2.70	+\$0.05	\$2.75
Adult Breakfast	\$2.15	+\$0.10	\$2.25
Adult Lunch	\$3.50	+\$0.10	\$3.60
Extra Milk	\$0.35	+\$0.05	\$0.40

Attached to this memo you will find:

- Current meal prices and comparison to other districts
- Annual monetary impact on families

RECOMMENDATION: Approve the Nutrition Services meal price increase of \$0.05 for secondary breakfast, lunch, extra milk, and \$0.10 for adult breakfast and lunch.

2021-2022 Meal Price Comparison							
	West Fargo	Bismarck	Grand Forks	Minot	AVG price	Fargo	Fargo compared to AVG price
Elementary Breakfast	\$1.35	\$1.45	\$1.20	\$1.75	\$1.44	\$1.45	\$0.01
Elementary Lunch	\$2.45	\$2.35	\$2.20	\$2.50	\$2.38	\$2.45	\$0.08
Secondary Breakfast	\$1.55	\$2.20	\$1.45	\$1.75	\$1.74	\$1.55	(\$0.19)
Secondary Lunch	\$2.70	\$2.85	\$2.45	\$2.75	\$2.69	\$2.70	\$0.01
Adult Breakfast	\$2.60	\$2.00	\$1.80	\$2.75	\$2.29	\$2.15	(\$0.14)
Adult Lunch	\$3.70	\$3.60	\$3.35	\$3.50	\$3.54	\$3.50	(\$0.04)
Milk/Juice	\$0.40	\$0.40	\$0.50	\$0.40	\$0.43	\$0.35	(\$0.08)

The Annual Financial Impact to Families:

	Current annual cost	Proposed increase	Proposed annual cost
Elementary Breakfast	\$253.75	No change	\$253.75
Elementary Lunch	\$428.75	No change	\$428.75
Secondary Breakfast	\$271.25	+\$8.75	\$280.00
Secondary Lunch	\$472.50	+\$8.75	\$481.25