



Board Action Report

Updating Board Procedure No. 3520BP to Increase Student Meal Prices for the 2021-22 School Year

May 19, 2021

Seattle Public Schools is committed to making its online information accessible and usable to all people, regardless of ability or technology. Meeting web accessibility guidelines and standards is an ongoing process that we are consistently working to improve.

While Seattle Public Schools endeavors to only post documents optimized for accessibility, due to the nature and complexity of some documents, an accessible version of the document may not be available. In these limited circumstances, the District will provide equally effective alternate access.

For questions and more information about this document, please contact the following:

JoLynn Berge
Chief Financial Officer
BudgetOffice@seattleschools.org

Updating Board Procedure No. 3520BP to Increase Student Meal Prices for the 2021-22 School Year.



SCHOOL BOARD ACTION REPORT

DATE: May 2, 2021
FROM: Dr. Brent Jones, Superintendent
LEAD STAFF: JoLynn Berge, Chief Financial Officer, jdberge@seattleschools.org
Fred Podesta, Chief Operations Officer, fhpodesta@seattleschools.org

For Introduction: May 19, 2021
For Action: June 2, 2021

1. TITLE

Updating Board Procedure No. 3520BP to Increase Student Meal Prices for the 2021-22 School Year

2. PURPOSE

The purpose of this Board action is to increase the paid meal charges currently found in Board Procedure No. 3520BP, Student Fees, Charges, Fines, Restitution and Damage Deposits to meet federal requirements and to align pricing with cost increases.

3. RECOMMENDED MOTION

I move that the School Board amend Board Procedure No. 3520BP as attached to the board action report to authorize a \$.25 increase in student meal prices starting with the 2021-22 school year, as follows:

- Elementary Breakfast \$2.25 (an increase from \$2.00)
- Secondary Breakfast \$2.50 (an increase from \$2.25)
- Elementary Lunch \$3.25 (an increase from (\$3.00))
- Secondary Lunch \$3.50 (an increase from \$3.25)

4. BACKGROUND INFORMATION

a. Background

In the 2018-19 school year, Nutrition Services provided 3,689,600 meals to students including 2,622,572 free and reduced meals. (2019-20 was not used for meal comparisons due to a significant change in meal delivery created by COVID 19.) Rising costs in food and labor challenge Nutrition Services' financial ability to provide quality meals and meet nutrition standards established by the district, the state, and the federal government while complying with School Board Policies No. 3520 Student Fees, Charges, Fines, Restitution, and Damage Deposits Procedure.

Nutrition Services continues to review products and serving procedures to improve the overall quality of meals served and operational efficiencies, however, the current program revenue does not cover program costs. In 2018-19, the program operated at a deficit of \$4.1 million. The rising cost of food and labor has outpaced increases to meal prices. While the USDA increases the federal reimbursement rates every year, SPS has not increased paid meal prices since the 2015-16 school year.

Expenditures	2015-16	2019-20	Percent Increase
Salary & Benefits	7,469,947	9,155,224	23%
Supplies & Food	6,113,442	6,222,986	2%

In addition to the program deficit, the USDA requires school districts to charge an equitable price for the paid student meals compared to federally funded meals. This prevents the paid student meals from being subsidized by federal funds. To aid in this process, the USDA provides a formula for calculating the minimum student lunch price that must be charged each year if a district receives federal reimbursements. Based on current federal funding rates, Seattle Public Schools will be out of compliance with this requirement as of the 2021-2022 school year unless paid meal prices are increased. Currently, under COVID-19 all meals are served for free and we anticipate this continuing through the 2021-22 school year. Changing the amounts now ensures compliance if federal guidance on meals changes mid-year and gives us a longer lead time for communicating the prices.

An increase in student meal prices for both breakfast and lunch is necessary at this time. An increase of \$0.25 per meal is recommended at all levels. This price increase affects only those students who are not eligible and approved for free or reduced-price meals. In addition to student meals, there is a recommendation to increase adult meal prices to a cost better aligned with market prices.

b. Alternatives

1. No change in meal prices – This alternative is not recommended because Nutrition Services would be out of compliance with federal guidelines.
2. Increase prices by \$0.20 per meal instead of \$0.25. The minimum increase to meet the federal guidelines is \$0.20 per meal. This is not recommended because it would require SPS to potentially need to again increase prices for FY22-23. In addition, the department prefers to keep lunch prices in \$0.25 increments which make it easier for families to provide exact change and faster for lunchroom staff to process transactions. Longer time required for change slows down lunch lines and reduces student time for eating and recess.

c. Research

In addition to the federal requirement for price increases, Nutrition Services has compared breakfast and lunch prices with surrounding school districts. Data from neighboring districts is below:

Paid School Meal Prices	Seattle	Seattle Proposed rates	Tukwila	Northshore	Lake Washington	Bellevue	Highline
-------------------------	---------	------------------------	---------	------------	-----------------	----------	----------

Elementary

Breakfast	\$ 2.00	\$ 2.25	Free	\$ 2.05	\$ 1.75	\$ 2.25	\$ 1.75
Lunch	\$ 3.00	\$ 3.25	\$ 3.05	\$ 3.55	\$ 3.25	\$ 3.50	\$ 3.00

Secondary

Breakfast	\$ 2.25	\$ 2.50	Free	\$ 2.30	\$ 2.00	\$ 2.50	\$ 1.75
Lunch	\$ 3.25	\$ 3.50	\$ 3.30	\$ 3.55	\$ 3.50	\$ 3.75	\$ 3.25

5. FISCAL IMPACT/REVENUE SOURCE

The proposed increase in student breakfast and lunch prices by \$.25 will increase revenue by a projected \$381,000, at 2018-19 participation rates.

The revenue source for this motion is General Fund.

Expenditure: One-time Annual Multi-Year N/A

Revenue: One-time Annual Multi-Year N/A

6. COMMUNITY ENGAGEMENT

With guidance from the District’s Community Engagement tool, this action was determined to merit the following tier of community engagement:

Not applicable

Tier 1: Inform

Tier 2: Consult/Involve

Tier 3: Collaborate

Once approved the Nutrition Services department will post the updated rates on the District’s website and communicate the changes to families. Lunch prices are also included in the back to school packets and information that is shared at the beginning of each school year.

7. EQUITY ANALYSIS

Increasing meal prices for students and adults who can afford to pay for them reduces the funding needed to subsidize the District’s food service program. The program’s current funding deficit requires resources that could be invested in programs for students furthest from educational justice to be directed to supporting Nutrition Services instead.

8. STUDENT BENEFIT

As noted under the equity analysis, funding currently diverted from academic programs is necessary to support the Nutrition Services program. Reducing that funding need aids in helping eliminate the District’s structural deficit and ensure continued receipt of federal funding for meals for students who qualify for free or reduced lunches.

9. WHY BOARD ACTION IS NECESSARY

- Amount of contract initial value or contract amendment exceeds \$250,000 (Policy No. 6220)
- Amount of grant exceeds \$250,000 in a single fiscal year (Policy No. 6114)
- Adopting, amending, or repealing a Board policy
- Formally accepting the completion of a public works project and closing out the contract
- Legal requirement for the School Board to take action on this matter
- Board Policy No. 3520, Student Fees, Charges, Fines, Restitution, and Damage Deposits Procedure, provides the School Board shall approve this item
- Other: _____

10. POLICY IMPLICATION

Board Procedure Policy No. 3520, Student Fees, Charges, Fines, Restitution and Damage Deposits, specifies that systemwide fees and charges are established by the board in Board Procedure 3520BP. This is also in alignment with School Board Policies No. 3520 Student Fees, Charges, Fines, Restitution, and Damage Deposits Procedure.

11. BOARD COMMITTEE RECOMMENDATION

This motion was discussed at the Audit and Finance Committee meeting on May 10, 2021. The Committee reviewed the motion and moved the item forward with a recommendation for approval by the full Board.

12. TIMELINE FOR IMPLEMENTATION

Upon approval of this motion, published meal prices will be increased and communication to schools and families will be implemented.

13. ATTACHMENTS

- Revised BP 3520 - clean (for approval)
- Revised BP 3520 - tracked changes (for reference)

	STUDENT FEES, CHARGES, FINES, RESTITUTION, AND DAMAGE DEPOSITS PROCEDURE	Board Procedure No. 3520BP June 2, 2021 Page 1 of 1
---	---	--

Pursuant to School Board-Adopted Policy 3520, the School Board has the authority to establish system-wide fees and charges and procedures governing the collection of the same.

As with other fees and charges, arrangements shall be made for a waiver or reduction for students whose families by reason of their income would have difficulty paying the full fee. An approved “Seattle Public Schools Annual Application for School Meal Benefits,” which uses the USDA Child Nutrition Program guidelines, shall be used to determine a student’s qualification for waivers or reductions for all items. The School Meal Benefits application must also include the parent or guardian’s permission to share the student’s eligibility status with school officials.

With regard to the payment of fees, if an account becomes delinquent, the account holder will be notified and the account will be sent to collections.

Seattle Public Schools has identified the following system-wide fees or charges currently in effect. These fees or charges will remain in effect unless changes are approved by the Board and incorporated into this procedure.

System-Wide Fees and Charges:

Meals: Full Price*

	BREAKFAST	LUNCH
ELEMENTARY	\$2.25	\$3.25
SECONDARY	\$2.50	\$3.50

*Currently, students who qualify for free or reduced price meals are not charged for meals.

Adopted: December 2011
 Revised: July 2012; May 2013; November 2013; July 2014; October 2014; June 2015;
 August 2015; March 2016, June 2021
 Cross Reference: Policy No. 3520; H62.00; Board Procedure 3520BP

Related Superintendent Procedure: 3520

SP Previous Policies: D83.00;D83.01;

D85.00; D85.01

Legal Reference: RCW 28A.220.040 Fiscal support — Reimbursement to school districts — Enrollment fees

— Deposit; RCW 28A.225.330 Enrolling students from other districts — Requests for information and permanent records — Withheld transcripts — Immunity from liability — Notification to teachers and security personnel — Rules; RCW 28A.320.230(f) Instructional materials — Instructional materials committee; RCW 28A.330.100 Additional powers of board; RCW 28A.635.060 Defacing or injuring school property — Liability of pupil, parent or guardian — Withholding grades, diplomas or transcripts — Suspension and restitution — Voluntary work program as alternative — Rights protected; AGO 1965-66 No 113 Districts - Schools - Fees — Tuition - Supplies — Authority of school districts to charge tuition fees or textbook fees; AGO 1973 No 11 Districts - Schools - Tuition & Fees — Authority of school districts to charge various fees

Management Resources:

 <p>SEATTLE PUBLIC SCHOOLS</p>	<p>STUDENT FEES, CHARGES, FINES, RESTITUTION, AND DAMAGE DEPOSITS PROCEDURE</p>	<p>Board Procedure No. 3520BP</p> <p>March 16, 2016 <u>June 2, 2021</u></p> <p>Page 1 of 1</p>
---	---	---

Pursuant to School Board-Adopted Policy 3520, the School Board has the authority to establish system-wide fees and charges and procedures governing the collection of the same.

As with other fees and charges, arrangements shall be made for a waiver or reduction for students whose families by reason of their income would have difficulty paying the full fee. An approved “Seattle Public Schools Annual Application for School Meal Benefits,” which uses the USDA Child Nutrition Program guidelines, shall be used to determine a student’s qualification for waivers or reductions for all items. The School Meal Benefits application must also include the parent or guardian’s permission to share the student’s eligibility status with school officials.

With regard to the payment of fees, if an account becomes delinquent, the account holder will be notified and the account will be sent to collections.

Seattle Public Schools has identified the following system-wide fees or charges currently in effect. These fees or charges will remain in effect unless changes are approved by the Board and incorporated into this procedure.

System-Wide Fees and Charges:

Meals: Full Price*

	BREAKFAST	LUNCH
ELEMENTARY	\$2.00 <u>2.25</u>	\$3.00 <u>3.25</u>
SECONDARY	\$2.25 <u>2.50</u>	\$3.25 <u>3.50</u>

*Currently, students who qualify for free or reduced price meals are not charged for meals.

Adopted: December 2011

Revised: July 2012; May 2013; November 2013; July 2014; October 2014; June 2015;

August 2015; March 2016, June 2021

Cross Reference: Policy No. 3520; H62.00; Board Procedure 3520BP

Related Superintendent Procedure: 3520

SP Previous Policies: D83.00;D83.01;

D85.00; D85.01

Legal Reference: RCW 28A.220.040 Fiscal support — Reimbursement to school districts — Enrollment fees

— Deposit; RCW 28A.225.330 Enrolling students from other districts — Requests for information and permanent records — Withheld transcripts — Immunity from liability — Notification to teachers and security personnel — Rules; RCW 28A.320.230(f) Instructional materials — Instructional materials committee; RCW 28A.330.100 Additional powers of board; RCW 28A.635.060 Defacing or injuring school property — Liability of pupil, parent or guardian — Withholding grades, diplomas or transcripts — Suspension and restitution — Voluntary work program as alternative — Rights protected; AGO 1965-66 No 113 Districts - Schools - Fees — Tuition - Supplies — Authority of school districts to charge tuition fees or textbook fees; AGO 1973 No 11 Districts - Schools - Tuition & Fees — Authority of school districts to charge various fees

Management Resources: