

2016-2017 Pricing for Special Milk or Split-Session Kindergarten Milk

Weighted Average Cost of a
Milk ½ pint (8 fl. oz.)

| | | | | | |
|------|--------|----|--------|---|------------|
| From | 0.1975 | To | 0.2074 | = | 0.03000000 |
| From | 0.2075 | To | 0.2174 | = | 0.04000000 |
| From | 0.2175 | To | 0.2274 | = | 0.05000000 |
| From | 0.2275 | To | 0.2374 | = | 0.06000000 |
| From | 0.2375 | To | 0.2474 | = | 0.07000000 |
| From | 0.2475 | To | 0.2574 | = | 0.08000000 |
| From | 0.2575 | To | 0.2674 | = | 0.09000000 |
| From | 0.2675 | To | 0.2774 | = | 0.10000000 |
| From | 0.2775 | To | 0.2874 | = | 0.11000000 |
| From | 0.2875 | To | 0.2974 | = | 0.12000000 |
| From | 0.2975 | To | 0.3074 | = | 0.13000000 |
| From | 0.3075 | To | 0.3174 | = | 0.14000000 |
| From | 0.3175 | To | 0.3274 | = | 0.15000000 |
| From | 0.3275 | To | 0.3374 | = | 0.16000000 |
| From | 0.3375 | To | 0.3474 | = | 0.17000000 |
| From | 0.3475 | To | 0.3574 | = | 0.18000000 |
| From | 0.3575 | To | 0.3674 | = | 0.19000000 |
| From | 0.3675 | To | 0.3774 | = | 0.20000000 |
| From | 0.3775 | To | 0.3874 | = | 0.21000000 |

Formula:

| | |
|------------|--|
| | Total Milk Bill |
| Divided by | Number of Milks Billed/Invoiced |
| Equals | Average Dairy Cost per ½ Pint |
| Minus | Reimbursement Rate (\$.1975) |
| Plus | Profit Margin (Max. \$.0300) |
| Equals | Price per ½ Pint (Always Round <u>Down</u>) |

| | |
|-------------------|------------------------------|
| Example: \$125.25 | Total Milk Bill |
| ÷ 490 | Number of Milks Served |
| \$.2556 | Average Cost per ½ pint |
| - .1975 | Reimbursement Rate |
| .0581 | |
| + .0300 | Profit Margin |
| .0881 | Max Charge (must round down) |

Maximum Selling Price .08