



STATE OF CONNECTICUT
DEPARTMENT OF EDUCATION



TO: Sponsors of the National School Lunch Program

FROM: Therese Dandeneau, Education Consultant *Therese A. Dandeneau*
Bureau of Health/Nutrition, Family Services and Adult Education

DATE: April 15, 2013

SUBJECT: Operational Memorandum #26-13
Paid Lunch Equity: School Year 2013-14 Calculations and Tool

The interim rule entitled, “National School Lunch Program: School Food Service Account Revenue Amendments Related to the Healthy, Hunger-Free Kids Act of 2010” 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 lunches served to students not eligible for free or reduced price meals. There are two ways to meet this requirement:

1. either through the prices charged for “paid” lunches; or
2. through other non-Federal sources provided to the nonprofit school food service account.

This memorandum provides guidance on the calculations SFAs must make in order to ensure compliance with these requirements for School Year (SY) 2013-14. In addition, attached is the SY 2013-14 Paid Lunch Equity (PLE) tool to assist SFAs as they make these required calculations.

SY 2013-14 Paid Lunch Equity Calculations

On January 28, 2013, the State agency issued [Operational Memorandum #11-13](#) to remind SFAs that for SY 2012-13, SFAs which, on a weighted average, charged less than **\$2.59** for paid lunches in SY 2011-12 are required to adjust their weighted average lunch price or add non-Federal funds to the non-profit school food service account. The amount of the per meal increase will be calculated using 2 percent plus 2.93 percent, or **4.93** percent.

SFAs are reminded that they must use their unrounded adjusted average paid lunch price requirement from SY 2012-13 when calculating the weighted average paid lunch price increase for SY 2013-14. For example, if the unrounded SY 2012-13 requirement was \$2.08 but the SFA opted to round down to \$2.05, the calculation of the SY 2013-14 is based on the \$2.08 unrounded SY 2012-13 requirement.

If an SFA raised its weighted average paid lunch price above the required amount in SY 2012-13, that excess paid lunch price increase may be subtracted from the total SY 2013-14 paid lunch price increase requirement. **SFAs must keep sufficient records to document and carry forward the average price calculations.**

Additionally, if an SFA did not raise its weighted average adjusted paid lunch price sufficiently to meet the required amount in SY 2012-13, the shortfall must be added to the total SY 2013- 14 paid lunch price adjustment requirement.

Use of Non-Federal Sources Calculation

SFAs that choose to contribute non-Federal sources to the nonprofit school food service account in lieu of raising paid lunch prices must calculate the appropriate amount to contribute. To determine the amount of required revenue in lieu of a paid lunch price increase, the SFA determines the total number of paid reimbursable lunches claimed for the previous school year and multiplies by the difference between the SY 2013-14 weighted average paid lunch price requirement and the SY 2012-13 weighted average paid lunch price.

Credit for Excess Non-Federal Funds

If an SFA's SY 2012-13 estimate of the required contribution exceeded the actual level, that excess contribution may be subtracted from the total SY 2013-14 contribution requirement. Further, if the SY 2012-13 estimate was less than required, additional funds from non-Federal sources must be added. The PLE tool for determining the amount of non-Federal source contributions will allow for making these calculations using the same rationale as used for paid lunch prices—credit forward any extra funds contributed and account for any shortfalls when determining the amount of non-Federal funds requirement for the next school year.

SY 2013-14 PLE Tool

The first tab of the SY 2013-14 PLE tool includes detailed instructions on how to use the tool and what information is needed to complete the appropriate calculations. **SFAs should print and read the instructions before attempting to complete the calculations.**

To assist SFAs making these required PLE calculations, the attached SY 2013-14 PLE tool makes the following calculations:

- Weighted average paid lunch price for SY 2012-13;
- Required paid lunch price increase for SY 2013-14; and
- Required non-Federal source contribution required for SY 2013-14.

The PLE tool also takes into account adjustments to paid lunch prices made by the SFA in SY 2012-13 to calculate any credit or shortfall the SFA may have accrued for SY 2013-14. For SFAs that opted to contribute non-Federal funds, the PLE tool also calculates credits and shortfalls for the SY 2013-14 required non-Federal source contribution.

The SY 2013-14 PLE tool includes a new feature that makes calculations for SFAs that wish to split the SY 2013-14 requirement by both raising prices and contributing funds from a non-Federal source. This option may be attractive to SFAs that do not want to raise paid lunch prices the entire amount that they are required. To use the attached SY 2013-14 PLE tool, SFAs need the following information to calculate the Weighted Average Price:

- SY 2010-11-Weighted Average Price;
- All paid lunch prices for October 2012; and
- Number of paid lunches served associated with each paid lunch price in October 2012.

SFAs that have opted to contribute non-Federal sources also need the:

- Total number of paid lunches served in SY 2011-12; and
- Total dollar amount of SY 2011-12 and SY 2012-13 non-Federal contributions.

SFAs that wish to split the SY 2013-14 requirement by both raising paid lunch prices and contributing funds from non-Federal sources, will need all of the above information. Additionally, the PLE tool includes a report that SFAs can use to track the information they will need to make their SY 2014-15 calculations. SFAs can print the report and keep it in their records.

Questions may be directed to:

COUNTY ASSIGNMENTS	CONSULTANT
Litchfield County New London County	Fionnuala Brown fionnuala.brown@ct.gov 860-807-2129
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Middlesex County (towns/cities beginning with F-W) Tolland County Windham County	Susan Alston susan.alston@ct.gov 860-807-2081
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Attachment