



STATE OF CONNECTICUT
DEPARTMENT OF EDUCATION



TO: Sponsors of the National School Lunch and Breakfast Programs

FROM: John Frassinelli, Chief
Bureau of Health/Nutrition, Family Services and Adult Education

DATE: March 17, 2015

SUBJECT: Operational Memorandum #18-15
Reminder: Paid Lunch Equity Calculations and Tool



This memorandum serves as a reminder that all school food authorities must complete and maintain on file their district/school's Paid Lunch Equity calculations. This was initially outlined in the attached Operational Memorandum #4-15 that was issued in October 2014. Attached is a copy of the memorandum and the United States Department of Agriculture Paid Lunch Equity Tool.

Questions may be directed to:

COUNTY ASSIGNMENTS	CONSULTANT	E-MAIL AND PHONE
Fairfield County	Fionnuala Brown	fionnuala.brown@ct.gov 860-807-2129
Hartford County (towns/cities beginning with A-R)	Teri Dandeneau	teri.dandeneau@ct.gov 860-807-2079
Hartford County (towns/cities beginning with S-W) Windham County	Susan Alston	susan.alston@ct.gov 860-807-2081
Litchfield County	Allison Calhoun-White	allison.calhoun-white@ct.gov 860-807-2008
Middlesex County Tolland County	Andy Paul	andrew.paul@ct.gov 860-807-2048
New Haven County	Jackie Schipke	jackie.schipke@ct.gov 860-807-2123
New London County	Monica Pacheco	monica.pacheco@ct.gov 860-807-2073

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Attachments: (2)

PLE Exemption – Factors for Consideration

Below are factors State agencies must consider when evaluating school food authority (SFA) requests for an exemption from the paid lunch equity requirement. State agencies must use these questions as a guide when assessing whether there are necessary or appropriate uses for funds, which would otherwise contribute to an excess operational balance to address deficiencies in Program operations and meet new program requirements. Additionally, the State agency must review other aspects of program operation with the SFA to assess whether overall program quality is high enough to justify an exemption. The list is not intended to be exhaustive; the State agency may assess other relevant aspects of program operation at their discretion. States should consider the totality of an SFA's responses and overall program operation when granting exemptions.

At a minimum, the following questions must be answered in the affirmative.

Meal Standards

Is the SFA certified as meeting the updated meal pattern requirements?

Is the SFA financially prepared to meet future meal pattern requirements (e.g. future sodium targets)?

Competitive Foods

Is the SFA taking specific steps toward meeting the new Smart Snacks in Schools standards for items sold from the school food service account, and does it have any projected financial considerations associated with these changes?

Administrative Reviews

Has the SFA corrected all deficiencies, implemented all corrective actions and complied with any fiscal action identified in the most recent Administrative Review Report?

Additional Considerations

The State agency should also consider the questions below to determine whether overall program quality is high enough to warrant approving the exemption request.

Meal Service and Participation

Are there simple menu improvements that could be made that would encourage students to select healthier meals and make the program more appealing? For example, has the SFA considered expanding offerings of fresh fruit and vegetables, and/or expanded variety of fruit and vegetables? Does the SFA use salad bars?

Is student acceptance/participation strong? Has the SFA made efforts to engage students in meal planning, taste testing, etc.?

Has the SFA established and implemented a wellness policy with the required elements?

Does the SFA comply with all requirements and follow best practices with regard to preventing overt identification?

Attachment to OM 18-15

March 17, 2015

Does the SFA utilize adequate signage, food placement and other marketing techniques effectively to promote the selection of reimbursable meals?

Resource Management

Has the SFA previously met all paid lunch equity requirements?

If applicable, is the SFA currently meeting all non-program food revenue requirements?

Professional Support

Does the SFA have all child nutrition staff vacancies filled? (If vacancies are primarily due to lack of funding, rather than other factors, an exemption should typically **not** be approved, since the funds that would be provided to the SFA through the PLE requirement could be used to fund staff)

Cafeteria and Kitchen Equipment

Does the SFA have necessary cafeteria and kitchen equipment for storing, preparing, and serving healthy meals and competitive foods?

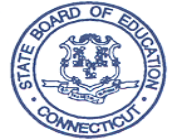
If the SFA has applied for federal grants to purchase equipment needed to serve healthier meals but has not received funding, did the SFA use its own funds to accomplish the proposed activities?

Free/Reduced Price Eligibility Determinations

Has the SFA done everything within its ability to improve the certification process to increase access to the program (e.g., maximize use of direct certification including homeless, runaway, migrant and foster children, etc.)?



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TO: Sponsors of the National School Lunch and School Breakfast Programs

FROM: John Frassinelli, Chief
Bureau of Health/Nutrition, Family Services and Adult Education

DATE: October 29, 2014

SUBJECT: **Operational Memorandum #4-15**
Paid Lunch Equity: School Year 2015-16 Calculations and Tool

School Program regulations at 7 CFR 210.14(e) require 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. There are two ways to meet this requirement: either through the prices charged for “paid” meals or 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 they are in compliance with these requirements for School Year (SY) 2015-16. In addition, the SY 2015-16 Paid Lunch Equity (PLE) tool to assist SFAs as they make these required calculations is attached to this memorandum.

SY 2015-16 Paid Lunch Equity Calculations

For SY 2015-16, SFAs which, on a weighted average, charged less than **\$2.70** for paid lunches in SY 2014-15 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 2.19 percent, or **4.19** percent.

SFAs are reminded that they must use their unrounded adjusted average paid lunch price requirement from SY 2014-15 when calculating the weighted average paid lunch price increase for SY 2015-16. For example, if the unrounded SY 2014-15 requirement was \$2.08 but the SFA opted to round down to \$2.05, the calculation of the SY 2015-16 requirement is based on the \$2.08 unrounded SY 2014-15 requirement.

If an SFA raised its weighted average paid lunch price above the required amount in SY 2014-15, that excess paid lunch price increase may be subtracted from the total SY 2015-16 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 2014-15, the shortfall must be added to the total SY 2015-16 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 2014-15 weighted average paid lunch price requirement and the SY 2014-15 weighted average paid lunch price.

Sources of Non-Federal Funds

For SY 2013-14 and SY 2014-15, the Food and Nutrition Service (FNS) expanded the definition of a non-Federal source to include all paid meals to help SFAs meet the Paid Lunch Equity (PLE) requirement and to acknowledge the continuing support by States and locals to improve access to and participation in the breakfast program. The FNS has received positive response to this flexibility.

Therefore, for SY 2015-16, SFAs may continue to count as a non-Federal source:

1. Per-meal non-Federal reimbursement for *any paid* meal (breakfast, lunch, etc.).
2. Any funds provided by organizations for *any paid* meal.
3. Any proportion attributable to *paid meals* from direct payments made from school district funds to support lunch service.

Credit for Excess Non-Federal Funds

If an SFA's SY 2014-15 estimate of the required contribution exceeded the actual level, that excess contribution may be subtracted from the total SY 2015-16 contribution requirement. Further, if the SY 2014-15 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 2015-16 PLE Tool

The first tab of the SY 2015-16 PLE tool includes detailed instructions on how to use the tool and what information is needed to complete the appropriate calculations. It is recommended that each user print and read the instructions before attempting to complete the calculations.

To assist SFAs making these required PLE calculations, the attached SY 2015-16 PLE tool makes the following calculations:

- weighted average paid lunch price for SY 2014-15;
- required paid lunch price increase for SY 2015-16; and
- required non-Federal source contribution required for SY 2015-16.

The PLE tool also takes into account adjustments to paid lunch prices made by the SFA in SY 2014-15 to calculate any credit or shortfall the SFA may have accrued for SY 2015-16. For SFAs that opted to contribute non-Federal funds, the PLE tool also calculates credits and shortfalls for the SY 2015-16 required non-Federal source contribution.

The SY 2015-16 PLE tool also includes a feature that makes calculations for SFAs that wish to split the SY 2015-16 requirement by both raising prices and contributing 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 2015-16 PLE tool, SFAs need the following information:

ALL SFAs need the following data to calculate the Weighted Average Price for SY 2015-16:

- SY 2014-15 Unrounded Price Requirement OR SY 2010-11 Weighted Average Price;
- all paid lunch prices for October 2014; and
- the number of paid lunches served associated with each paid lunch price in October 2014.

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

- the total number of paid lunches served in SY 2013-14; and
- the total dollar amount of SY 2011-12 , SY 2012-13, SY 2013-14 and SY 2014-15 non-Federal contributions.

SFAs that wish to split the SY 2015-16 requirement by both raising paid lunch prices and contributing 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 2016-17 calculations. SFAs can print the report and keep it in their records.

Questions may be directed to:

County	Consultant	Email	Phone Number
Fairfield	Fionnuala Brown	fionnuala.brown@ct.gov	860-807-2129
Hartford (towns/cities beginning with A-R)	Teri Dandeneau	teri.dandeneau@ct.gov	860-807-2079
Hartford (towns/cities beginning with S-W) & Windham County	Susan Alston	susan.alston@ct.gov	860-807-2081
Litchfield County	Allison Calhoun-White	allison.calhoun-white@ct.gov	860-807-2008
Middlesex & Tolland Counties	Andy Paul	andrew.paul@ct.gov	860-807-2048
New Haven	Jackie Schipke	jackie.schipke@ct.gov	860-807-2123
New London	Monica Pacheco	monica.pacheco@ct.gov	860-807-2073

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Attachment

This is a numbered Operational Memorandum that contains important program information. Please read carefully and retain in a binder for future reference. Operational Memoranda are posted on the Connecticut State Department of Education's Child Nutrition Web site at <http://www.sde.ct.gov/sde/cwp/view.asp?a=2626&q=320676>.