



Food and
Nutrition
Service

Park Office
Center

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DATE: June 02, 2017

MEMO CODE: SP 11-2017 Revised

SUBJECT: Paid Lunch Equity: School Year 2017-2018 Calculations and Revised Tool

TO: Regional Directors
Special Nutrition Programs
All Regions

State Directors
Child Nutrition Programs
All States

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.

On December 15, 2016, the Food and Nutrition Service issued memorandum SP 11-2017. This memorandum provided guidance on the calculations SFAs must make to ensure they are in compliance with the requirements for School Year (SY) 2017-18. In addition, the SY 2017-18 Paid Lunch Equity (PLE) tool was attached to the memorandum to help SFAs make the required calculations.

Program Operators reported a few errors associated with the SY 2017-18 PLE Tool that was released in December. A corrected version of the PLE Tool, to assist SFAs still in the process of completing PLE calculations for SY 2017-18, is attached to this memorandum and has been posted to PartnerWeb. The errors identified and their corrections are detailed below.

SFAs calculating paid lunch prices for SY 2017-18, after the date of this memo must provide documentation and use this revised tool. SFAs that already made calculations for SY 2017-18 using the previously issued SY 2017-18 PLE tool are not required to recalculate. If documentation is requested during a review, one of the following must be provided:

- Records demonstrating that a minimum average price of \$2.86 was charged for paid lunches or;
- Documentation showing the completed PLE tool issued on December 15, 2016 or;
- Documentation of a comparable calculation method to meet the estimated required paid meal prices and/or non-federal funds contributions.

Details of SY 2017-18 PLE Tool Corrections

(1) Unrounded Requirement Finder Tab Correction

Annual Unrounded Requirement Finder

- Error: In cell D16 which represents “Price 1: SY 2015-16 Requirement price to the nearest cent,” there was an oversight in updating the formula to take into consideration the cumulative inflation rate.
- Correction: The formula was corrected to include the cumulative inflation rate needed to accurately calculate “Price 1: SY 2015-16 Requirement price to the nearest cent.”

This correction only impacts SFAs that use the *Unrounded Requirement Finder* tab because documentation of their weighted average price requirement from the previous year is not available.

(2) Instructions Tab Correction

Tab 3 SY 2017-18 Price Calculator links

- Error: The SY 2017-18 Price Calculator links directed users to the SY 2016-17 Price Calculator tab and not the SY 2017-18 Price Calculator tab.
- Correction: The links now direct users to the correct tab (SY 2017-18 Price Calculator).

(3) Unrounded Requirement Finder Tab Correction

Click here to go to SY 2017-18 Price Calculator link

- Error: The SY 2017-18 Price Calculator link directed to the SY 2016-17 Price Calculator tab.
- Correction: The link now directs users to the correct price calculator (SY 2017-18 Price Calculator).

The hyperlink errors directed users to the incorrect tabs, but did not result in any inaccurate calculations in the tab or the rest of the tool.

State agencies are reminded to distribute this memorandum to Program operators immediately. Program operators should direct any questions regarding this memorandum to the appropriate State agency. State agency contact information is available at <http://www.fns.usda.gov/cnd/Contacts/StateDirectory.htm>. State agencies should direct questions to the appropriate FNS Regional Office.

A handwritten signature in blue ink, appearing to read "Sarah E. Smith-Holmes".

Sarah E. Smith-Holmes
Director
Program Monitoring and Operational Support Division
Child Nutrition Programs

Attachment