

The following provides guidance on the calculations the SFAs can use in order to ensure they are in compliance with the requirements for School Year (SY) 2020-21. **This tool is for the contiguous States.**

### **SY 2020-21 Paid Lunch Equity Calculations**

For SY 2020-21, SFAs which, on a weighted average, charged less than the target weighted average price of **\$3.09 (\$3.62 in Hawaii, Guam, The U.S. Virgin Islands, & Puerto Rico and \$5.01 in Alaska)** for paid lunches in SY 2019-20 are required to adjust their weighted average lunch price or add non-Federal funds to the non-profit school food service account. The amount per meal increase will be calculated using 2 percent rate increase plus the Consumer Price Index (2.94 percent),

SFAs are reminded that they must use their unrounded adjusted average paid lunch price requirement from SY 2019-20 when calculating the weighted average lunch price increase for SY 2020-21. For example, if the unrounded SY 2019-20 requirement was \$2.98 but the SFA opted to round down to \$2.95, the calculation of the SY 2020-21 requirement is based

If an SFA raised its weighted average paid lunch price above the required amount in SY 2019-20, that excess paid lunch price increase may be subtracted from the total SY 2020-21 paid lunch price increase requirement. SFAs must keep sufficient records to document and carry forward the weighted 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 2019-20, the shortfall

### **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 that by the difference between the SY 2019-20 weighted average paid lunch price requirement

### **Sources of Non-Federal Funds**

Beginning in SY 2013-14, FNS expanded the definition of a non-Federal source to include all paid meals to help SFAs meet the PLE requirement and to acknowledge the continuing support by States and locals to improve access to and participation in the breakfast program. FNS has received positive response to this flexibility.

**Therefore, for SY 2020-21, 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 2019-20 estimate of the required contribution exceeded the actual level, that excess contribution may be subtracted from the total SY 2020-21 contribution requirement. Further, if the SY 2019-20 estimate was less than required, additional funds from non-Federal sources must be added. The non-Federal Calculator tab in the PLE Tool for determining the estimated amount of non-Federal source contributions will allow for making these calculations using the same rationale as used for paid lunch prices (i.e., credit any extra funds contributed and account for any shortfalls when

## SY 2020-21 PLE Tool

The first tab of the SY 2020-21 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

To assist SFAs making these required PLE calculations, the attached SY 2020-21 PLE Tool makes the following calculations:

- Weighted average paid lunch price for SY 2019-20
- Required average weighted paid lunch price increase for SY 2020-21
- Required non-Federal source contribution required for SY 2020-21

The PLE Tool takes into account adjustments to paid lunch prices made by the SFA in SY 2019-20 to calculate any credit or shortfall the SFA may have accrued for SY 2019-20. For SFAs that opted to contribute non-Federal funds, the PLE Tool also calculates credits

Additionally, the SY 2020-21 PLE Tool includes a feature that makes calculations for SFAs that wish to split the SY 2020-21 requirement by both raising prices and contributing non-Federal funds. This option may be attractive to SFAs that do not want to raise the weighted average paid lunch price the entire amount that is required.

To use the attached SY 2020-21 PLE Tool, SFAs need the following information:

### ALL SFAs need the following data to calculate the Weighted Average Price for SY 2020-21:

- SY 2019-20 Unrounded Price Requirement OR SY 2010-11 Weighted Average Price
- All paid lunch prices for October 2019
- Number of paid lunches served associated with each paid lunch price in October 2019

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

- The total number of paid lunches served in SY 2018-2019
- The total dollar amount of SY 2011-12, SY 2012-13, SY 2013-14, SY 2014-15, SY 2015-16, SY 2016-17, SY 2017-18, SY 2018-19 and SY 2019-2020 non-Federal contribution

SFAs that wish to split the SY 2020-21 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 2021-22 calculations. SFAs can print the report and keep it in their records.

















