#### Paid Lunch Equity (PLE) School Year 2012-2013

Colorado Department of Education Office of School Nutrition



### PLE: What is it?

- The Healthy, Hunger-Free Kids Act of 2010 requires most School Food Authorities (SFAs) to raise prices for paid lunches.
- Why? Historically, prices charged for paid meals have been lower than the cost to produce these meals, and so funds received for free & reduced meals often end up subsidizing the paid meals.



### PLE: So, What Do I Need to Do?

- For school year 2012-2013, SFAs charging, on average, less than \$2.51\* for lunch must:
  - Ensure sufficient funds are provided for paid meals
    - By raising prices OR
    - By contributing non-federal sources to the food service account
  - Complete the PLE tool and send it to CDE
- For school year 2012-13, SFAs charging, on average, \$2.51\* or more for lunch must:
  - Complete the PLE tool and send it to CDE

\*(The PLE tool will help you to determine the average price.)



# PLE Tool: What Info Is Needed to Complete It?

- Before completing the PLE tool, most SFAs will need to gather the following info:
  - All paid lunch prices for October 2010
  - The number of paid lunches served, associated with each paid lunch price, in October 2010
  - All paid lunch prices for October 2011
  - The number of paid lunches served, associated with each paid lunch price, in October 2011
  - Total number of paid lunches served in 2010-2011
- The PLE tool can be located on the CDE website at <u>http://www.cde.state.co.us/cdenutritran/nutriReauthorization.htm</u>



# PLE Tool: How to Complete It? Step 1

- Do you know your average price charged in 2010-2011?
  - Yes: In the PLE tool, go to the tab "SY 11-12 Price Requirement" and type your average price into the orange box.
  - No:
    - In the PLE tool, go to the tab "SY 10-11 Price Calculator." Type in the # of meals served in Oct 2010 and the prices charged for these meals.
    - Take the "weighted average price" this calculates for you. Go to the tab "SY 11-12 Price Requirement" and type in this average price.
- Cell E8 indicates the price that should have been charged in 11-12 to meet the requirement.



# PLE Tool: How to Complete It? Step 2

- Go to the tab "SY 12-13 Price Calculator"
  - Type in the # of meals served in Oct 2011 and the prices charged for these meals.
  - This sheet compares the average price charged in 2011 12 with the price that is required to be charged in 12-13.
  - Look at Cell E34. This is the amount that should be charged in 2012-2013, in order to meet the requirement. If the SFA is already charging enough, this box will say, "No price increase necessary."
- So, if a price increase is necessary, again, there are two options:
  - Increase prices
  - Contribute non-federal sources (see next slide)



# PLE Tool: How to Complete It? Step 3 (optional)

- If you would like to contribute non-federal sources to the food service account instead of raising prices, go to the "SY 12-13 NonFederal Calculator" tab
  - Fill in your 2011-12 average weighted price, in the first orange box (Cell C12)
  - Fill in the total number of paid lunches served in 2010-11, in the second orange box (Cell B17)
  - Enter any non-federal funds contributed in 2011-12, in the third orange box (Cell C25)
- Cell D22 will show you the total amount of non-federal funds needed for 12-13.



### PLE Tool: How to Complete It? Step 4

- The tab "SY 12-13 Report" will be used to help SFAs complete the PLE requirement next year (2013-14).
  - In the orange box (Section 2), if you have determined that an increase is necessary, indicate whether you will be increasing prices or contributing non-federal sources.
  - Be sure to note the green boxes. These are an FYI to show whether the SFA has any credit or shortfall that will be carried forward and will impact the PLE calculation for 2013-14.



# PLE: Next Steps

- If you have determined that sufficient funds are already being provided for paid meals, you need only to complete and submit the PLE tool to CDE.
- If you have determined that an increase is necessary, you will need to:
  - Increase prices\* or contribute non-federal funds
  - Submit the PLE tool to CDE
  - \*If increasing prices, submit the Request for a Meal Price Increase to CDE (this can be found at <u>http://www.cde.state.co.us/cdenutritran/nutriprogramr</u> <u>enewal.htm</u>)
- Next year, another PLE tool will be issued and required, to provide guidance for the requirements for 2013-14.



#### PLE: Questions?

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- Thank you!

