

DATE: November 13, 2015

MEMO CODE: SP 09-2016

SUBJECT: Paid Lunch Equity: School Year 2016-2017
Calculations and Tool

TO: Regional Directors
Special Nutrition Programs
All Regions
State Directors
Child Nutrition Programs
All States

SY 2016-17 Paid Lunch Equity Calculations

For SY 2016-17, SFAs which, on a weighted average, charged less than \$2.78 for paid lunches in SY 2015-16 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 (2.97 percent), totaling 4.97 percent. SFAs are reminded that they must use their unrounded adjusted average paid lunch price requirement from SY 2015-16 when calculating the weighted average lunch price increase for SY 2016-17. For example, if the unrounded SY 2015-16 requirements was \$2.08 but the SFA opted to round down to \$2.05, the calculation of the SY 2016-17 requirements is based on the \$2.08 unrounded SY 2015-16 requirements.

2015-16 Calculation was .12 cents. We proposed .10 instead.
2016-17 Calculation based on \$2.47 & \$2.63 is .12 cents and .13 cents. My recommendation is to still stay at the .10 cents increase. I further recommend that we raise adult prices to \$3.75 from \$3.50.