

TO Sponsors of School Nutrition Programs

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DATE July 14, 2016

RE Calculating a Minimum Adult Meal Price-Revised

MESSAGE:

According to the United States Department of Agriculture (USDA) FNS Instruction 782-5 Rev. 1, Adult meal prices for School Nutrition program (SNP) sponsors are not permitted to be subsidized by federal reimbursements, children’s payments, and other non-designated nonprofit food service revenues.

For **Pricing SNP sponsors**, (those who charge for meals served to students), the adult meals must be priced greater than the highest paid student meal price at your school.

Adult meal price for **lunch** must include:

- the highest paid student meal price at your school
- plus the state reimbursement
- plus the federal reimbursement for a paid meal
- plus the commodity rate

Adult meal price for **breakfast** must include:

- the highest paid student meal price at your school
- plus the state reimbursement
- plus federal reimbursement

Please note: The state reimbursement, federal reimbursement and commodity rates are based on the prior school year information.

Example:

	<i>LUNCH</i>	<i>BREAKFAST</i>
state reimbursement	\$.10	\$.10
plus lowest federal reimbursement for a paid meal	+\$.29	+\$.29
plus the commodity rate	+\$.2375	N/A
	<hr/> = \$.6275	<hr/> = \$.39
round up to the nearest ten	= \$.62	N/A
plus the highest paid student meal price at your school	+ \$2.30	+ \$1.30
minimum price of an adult meal	<hr/> = \$2.92	<hr/> = \$1.69



For **Non-Pricing SNP sponsors**, (those who do not charge students for meals), including Community Eligibility Provision (CEP) sponsors, Adult meal price for **lunch** must be:

- the amount of the federal reimbursement
- plus the state reimbursements received for free lunch,
- plus the commodity rate
- plus the school year Paid Lunch Equity weighted Average Price requirement.

Adult meal price for **breakfast** must be:

- the rate established for free meals
- plus the commodity rate

Please note: The state reimbursement, federal reimbursement and commodity rates are based on the prior school year information. The weighted average price requirement is based on the Paid Lunch Equity for the current school year (2016-2017).

Non-Pricing SNP sponsors, including those participating in CEP, must charge Adults \$3.40 for Lunch and at least \$0.39 for Breakfast for the 2016-2017 school year.

	<i>LUNCH</i>	<i>BREAKFAST</i>
State reimbursement	\$0.10	\$0.10
Federal Reimbursement	\$.29	+\$.29
plus the commodity rate	+\$.2375	N/A
plus 2016-2017 weighted average price	+\$.278	N/A
minimum price of an adult meal	<u>=\$3.4075</u> (\$3.40)	<u>=\$0.39</u>