April 24, 2023

TO: School Food Authorities participating in the National School Lunch Program

RE: Revised - **SY 2023-24 Paid Lunch Equity (PLE) Tool**

 **Action Required: Submit PLE Tool or Exemption Request**

 **Due: May 19, 2023**

School Food Authorities (SFAs) participating in the NSLP must 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. Per  [7 CFR 210.14(e )](https://www.ecfr.gov/current/title-7/subtitle-B/chapter-II/subchapter-A/part-210#p-210.14(e)) School Food Authorities (SFA’s) are required to establish prices for paid lunches at a price that is, on average, equal to the difference between free meal reimbursement and the paid meal reimbursement. This requirement is referred to as Paid Lunch Equity.

In [USDA Memo SP 06-2023 Consolidated Appropriations Act, 2023: Effect on Child Nutrition Programs](https://www.fns.usda.gov/cn/consolidated-appropriations-act-2023-effect-programs), published on March 3, 2023, USDA announced that in Section 752 of Division A of the Appropriations Act, Congress provided an exception to the PLE requirements for SY 2023-2024. It stated that only SFAs that had a negative balance in the nonprofit school food service account as of June 30, 2022, shall be required to establish prices for paid lunches according to the PLE provisions in the National School Lunch Program regulations at [7 CFR 210.14(e)](https://www.ecfr.gov/current/title-7/subtitle-B/chapter-II/subchapter-A/part-210#p-210.14(e)). Therefore, the guidance that follows is separated into two categories: SFAs that qualify for the exemption and SFAs that do not qualify for the exemption.

**SFAs Qualifying for the SY 2023-2024 PLE Exemption**

For SY 2023-2024, SFAs with a positive or zero balance in the nonprofit school food service account as of June 30, 2022, intending to implement the exemption from PLE pricing requirements must communicate this intent to ODE Child Nutrition Programs by completing this online [Paid Lunch Equity Reporting Form](https://app.smartsheet.com/b/form/9d6eb9e1b09242d8b8d60deb9db3643a). To complete this form, SFA’s will be required to provide the balance of the nonprofit food service account as of June 30, 2022.

**SFAs Not Qualifying for the SY 2023-2024 PLE Exemption**

SFAs that had a negative balance in the nonprofit school food service account as of June 30, 2022, must follow PLE requirements according to [7 CFR 210.14(e)](https://www.ecfr.gov/current/title-7/subtitle-B/chapter-II/subchapter-A/part-210#p-210.14(e)) when establishing their paid lunch prices for SY 2023-2024. SFAs must use the [USDA’s SY 2023-2024 PLE Tool](https://www.oregon.gov/ode/students-and-family/childnutrition/SNP/Documents/Contiguous%20States%20PLE%20Tool.xlsx) to determine the required paid lunch prices.

In the PLE tool SFAs may use the prices last charged to students as the basis for their SY 2023-2024 paid lunch price calculation, even if those prices were charged during a year the SFA was not required to comply with PLE requirements. For example, SFAs that received flexibility under the PLE waiver during SY 2022-2023 or that were exempt based on the FY 2022 Appropriations Act may use prices charged during SY 2022-2023 to determine their PLE requirement for SY 2023-2024.

School Food Authorities that currently charge less than the amount needed to create paid lunch equity can meet the PLE requirement in one of three ways:

* Increasing prices charged for paid lunch meals
* Providing non-federal funding sources to the nonprofit school food service account in the amount indication in the PLE tool; or
* A combination of paid meal price increases and contribution of nonfederal funds.

School Food Authorities who are not eligible for the PLE requirement exemption must submit the completed USDA School Year [2023 -2024 PLE Tool](https://www.oregon.gov/ode/students-and-family/childnutrition/SNP/Documents/Contiguous%20States%20PLE%20Tool.xlsx) to ODE CNP. The completed tool must be uploaded to this online [Paid Lunch Equity Reporting Form](https://app.smartsheet.com/b/form/9d6eb9e1b09242d8b8d60deb9db3643a).

Please refer to [Paid Lunch Equity at A Glance](https://www.oregon.gov/ode/students-and-family/childnutrition/SNP/Documents/Paid%20Lunch%20Equity%20At%20a%20Glance.docx) and the instructions provided in the USDA PLE tool for specific information. Please contact your [assigned specialist](https://www.oregon.gov/ode/students-and-family/childnutrition/SNP/Documents/Sponsor%20Support%20List.docx) if you have any questions.

Thank you,



Michelle Fleener

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Child Nutrition Programs

Office of Child Nutrition, Research, Accountability, Fingerprinting and Transportation

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