



Paid Lunch Equity (PLE)

The purpose of the Paid Lunch Equity is to ensure that schools are charging an equitable price for the paying student lunch price, coupled with Federal reimbursement to be balanced with the reimbursement given for Federal free meals and reduced meals served. The USDA expects SFAs to not subsidize paid meals with Federal free reimbursement.

USDA MEMO: <https://www.isbe.net/Documents/PLE-Guidance-SY-20-21.pdf>

When the PLE Tool is not required:

Each year the question comes up: Do I have to complete the PLE Tool? There are two situations in which you will not have to fill out the PLE Tool:

- Charging above the USDA Target Rate: \$3.09 (2020-21), \$3.00 (2019-20), \$2.92 (2018-19), \$2.86 (2017-18)
- Part of the Community Eligibility Provision (CEP) program and all of your meals are served free of charge to students (**NOT REQUIRED, BUT BEST TO KEEP UP WITH TOOL FOR DOCUMENTATION PURPOSES AND IN THE EVENT SFA LEAVES CEP PROGRAM, WILL HELP TO SET LUNCH PRICES**).

Requirements to complete Paid Lunch Equity tool:

- 2010-11 lunch prices (If SFA has never completed the PLE Tool or does not have one on record).
- Current lunch prices

If required to raise, what are your options?

- Raise lunch prices
- Contribute Non-Federal funds to the National School Lunch Program Account
- Apply for a waiver, if available

Options defined:

Raising lunch prices:

- \$0.10 Cap - \$0.10 is the maximum ISBE can enforce raising lunch prices to be in compliance. School Food Authority (SFA) has the right to raise lunch prices as much as they desire and approved by administration. ISBE is only responsible for requiring \$0.10, what the SFA raises above \$0.10 is at their discretion.

- \$0.10 requirement to raise lunch prices only applies to PAID LUNCHES. Reduced lunches are required to be no more than \$0.40. Recently we have noticed several SFAs raising Reduced Price lunches \$0.10 with paid lunches.
- <https://www.isbe.net/Documents/PLE-Guidance-SY-20-21.pdf>

Options defined (Continued):

Contributing Nonfederal Funds:

- If the SFA looks to use nonfederal funds to support the lunch program, in place of raising lunch prices to paid students, you will need to complete the tab on the PLE tool, with prior year's annual paid lunch count.
- Those SFAs already running a deficit: Board approval to not raise lunch prices and acknowledgment of shortfall from nonfederal contribution tab is required for compliance. SFAs with a positive balance year to year: Board approval to contribute nonfederal funds and general ledger statement showing the transaction required.

Waivers:

- For school years 2018-19 and 2019-20, Congress has passed appropriations to allow School Food Authorities with a zero or positive balance to exempt out of raising lunch prices for students.
- If a School Food Authority is approaching its net cash resources (For Profit Threshold), School Food Authority may request an exemption from ISBE to not raise lunch prices, in fear the rise would result in going over threshold.

Possible Citations under Paid Lunch Equity

- Failure to complete Paid Lunch Equity Tool
- Failure to raise lunch prices or contribute nonfederal funds adequately to satisfy tool requirements

ISBE Video on PLE

<https://vimeo.com/339360939>