



STATE OF MICHIGAN
DEPARTMENT OF EDUCATION
LANSING



RICK SNYDER
GOVERNOR

MICHAEL P. FLANAGAN
SUPERINTENDENT OF
PUBLIC INSTRUCTION

June 23, 2011

MEMORANDUM

TO: Local and Intermediate School Superintendents, Public School Academy Directors, and Non-public School Administrators

FROM: Carol Wolenberg, Deputy Superintendent *Carol*

SUBJECT: Paid Lunch Equity and Non-Federal Sources

The Healthy, Hunger-Free Kids Act (HHFKA) of 2010 was signed into law by President Obama in December 2010. It contains many different changes to the various child nutrition programs. One part of this legislation requires schools to adjust their paid meal prices in accordance to the United States Department of Agriculture (USDA) guidelines. Those guidelines can be found below. As part of this guidance, the USDA allows districts to not raise their prices if they can provide the school food service program funds from non-federal sources. These sources are defined in the guidance as well. The Michigan Department of Education (MDE) has determined that a prorated amount of 31d funds can be used for this purpose (see #2 below). Following is MDE's guidance on these two important topics:

- 1) Paid Lunch Price Equity – The link below provides recent guidance from USDA http://www.fns.usda.gov/cnd/governance/Policy-Memos/2011/SP39-2011_os.pdf. At your earliest convenience prior to the start of the new school year, USDA requires all SFAs to complete this Excel file http://www.michigan.gov/documents/mde/pletool_355770_7.xls in order to determine their average lunch price. Please complete this form and retain for your records. If you have not yet adjusted your lunch prices or found a source of non-federal funds in order to be in compliance with the Paid Lunch Equity portion of the HHFKA, please do so prior to the beginning of the 2011-2012 school year. If you have already adjusted your prices and/or found a source of allowable non-federal funds, in a good faith effort to address this issue, please complete the calculation and retain for your records. No further action will be required, although you can use this information to make pricing changes at your discretion.

STATE BOARD OF EDUCATION

JOHN C. AUSTIN – PRESIDENT • CASANDRA E. ULBRICH – VICE PRESIDENT
NANCY DANHOF – SECRETARY • MARIANNE YARED MCGUIRE – TREASURER
RICHARD ZEILE – NASBE DELEGATE • KATHLEEN N. STRAUS
DANIEL VARNER • EILEEN LAPPIN WEISER

608 WEST ALLEGAN STREET • P.O. BOX 30008 • LANSING, MICHIGAN 48909
www.michigan.gov/mde • (517) 373-3324

- 2) 31d Funds – Consistent with the recent guidelines regarding allowable sources of non-federal funds, the Michigan Department of Education will allow a proration of 31d funds to be used as a source of revenue. For the purpose of calculating the amount of 31d funds that can be used in place of increasing prices, a district can take its paid lunches divided by its total lunches to calculate a percentage of paid lunches. The district would then multiply that percentage by the total 31d State Supplemental payment and use the resulting amount toward Paid Lunch Price Equity, if desired. See question #7 of the guidance from USDA for an example.

As time goes on, there will be many other changes in the school nutrition programs. MDE will continue to update interested parties on a timely basis. Any questions can be directed to mde-schoolnutrition@michigan.gov.

cc: Michigan Education Alliance