

**COUNCIL ROCK SCHOOL DISTRICT**  
**MEAL CHARGE PROCEDURE**

**Purpose**

The US Department of Agriculture 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. The following pricing procedures are developed to ensure the District complies with regulation.

**Guidelines**

On an annual basis, as part of the Food Service contract renewal process, Director of Business Administration will calculate the minimum allowable adult lunch price for the elementary and secondary schools as follows:

<b>Per Meal:</b>	
State Reimbursement	\$X.XX
Federal Reimbursement	X.XX
Commodity Rate	X.XX
Highest Paid Lunch Price Students Pay	<u>X.XX</u>
	<u><u>\$X.XX</u></u>

The Federal and state reimbursement rates are contained on the Claim Rate for SNP located on the PEARS, Claims tab, Claim Rates section. The Commodity rate is provided each year by the Pennsylvania Department of Education and appears on the attached memo.

This minimum adult meal rate must be used to develop the actual adult meal rate annually. At no time can the actual adult meal rate be less than this rate. The staff should be notified of the change in meal rates at the beginning of the school year.



**MEMO**

**TO** Sponsors of School Nutrition Programs

**FROM** Dianne Dabulis, RD, MPA, LDN  
Nutrition Education & School Nutrition Programs Manager

**DATE** May 23, 2017

**RE** Calculating a Minimum Adult Meal Price

**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 price of the student highest price paid meal. Adult meals for **lunch** include: the highest value that students pay, plus state reimbursement, plus federal reimbursement for a paid meal, plus the commodity rate. Adult meals for **breakfast** include: the highest value that the students pay, plus the state reimbursement, plus federal reimbursement. The 2016-2017 SY data is used to calculate the 2017-2018 SY formula in the example below.

**For example:**

	<i>LUNCH</i>	<i>BREAKFAST</i>
state reimbursement	\$0.10	\$0.10
plus (+)the lowest federal reimbursement for a paid meal	+\$0.30	+\$0.29
plus (+) the commodity rate	+\$0.23	N/A
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	=\$0.63	=\$0.39
plus (+) the highest paid lunch price that students pay	+\$X.XX	+\$X.XX
<b>equals (=) the adult meal price</b>	<hr/> <b>=\$X.XX</b>	<hr/> <b>=\$X.XX</b>



For **Non-Pricing SNP sponsors**, those who do not charge students for meals, for example, sponsors participating in Community Eligibility Provision, Residential Child Care Institutions and other SNP sponsors; the adult meals price for **lunch** must be: at least the amount of federal and state reimbursements received for free lunch, plus the per-meal value of both entitlement and bonus donated foods. The adult meals price for **breakfast** must be: the rate established for free meals plus the value of bonus commodities. The 2016-2017 SY data is used to calculate the 2017-2018 SY formula in the example below.

**For example:**

	<i>LUNCH</i>	<i>BREAKFAST</i>
state reimbursement	\$0.10	\$0.10
plus (+) federal reimbursement for a free meal	\$3.16	+\$1.71
plus (+) the commodity rate	+\$0.23	N/A
<b>equals (=) the minimum price of an adult meal</b>	<b>=\$3.49</b>	<b>=\$1.81</b>

Please understand that rates may change **annually**. Because of this, please reference the current year Claim Rates for SNP located on PEARS, Claims tab, Claim Rates section prior to calculating your adult meals price.