



# ALL ABOUT Paid Lunch Equity (PLE)

## USDA REQUIREMENTS

The PLE rules exist to ensure the Food Service Fund (Fund 25) is supported equally by federal reimbursements and paid student lunch prices.

The USDA issues a new PLE tool every year to assist School Food Authorities (SFA's) in determining if a price increase is necessary.

Completing the PLE tool is an annual requirement, which builds off the previous year's tool.

There are two ways to meet the price increase requirement:

1. Increase paid student lunch prices to meet the minimum required price on average.
2. Transfer non-federal funds to the Food Service Fund instead of a price increase.

PLE tools are collected and reviewed by MDE during Resource Management (RM) reviews.

\*The PLE tool does not apply to SFAs that are Community Eligibility Provision (CEP) districtwide.

## Be Careful...

**Important:** Repeat PLE findings could result in a requirement to move general funds or non-federal funds into the Food Service Fund to cover the amount not collected from paid student lunch prices.

**Common PLE Findings:** The PLE tool is not completed or it is not completed correctly.

Also, some SFAs do not raise prices enough.



## Best Practices



Take price increases to the School Board by June.



Use updated paid student meal price to complete the Adult Pricing Worksheet prior to new school year.



Update Point of Sale Systems with new student and adult prices prior to new school year.



Communicate new prices to families, staff, and stakeholders over the summer.

## Special PLE Exemption

- ✓ The ability to not raise prices for School Year (SY) 2020-2021 is temporarily allowed for SFAs with a positive fund balance as of December 31, 2019.
  - SFAs may choose to raise prices to avoid larger price increases in upcoming years.
- ✓ Completing the PLE tool is still required.
- ✓ SFAs with a negative fund balance must raise prices.
- ✓ Save completed PLE tool in Microsoft Excel format.
- ✓ SFAs taking the exemption must keep an updated Detailed General Ledger that documents the positive fund balance as of December 31, 2019.
- ✓ Respond to MDE's PLE Exemption Poll in Fall 2020.

## THE FINE PRINT

- Paid Lunch Equity Regulations at 7 CFR 210.14(e)
- USDA Memo [SP07-2020 Paid Lunch Equity: Guidance for School Year 2020-2021](#)
- Part of the [Healthy Hunger Free Kids Act of 2010](#)
- This institution is an equal opportunity provider

## CONTACT INFORMATION

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## Completing The Tool



### What do I need to begin the process?

- ✓ SY19-20 PLE tool
- ✓ SY19-20 paid student meal prices
- ✓ October 2019 paid student meal counts
- ✓ [PLE tool instructions](#) provided by MDE
- ✓ New [SY 20-21 PLE tool](#)

### Be Careful...

**Important:** Do not modify the tool's protected cells. Only the peach-colored cells/boxes are meant to enter your data.

**Important:** PDF versions of the PLE tool are not accepted.

### What should I do?

Follow the [PLE tool instructions](#) provided by MDE.

For most SFAs, only the first two tabs, the "Unrounded Requirement Finder" and the "SY 20-21 Price Calculator" are necessary.

We recommend SFAs seek advice from MDE before filling out the other tabs.

Enter your data into the peach-colored cells/boxes.

If a price increase is required, make sure all paid prices are raised in combination to pull the entire weighted average price up to the minimum required price.

Save an electronic copy of the PLE tool in its Excel format.

SFAs will need to submit PLE tools to MDE during RM reviews.

### Website Links

<https://www.fns.usda.gov/cn/paid-lunch-equity-guidance-school-year-2020-21>  
<https://www.fns.usda.gov/school-meals/healthy-hunger-free-kids-act>  
[https://www.michigan.gov/documents/mde/PLE\\_Tool\\_SY\\_2020-2021\\_688080\\_7.xlsx](https://www.michigan.gov/documents/mde/PLE_Tool_SY_2020-2021_688080_7.xlsx)  
[https://www.michigan.gov/documents/mde/Paid\\_Lunch\\_Equity\\_Tool\\_Instructions\\_SY2020-21\\_686614\\_7.pdf](https://www.michigan.gov/documents/mde/Paid_Lunch_Equity_Tool_Instructions_SY2020-21_686614_7.pdf)

### SAVE THE DATE!

Complete PLE tools and implement price increases prior to the first day of the new school year.

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**MICHIGAN**  
Department of **Education**