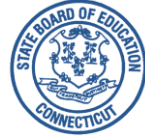





STATE OF CONNECTICUT
DEPARTMENT OF EDUCATION



TO: Sponsors of the National School Lunch Program (NSLP) and School Breakfast Program (SBP) that had a Zero or Positive Fund Balance as of June 30, 2022

FROM: Shannon Yearwood, Bureau Chief 
Bureau of Child Nutrition Programs

DATE: October 13, 2023

SUBJECT: **Operational Memorandum No. 03-2024**
New Paid Lunch Equity (PLE) Allowances for School Year 2023-24 Only

Some school food authorities (SFA) have requested to use excess funds in the nonprofit school food service account (NSFSA) to provide meals at no cost to students not eligible for free or reduced-price meals (i.e., paid eligibility status). Under normal circumstances, the requirements of [7 CFR 210.14\(e\)](#) prohibit SFAs from using NSFSA funds to lower the price of paid NSLP meals beyond the minimum amount SFAs must charge as determined by the Paid Lunch Equity (PLE) tool. The CSDE challenged the application of this regulation given that the U.S. Department of Agriculture (USDA) issued guidance that stated that SFAs with a positive or zero balance in the NSFSA as of **June 30, 2022**, are exempt from the PLE pricing requirements of 7 CFR 210.14(e) for SY 2023-24 if they requested an exemption from the PLE requirements. See: [Operational Memorandum No. 13-23, Paid Lunch Equity: Guidance for School Year 2023-24](#).

The CSDE was successful in this argument and, therefore, SFAs that had a positive balance in the NSFSA as of June 30, 2022¹, and request an exemption using the new PLE exemption request for SY 2023-24, are now allowed to use excess funds from the NSFSA to lower or eliminate the household share for one NSLP meal per day per student eligible for paid meals during SY 2023-24 only.

For SFAs to participate in this new opportunity, a new [PLE exemption request](#) for this purpose must be submitted to the CSDE by **October 31, 2023**. All questions on the PLE exemption request must be completed and submitted to the CSDE by *one of the SFA's two authorized signers (not the food service director)*, including:

1. The SFA's attestation to having a positive or zero balance in the NSFSA as of **June 30, 2022**.
2. The date the SFA will implement this initiative.

¹ As of the date of this Operational Memorandum, USDA has **not** authorized any PLE flexibilities regarding zero or positive balances in the NSFSA as of June 30, 2023.

3. The date the SFA will cease implementing this initiative.

SFAs will also be required to include information regarding this initiative in their *Plan to Reduce Excess Operating Balance*. This must be submitted with the SFA's Financial Report in the CSDE's Connecticut Online Application and Claiming System for Child Nutrition Programs (CNP System). As a reminder, the Financial Report and *Plan to Reduce Excess Operating Balance* are due to the CSDE by **October 31, 2023**.

Note that SFAs cannot use funds from the NSFSA to pay for unpaid meal charges that have already occurred in SY 2023-24.

Additionally, SFAs that qualify for the PLE exemption for SY 2023-24 are still required to use their current student price or establish a new paid lunch price, however they are not required to comply with the PLE pricing requirements or use the PLE tool.

Questions may be directed to your CSDE [school nutrition team member](#).