




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: May 17, 2024

SUBJECT: Operational Memorandum No. 10-24
New Paid Lunch Equity (PLE) Allowances for School Year (SY) 2023-24 Only –
Offsetting Unpaid School Meal Charges

School food authorities (SFA) participating in the National School Lunch Program (NSLP) may now use excess funds in the nonprofit school food service account (NSFSA) to reduce or eliminate the SFAs balance of unpaid school meal charges prior to June 30, 2024, by opting in to the PLE exemption offered for this purpose for SY 2023-24 only. Under normal circumstances, the requirements of 7 CFR 210.14(e) prohibit SFAs from using NSFSA funds to pay for unpaid school meal charges; however, the Connecticut State Department of Education (CSDE) challenged the application of this U.S. Department of Agriculture (USDA) regulation and was successful with USDA in this argument.

Therefore, SFAs that had a zero or positive balance in the NSFSA as of **June 30, 2022**, and request an exemption using the **new** SY 2023-24 PLE exemption request by May 31, 2024, will be allowed to use excess funds from the NSFSA to reduce or eliminate students' unpaid meal charges incurred in SY 2023-24 for reimbursable meals provided through the NSLP and the SBP. Note: Spending NSFSA funds for this purpose must be completed prior to June 30, 2024, and may not reduce the quality of meals served through the SBP and NSLP. Utilizing the NSFSA for this purpose, after June 30, 2024, is not allowed since unpaid meal charges after June 30, are considered bad debt.

For SFAs to participate in this opportunity, SFAs must complete two items **by May 31, 2024**. Firstly, submit a new [PLE Exemption Request for Unpaid Meal Charges for SY 2023-24](#) prior to May 31, 2024. 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;
3. The total amount of unpaid meal charges to date; and,
4. The total amount of excess funds the SFA will use to pay for unpaid school meal charges for reimbursable meals.

Secondly, SFA's opting to use this new flexibility must also modify their [Plan to Reduce Excess Operating Budget](#) by uploading a written summary that includes the modifications to the approved plan and lists the amount of excess funds that the SFA will use to pay for unpaid school meal charges from reimbursable meals prior to June 30, 2024. This document must be uploaded in the CSDE's Connecticut Online Application and Claiming System for Child Nutrition Programs (CNP System) under Financial Reports as a Corrective Action Plan Attachment for SY 2023-24.

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

SKY:tdd

Important: This is a numbered Connecticut State Department of Education (CSDE) operational memorandum that contains important program information. Please read carefully and retain for future reference. All CSDE operational memoranda are posted on the [CSDE's Operational Memoranda for School Nutrition Programs webpage](#).