

# *OSPI School Meal Programs Reference Sheet*

## **Revenue from Nonprogram Foods**

The purpose of the Revenue from Nonprogram foods rule is to ensure that revenue from the sale of nonprogram foods generates at least the same proportion of revenue as they contribute to the Local Education Agency's (LEAs) food costs.

### **Requirements**

- LEAs must complete revenue calculations to determine if the revenue from nonprogram foods generates at least the same proportion of revenue as they contribute to the LEAs food cost.
  - Track nonprogram food costs separately from program food costs
  - Track nonprogram revenue separately from program food revenue
- If the proportion of nonprogram food revenue is less than the proportion of nonprogram food costs, LEAs must increase prices of nonprogram foods.

### **Nonprogram Foods:**

A nonprogram food is a food (including beverages) that is sold in a participating school other than a reimbursable meal and is purchased using funds from the school food service account. These include but are not limited to:

- A la carte items sold in competition with school meals;
- Adult meals;
- Items purchased for fund raisers, vending machines, school stores, etc. and
- Items purchased for catering and vended meals.

### **Calculating Nonprogram Foods Costs:**

- Include only food costs.
  - If the food service department purchases and prepares food items on behalf of other school entities, then include food and labor
- Reference period
  - Make calculations using a reference period of at least 5 consecutive operating days.
  - Cost and reference data must come from the same time periods.
  - If you purchase and prepare food for another school entity, choose a reference period that includes these activities.
  - Best practice is to use a one-month reference period.



## Nonprogram Revenue Tool

The USDA has developed a Nonprogram Revenue Tool to help LEAs calculate the amount of revenue required to meet the new requirements. To use the tool, the LEA must collect the cost of both program and non-program food and the total revenue from the previous school year. Based on these amounts, the tool will calculate the minimum amount of revenue from non-program foods that is required to meet this requirement. The tool will also calculate the additional revenue, if any, needed to comply

## Resources

- [Nonprogram Food Revenue Tool](#)
- [ICN Financial Management Information System](#) – Guidance on non-program food pricing and school food service account management (see page 73)

## Reference

- [SP20-2016: Nonprofit School Food Service Account Nonprogram Food Revenue Requirements](#)
- [SP13-2014: School Food Service Account Revenue from the Sale of Nonprogram Foods](#)
- [SP39-2011: Guidance on Paid Lunch Equity and Revenue from Nonprogram Foods](#)

## Acronym Reference

- ICN – Institute of Child Nutrition
- LEA – Local Education Agency
- NSLP – National School Lunch Program
- OSPI – Office of Superintendent of Public Instruction
- SP – School Program
- USDA - United States Department of Agriculture