

Revenue from Non-Program Foods

The purpose of the Revenue from Non-Program foods rule is to ensure that revenue from the sale of non-program foods generates at least the same proportion of revenue as they contribute to the LEAs food costs.

Requirements

- ✓ LEAs must complete revenue calculations to determine if the revenue from non-program 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 non-program food revenue is less than the proportion of non-program food costs, LEAs must price non-program food items accordingly to generate required revenue.

Non-Program Foods

A non-program food is a food (including beverages) 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.

LEAs have two options to ensure adequate revenue is generated:

1. School Year Calculation

The LEA must collect the cost of both program and non-program food and the total revenue from the previous school year. Next, calculate the minimum amount of revenue that is required from non-program foods to meet the requirement. Make any necessary price adjustments to non-program foods.

2. Reference Period Calculation

The LEA must collect the cost of both program and non-program food and the total revenue from the same time period for a minimum of a five consecutive days during the school year. Next, calculate the minimum amount of revenue that is required from non-program foods to meet the requirement. Make any necessary price adjustments.

OSPI CNS School Meal Programs Reference Sheet

Non-program Revenue Tool

The USDA has developed a [Non-program Revenue Tool](#) to help LEAs make the calculations. To use the tool, the LEA must collect the cost of both program and non-program food and the total revenue using one of the options. 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.

* LEAs that purchase non-program food items for other district programs such as the booster club or DECA. LEAs must follow some additional specific requirements for calculating the revenue from non-program foods.

** Only food costs are used in the calculations. There is no requirement to include labor costs in the calculations unless non-program foods are purchased for other district programs.

Resources:

- ✓ [NFSMI Financial Management Information System](#)
Guidance on non-program food pricing and school food service account management (see page 72)

Reference:

- ✓ [OSPI CNS Web Pages – Program Application and Requirements](#)

Acronym Reference

-CNS	Child Nutrition Services
-LEA	Local Education Agency
-NFSMI	National Food Service Management Institute
-NSLP	National School Lunch Program
-OSPI	Office of Superintendent of Public Instruction
-SBP	School Breakfast Program
-SP	School Policy
-USDA	United States Department of Agriculture