UNITED STATES DEPARTMENT OF AGRICULTURE
Food and Nutrition Service
3101 Park Center Drive
Alexandria, VA 22302

ACTION BY: Regional Directors
Special Nutrition Programs

SOURCE CITATION: Section 210.6 and 220.6

Pricing of Adult Meals in the National School Lunch And School Breakfast Programs

This Instruction sets forth the policy on pricing of meals served to adults under the National School Lunch, Commodity School and School Breakfast Programs in participating schools and institutions which claim reimbursement under Sections 4 and 11 of the National School Lunch Act and Section 4 of the Child Nutrition Act. Since the expressed purpose of Federal assistance is to safeguard the health and well-being of the Nation's children, meals served to adults are neither eligible under the authorizing legislation and regulations for Federal cash reimbursement, nor do they earn donated food assistance for the school food authority.

Since implementation of the cost accountability revisions of Public Law 97-35, program funds (other than severe need breakfast funds) are available to school food authorities for use within their overall nonprofit school food service operations, rather than being restricted solely to the financing of program specific costs. Nevertheless, school food authorities must ensure to the extent practicable, that the Federal reimbursements, children's payments, and other nondesignated nonprofit food service revenues do not subsidize program meals served to adults. Also, while FNS Instruction 770-1 allows donated foods to be used for preparing food items served in adult meals, the current per-meal value of entitlement and/or bonus donated foods must be taken into consideration in establishing the price charged to adults for meals.

Breakfasts and lunches served to teachers, administrators, custodians and other adults must be priced so that the adult payment in combination with any per-lunch revenues from other sources designated specifically for the support of adult meals (such as State or local fringe benefit or payroll funds, or funding from voluntary agencies) is sufficient to cover the overall cost of the lunch. Including the value of any USDA entitlement and bonus donated foods used to prepare the meal. If cost data are not available, the minimum adult payment should reflect the price charged to

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Students paying the school's designated full price, plus the current value of Federal cash and donated food assistance (entitlement and bonus) for full price meals. In nonpricing programs, the adult charge should be at least the amount of reimbursement received for a free lunch under Section 4 and 11 of the National School Lunch Act, plus the per-meal value of both entitlement and bonus donated foods, or for breakfasts, the rate established for free meals under Section 4 of the Child Nutrition Act, plus the value of bonus commodities.

Meals served to adults who are directly involved in the operation and administration of the school nutrition programs may, at the discretion of the school food authority, be furnished at no charge. As such, their cost may be fully attributed to and supported by the nonprofit food service operation.

Meals served to these adults may not be claimed for reimbursement or counted towards the donated foods entitlement. The determination of individuals, positions involved, and the degree to which their services are attributed to the nonprofit food service program operations is left to State and local officials.

SAMUEL P. BAUER
Director
Child Nutrition Division