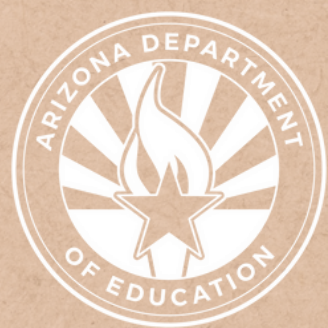


# How to Complete the Non-Program Food Revenue Tool



Health and Nutrition Services  
Arizona Department of Education







# Disclaimer

This training was developed by the Arizona Department of Education (ADE) Health and Nutrition Services Division (HNS). The content in this training is intended for professionals operating one or more USDA Child Nutrition Programs in Arizona under the direction of ADE. The information in this training is subject to change. Attendees are encouraged to access professional development materials directly from the training library to prevent use of outdated content.



# Intended Audience

This training is intended for School Food Authorities (SFAs) operating the National School Lunch Program (NSLP). All regulations are specific to operating the NSLP under the direction of ADE.

# Objectives

**At the end of this training, attendees should be able to:**

At the end of this training, attendees should be able to:

- identify the difference between program and Non-Program Foods;
- understand the requirements for revenue from non-program food;
- establish their own reference period;
- complete the four required steps in the Non-Program Food Revenue Tool; and
- correct discrepancies that may occur in the results of the Non-Program Food Revenue Tool.

## TRAINING HOURS

Information to include when documenting this training for Professional Standards:

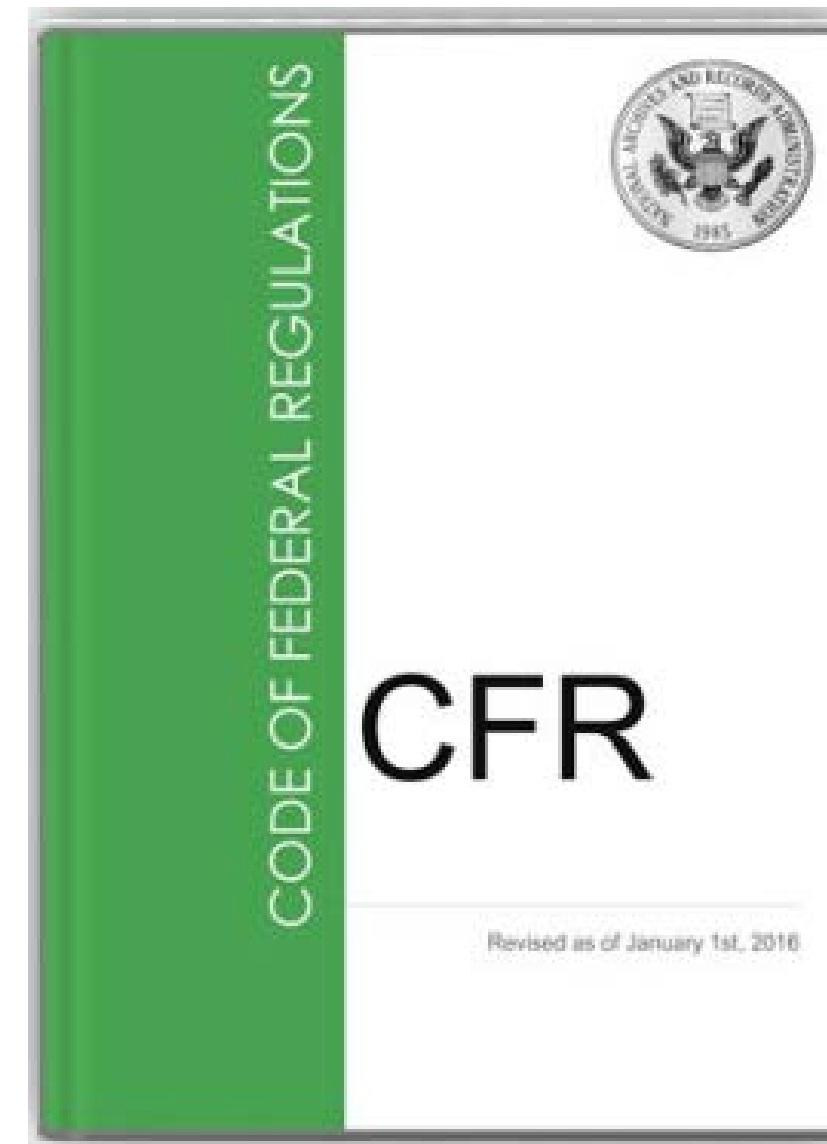
**Training Title:** How to Complete the Non-Program Food Revenue Tool

**Key Area:** 3000 - Administration

**Learning Code:** 3320 & 3350

**Length:** 45 Minutes





The instruction within this How-To Guide is based on guidance from the Code of Federal Regulations (CFR), §210.14 Resource Management. It is recommended to review these regulations in addition to reviewing this course for complete guidance on the revenue from non-program food requirements.

[Click here](#) to access the manual.



# Definitions

## Nonprofit School Food Service Account (NSFSA)

The restricted account is the revenue from all food service operations conducted by the SFA, principally for the benefit of school children, which is retained and used only for the operation or improvement of the nonprofit school food service. This account shall include, as appropriate, non-Federal funds used to support paid lunches as provided in §210.14(e) and proceeds from Non-Program Foods as provided in §210.14(f).

## Cost of Non-Program Food

The amount paid for food that is not a part of the reimbursable meal and is purchased using funds from the NSFSA, including, but not limited to, a la carte food items, adult meals, and catering.

## Cost of Reimbursable Meal Food

The amount paid for food and beverages purchased to be included in reimbursable meals.

## Total Food Cost

The total amount paid for both reimbursable meals and Non-Program Foods purchased with funds from the NSFSA.

## Total Revenue

All funds received by or accrued to the nonprofit school food service account.

## School Food Authority (SFA)

The governing body which is responsible for the administration of one or more schools and has the legal authority to operate the Child Nutrition Programs (CNPs). The SFA is responsible for maintaining the nonprofit school food service account and observing the requirements for and limitations on the use of nonprofit school food service revenues set forth in §210.14.



# Quiz Time



Throughout this guide, there will be comprehension quiz questions to test your knowledge and help you apply what you're learning. Be sure to review these quiz questions and answers available within the guide.

The question mark icon below will indicate a comprehension quiz question.





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The following slides will only cover how-to instructions for completing the Non-Program Food Revenue Tool. Please refer to 7 CFR §210.14 Resource Management for NSFS requirements.



# Introduction to Non-Program Foods



SECTION 1



# Introduction to Non-Program Foods

## **PURCHASING NON-PROGRAM FOODS**

Many schools participating in the NSLP sell other foods outside of the reimbursable meal. Foods (and beverages) sold in schools operating NSLP that are not included in the reimbursable meal and are purchased with funds from the NSFSAs are called Non-Program Foods.

- Any foods included in the reimbursable meal are considered program foods.

School food service departments sell non-program foods to offer more options throughout the school day to students and adults. Selling non-program foods is also a tool used to increase revenue – especially in high schools and junior high schools; however, non-program foods can be sold to all grade levels.



# Introduction to Non-Program Foods

## **IDENTIFYING NON-PROGRAM FOODS**

Non-program foods are any non-reimbursable foods or beverages purchased using funds from the NSFSA.

Examples of non-program foods are:

- A la carte
- Extra milk
- Adult meals
- Vending machines
- School stores
- Fundraisers
- Catering
- Vended meals



# Introduction to Non-Program Foods

## **NON-PROGRAM FOODS REQUIREMENTS**

There are a few requirements for SFAs to measure compliance when handling non-program foods. When selling non-program foods, SFAs must ensure that:

- all revenue from the sale of non-program foods accrues to the NSFSA; and
- revenue available to support the production of reimbursable meals does not subsidize the sale of non-program foods. For more information on these requirements, please [click here](#) to read USDA's memo, SP 20-2016: Nonprofit School Food Service Account Non-Program Food Revenue Requirements.



# The Non-Program Food Revenue Tool



SECTION 2



# The Non-Program Food Revenue Tool

## DETERMINING COMPLIANCE

SFAs are required to determine if the percent of total revenue that is generated from non-program food sales is **equal to** or **greater** than the percent of total food costs that are attributable to the SFA's purchase of non-program foods. To assist SFAs in determining compliance with non-program food revenue requirements, USDA has created the Non-Program Food Revenue Tool.

USDA FOOD AND NUTRITION SERVICE

| Nonprogram Revenue Calculator                                                   |    |    |
|---------------------------------------------------------------------------------|----|----|
| Enter the cost for reimbursable meal, cost of nonprogram food and total revenue |    |    |
| <a href="#">Cost for Reimbursable Meal Food</a>                                 |    |    |
| <a href="#">Cost of Nonprogram Food</a>                                         |    |    |
| <a href="#">Total Food Costs</a>                                                | \$ | -  |
| <a href="#">Total Nonprogram Food Revenue</a>                                   |    |    |
| <a href="#">Total Revenue</a>                                                   |    |    |
|                                                                                 |    |    |
| Minimum portion of revenue from nonprogram funds                                |    | 0% |
|                                                                                 |    |    |
| Minimum Revenue Required from the Sale of Nonprogram Foods                      | \$ | -  |
|                                                                                 |    |    |
| Additional Revenue Needed to Comply                                             | \$ | -  |

\* Click on the hyperlink to view a definition of the term.

*Non-Program Food Revenue Tool*

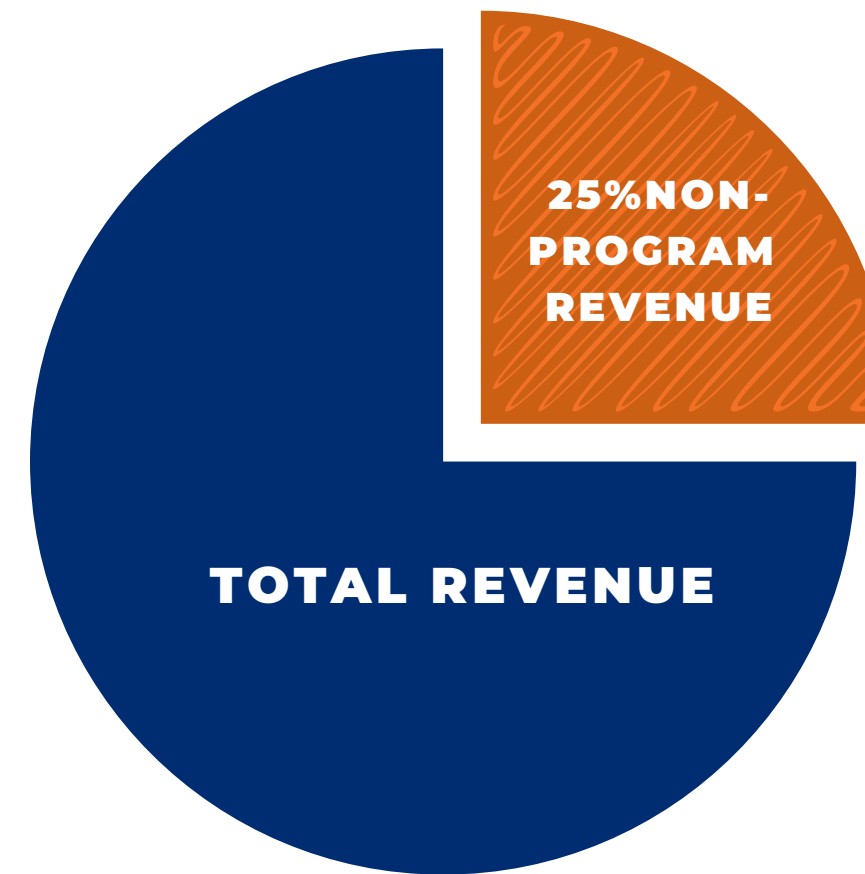


# The Non-Program Food Revenue Tool

## DETERMINING COMPLIANCE EXAMPLE

Example:

If the cost of non-program foods is 25% of the SFA's total food costs, then the amount of revenue generated from the sale of these non-program foods must be at least 25% of the total revenue in the NSFSA to be compliant with the non-program foods requirements.





# The Non-Program Food Revenue Tool

## ASSESSING COMPLIANCE WITH NON-PROGRAM FOODS

Using the Non-Program Food Revenue Tool is the most simplified approach for SFAs to assess compliance with non-program food revenue. All SFAs who sell non-program foods are required to assess compliance annually. To complete the Non-Program Food Revenue Tool, SFAs must collect the cost of both program and Non-Program foods and the total revenue from the previous school year (SY).

- For example, to comply at the start of SY 24-25, the Non-Program Food Revenue Tool must be completed for all transactions from SY 23-24.
- The tool is not required to be submitted to ADE but is required to be kept on file for a minimum of **five years** and may be requested at the time of an Administrative Review.



# The Non-Program Food Revenue Tool

## **COMPLETING THE NON-PROGRAM FOOD REVENUE TOOL**

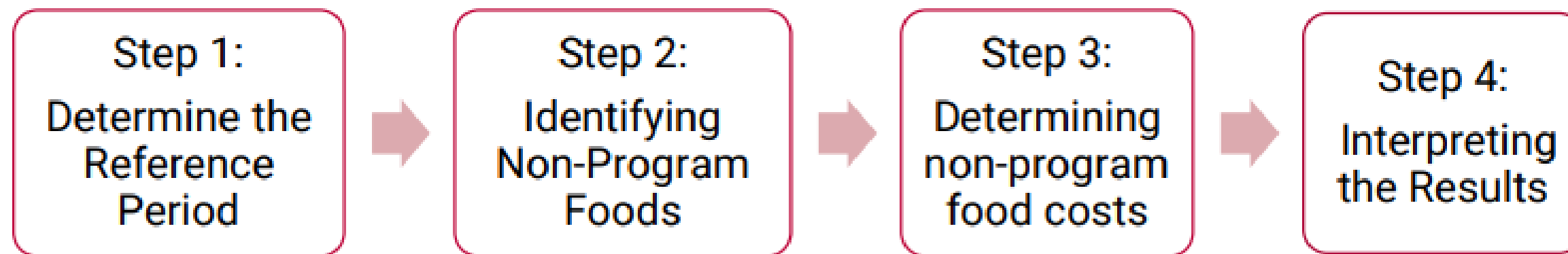
The remainder of this training will provide you with instructions on how to locate and properly complete the Non-Program Food Revenue Tool.

- The Non-Program Food Revenue Tool can be found on ADE's NSLP and SBP Program Forms and Resources webpage under the "Financial" accordion.
- To best understand how to complete the Non-Program Food Revenue Tool, it is recommended to have the tool displayed on your desktop while reviewing the following slides.



# The Non-Program Food Revenue Tool

## COMPLETING THE NON-PROGRAM FOOD REVENUE TOOL

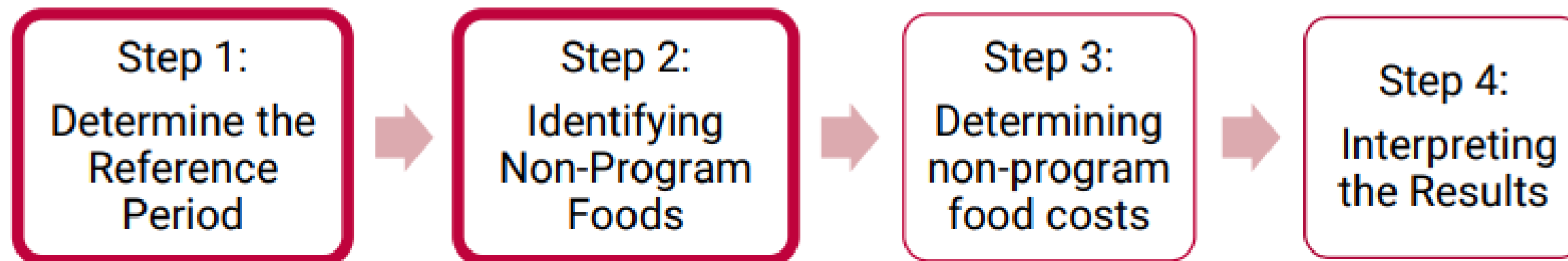


There are four steps when completing the Non-Program Food Revenue Tool. Once completed, the tool will calculate the minimum amount of revenue from non-program foods required to meet the non-program food revenue requirement. The tool will calculate any additional revenue needed to comply.



# The Non-Program Food Revenue Tool

## NON-PROGRAM FOOD REVENUE STEPS



### Step 1: Determine the Reference Period

- SFAs need to establish an appropriate reference period for which the Non-Program Food Revenue Tool will cover.

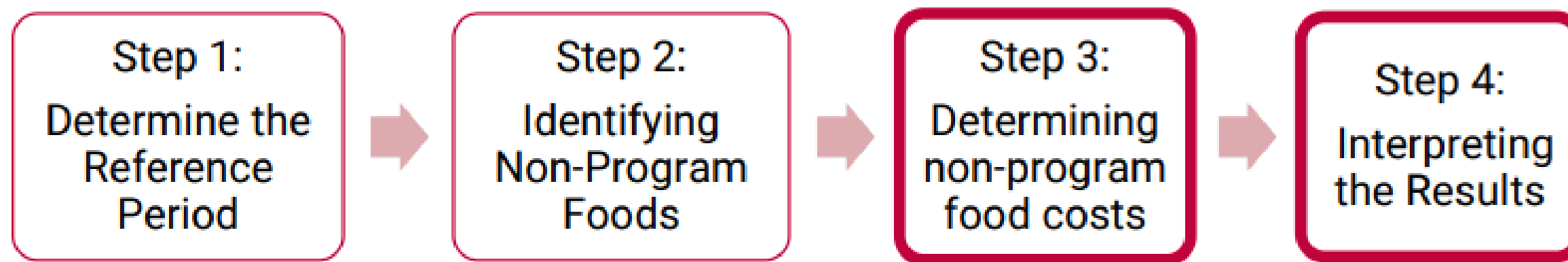
### Step 2: Identify Non-Program Foods

- SFAs must identify non-program foods sold during the reference period.



# The Non-Program Food Revenue Tool

## NON-PROGRAM FOOD REVENUE STEPS



### Step 3: Determine non-program Food Costs

- SFAs will need to determine the cost of any non-program foods that are sold during the reference period.

### Step 4: Interpret the Results

- SFAs can now compare their non-program food revenue to the minimum revenue required from the sale of non-program foods to determine if they meet this requirement.



# Step 1: Determining the Reference Period

SECTION 3





# Step 1: Determining the Reference Period

## THE REFERENCE PERIOD

The first step in completing the Non-Program Food Revenue Tool is to establish an appropriate reference period.

The reference period may be a school week, a month, or a year; however, the reference period must include at least five consecutive operating days.

- SFAs that operate less than five days a week are only required to include the number of consecutive operating days within a typical week



# Step 1: Determining the Reference Period

## **CHOOSING YOUR REFERENCE PERIOD**

The most important determining factor when choosing the reference period is that the selected days must represent typical food service operations. For this reason, SFAs are responsible for choosing a reference period that best fits their individual operation. Data from summer school, holidays, vacations, or special circumstances that may distort the program and non-program foods data, cannot be included.

- For example, if the school food service department is only going to choose a reference period of five consecutive operating days, then it is important to select a typical week that does not include a special circumstance, such as catering events that do not usually occur.



# Step 1: Determining the Reference Period

## BEGINNING THE TOOL

The fillable fields in the tool should be completed with the figures from the SFA’s chosen reference period. These fields are based on the reference period that the SFA has chosen for their tool.

To best outline the correct way to complete the tool, an example will be shown in the following slides. In this example, Elementary School A will use the month of October 2024 for the reference period.

- USDA has recommended that longer reference periods should be chosen such as monthly, quarterly, or annually to capture a true picture of the program and non-program foods data.

|                                                                                 |
|---------------------------------------------------------------------------------|
| Nonprogram Revenue Calculator                                                   |
| Enter the cost for reimbursable meal, cost of nonprogram food and total revenue |
| Cost for Reimbursable Meal Food                                                 |
| Cost of Nonprogram Food                                                         |
| Total Food Costs                                                                |
| Total Nonprogram Food Revenue                                                   |
| Total Revenue                                                                   |
|                                                                                 |
|                                                                                 |
| Minimum portion of revenue from nonprogram funds                                |
|                                                                                 |
| Minimum Revenue Required from the Sale of Nonprogram Foods                      |
|                                                                                 |
| Additional Revenue Needed to Comply                                             |



# Step 2: Identifying Non-Program Foods



SECTION 4



# Step 2: Identifying Non-Program Foods

## **BEGINNING THE TOOL**

Now that we have chosen our reference period, the next step is to identify the non-program foods that were sold during that timeframe.

- For our example, Elementary School A will be assessing compliance with all revenue generated from non-program food sales in the month of October 2024.



# Step 2: Identifying Non-Program Foods

## **IDENTIFYING NON-PROGRAM FOODS**

The second step in completing the Non-Program Food Revenue Tool is to identify all the non-program foods that will be included in the Non-Program Food Revenue Tool. For our example, the non-program foods sold during Elementary School A's reference period of October included a la carte items, extra milks, and adult lunches.

- During Step 2, the SFA is identifying all non-program foods served during the reference period; costs have not been evaluated yet.



# Step 2: Identifying Non-Program Foods

## **INCLUDING CATERED AND VENDED MEALS**

Costs and revenues for catering, vended meals, or purchasing for other entities that occurred during the reference period are not required but can be included if this helps simplify the assessment for the SFA.

SFAs who choose to include these costs and revenues in their assessment must include both the food costs of providing these services and the revenues generated in the calculations for the selected reference period.

If the revenues from these activities are not included in the calculation of the total revenue and cost ratios, SFAs must be able to provide proper documentation.

- This documentation includes purchase agreements, invoices, the agreement with the entity, and information demonstrating the recovery of the full costs.



# Quiz Time

True or False: Elementary School Z caters breakfast and lunch for the local charter school down the street. When completing the Non-Program Food Revenue Tool, Elementary School Z is required to include the costs and revenues for the catered meals.

**A** True.

**B** False.





# Quiz Time

True or False: Elementary School Z caters breakfast and lunch for the local charter school down the street. When completing the Non-Program Food Revenue Tool, Elementary School Z is required to include the costs and revenues for the catered meals.

**A** True.

**B** False.

It is not required to include the costs and revenues for catered and vended meals or purchases for other entities that occurred during the reference period. SFAs can include these costs if this helps simplify the assessment, but it is not required for compliance with the non-program food revenue requirement.





# Step 3: Determining Non- Program Food Costs

SECTION 5





# Determining Non-Program Food Costs

## IDENTIFYING THE COST

In Step 2, Elementary School A identified all non-program foods that were sold in October. They included: a la carte items, extra milks, and adult lunches.

Now in Step 3, we are determining the cost of all those non-program foods that were identified and sold during the reference period.

- Examples on how to determine each non-program food's individual cost will be shown in the next few slides, excluding adult meals. For more information on adult meals, click [here](#) for the Code of Federal Regulations (CFR), §210.14 Resource Management and Food and Nutrition Service (FNS) Instruction 782 -5.



# Determining Non-Program Food Costs

## **DETERMINING EACH NON-PROGRAM FOOD'S COST**

To determine the cost for all non-program foods sold during the reference period, the SFA will first need to determine the food cost for each non-program food sold. To do this, take each non-program food item per serving cost and multiply the cost by the number of items sold.

- For example, Elementary School A sold 300 extra milks that cost \$0.25 each. Therefore, 300 multiplied by \$0.25 is \$75.00. Based on this calculation, the non-program food cost for the extra milks sold during October was \$75.00.
- Please note, this is what the milks (or other non-program foods) cost to purchase, not the price charged to students or adults.

This calculation will need to be completed by the SFA for all non-program food items sold during the reference period. For Elementary School A, that is a la carte items, extra milks, and adult meals.



# Determining Non-Program Food Costs

## ADDING THE COST

Elementary School A has taken the time to evaluate each individual item's cost and has found the results shown below:

- A la carte items = **\$1,075.00**
  - Chicken sandwich (500 purchased at a cost of \$1.50 each) = \$750.00
  - Fruit and yogurt parfait (100 purchased at a cost of \$2.00 each) = \$200.00
  - Baked chips (250 purchased at a cost of \$0.50 each) = \$125.00
    - $\$750.00 + \$200.00 + \$125.00 = \$1,075.00$
- Extra milks (300 purchased at a cost of \$0.25 each) = **\$75.00**
- Adult lunches (1,000 purchased at a cost of \$3.50 each) = **\$3,500.00**
- $\$1,075.00 + \$75.00 + \$3,500.00 = \textbf{\$4,650.00 total}$

Elementary School A has added each individual non-program food cost together and found that the total cost for non-program foods sold in October was \$4,650.00



# Determining Non-Program Food Costs

## **CROSSOVER ITEMS**

If an SFA sells the same food item as both a program and non-program food, it is considered as a crossover item.

- For example, if Elementary School A sells a chicken sandwich as part of the reimbursable meal (program food) on Tuesdays and Thursdays and sells the chicken sandwich Monday through Friday as an a la carte item (non-program food), it is important that these food costs are differentiated between program and non-program food revenues by the SFA to properly complete the Non-Program Food Revenue Tool



# Non-Program Food Revenue Tool

## BEGINNING THE TOOL

Before moving on to Step 4, begin inputting your figures into the Non-Program Food Revenue Tool. The first figure on the tool is Cost for Reimbursable Meal Food, or the amount paid for food purchased to be a part of a reimbursable meal.

- It is important to note that the method for capturing non-program and program food costs and revenues can differ with each SFA depending on their food service program and financial tracking tools. However, each SFA must identify all program and non-program food costs and revenues during the reference period for the purpose of completing the Non-Program Food Revenue Tool.

|                                                                                 |    |        |
|---------------------------------------------------------------------------------|----|--------|
| Nonprogram Revenue Calculator                                                   |    |        |
| Enter the cost for reimbursable meal, cost of nonprogram food and total revenue |    |        |
| <u>Cost for Reimbursable Meal Food</u>                                          | \$ | 15,350 |



# Non-Program Food Revenue Tool

## COST FOR REIMBURSABLE MEAL FOOD

In our example, Elementary School A was able to identify the reimbursable meal cost for October by reviewing all expenditures for food and subtracting out any food costs attributed to non-program foods. They have found that their Cost for Reimbursable Meal Food was **\$15,350.00** as entered below:



|                                                                                 |    |        |
|---------------------------------------------------------------------------------|----|--------|
| Nonprogram Revenue Calculator                                                   |    |        |
| Enter the cost for reimbursable meal, cost of nonprogram food and total revenue |    |        |
| <u>Cost for Reimbursable Meal Food</u>                                          | \$ | 15,350 |

It is recommended that SFAs have their own financial management system that tracks and separates the costs of program and non-program foods. This can be accomplished by placing separate orders for program and non-program food, or by establishing different coding mechanisms to separate these costs once invoices have been received.



# Non-Program Food Revenue Tool

## COSTS OF NON-PROGRAM FOOD

The next figure on the tool is Cost of Non-Program Food.

Elementary School A has already calculated this figure at the beginning of Step 3. To review how this figure was calculated, refer to Slide 32. Their Cost of Non-Program Food for October was **\$4,650.00** as entered below:

|                                                                                 |    |        |
|---------------------------------------------------------------------------------|----|--------|
| Nonprogram Revenue Calculator                                                   |    |        |
| Enter the cost for reimbursable meal, cost of nonprogram food and total revenue |    |        |
| Cost for Reimbursable Meal Food                                                 | \$ | 15,350 |
| Cost of Nonprogram Food                                                         | \$ | 4,650  |



# Non-Program Food Revenue Tool

## TOTAL FOOD COSTS

Once the Cost for Reimbursable Meal Food and Cost of Non-Program Food have been entered, the tool will add both figures together and auto-fill the Total Food Costs field.

Elementary School A’s Total Food Costs of **\$20,000** is shown below:

|                                                                                 |    |        |
|---------------------------------------------------------------------------------|----|--------|
| Nonprogram Revenue Calculator                                                   |    |        |
| Enter the cost for reimbursable meal, cost of nonprogram food and total revenue |    |        |
| Cost for Reimbursable Meal Food                                                 | \$ | 15,350 |
| Cost of Nonprogram Food                                                         | \$ | 4,650  |
| Total Food Costs                                                                | \$ | 20,000 |



# Non-Program Food Revenue Tool

## **DETERMINING THE NON-PROGRAM FOOD REVENUE**

Prior to moving forward with the tool, the SFA must determine the **non-program food revenue** or all funds accumulated to the NSFSA associated with the sale of non-program foods.

To find the revenue for each non-program food item sold during the reference period, the SFA must take the total number of items sold multiplied by that individual item's purchase price set by the SFA.

- For example, Elementary School A sold 300 extra milks priced at \$0.50 each. Therefore, 300 multiplied by \$0.50 is \$150.00. Based on this calculation, the non-program food revenue from the sale of the extra milks during October was \$150.00.



# Non-Program Food Revenue Tool

## ADDING THE REVENUE

Elementary School A has taken the time to evaluate each individual item's revenue and has found the results shown below:

- A la carte items = **\$2,100.00**
  - Chicken sandwich (500 sold at \$3.00 each) = \$1,500.00
  - Fruit and yogurt parfait (100 sold at \$3.50 each) = \$350.00
  - Baked chips (250 sold at \$1.00 each) = \$250.00
    - $\$1,500.00 + \$350.00 + \$250.00 = \$2,100.00$
- Extra milks (300 sold at \$0.50 each) = **\$150.00**
- Adult lunches (1,000 sold at \$3.75 each) = **\$3,750.00**
- $\$2,100.00 + \$150.00 + \$3,750.00 = \mathbf{\$6,000.00 \text{ total}}$

Elementary School A has added each individual non-program food's revenue together and found that the total revenue for non-program foods in October was \$6,000.00



# Non-Program Food Revenue Tool

## TOTAL NON-PROGRAM FOOD REVENUE

The next figure on the tool is Total Non-Program Food Revenue. Elementary School A found this figure by calculating the revenue in the example on the previous slide. Their Total Non-Program Food Revenue for October was **\$6,000.00** as entered below:

|                                                                                 |    |        |
|---------------------------------------------------------------------------------|----|--------|
| Nonprogram Revenue Calculator                                                   |    |        |
| Enter the cost for reimbursable meal, cost of nonprogram food and total revenue |    |        |
| Cost for Reimbursable Meal Food                                                 | \$ | 15,350 |
| Cost of Nonprogram Food                                                         | \$ | 4,650  |
| Total Food Costs                                                                | \$ | 20,000 |
| Total Nonprogram Food Revenue                                                   | \$ | 6,000  |

# Non-Program Food Revenue Tool

## TOTAL REVENUE

Now, the SFA must determine their total revenue or all funds accrued to the NSFSA. This includes, but is not limited to, all reimbursement funds, all student meal sales, and all non-program food revenues.

Elementary School A’s Total Revenue for October was **\$25,000.00** as entered below:

| Nonprogram Revenue Calculator                                                   |    |        |
|---------------------------------------------------------------------------------|----|--------|
| Enter the cost for reimbursable meal, cost of nonprogram food and total revenue |    |        |
| <u>Cost for Reimbursable Meal Food</u>                                          | \$ | 15,350 |
| <u>Cost of Nonprogram Food</u>                                                  | \$ | 4,650  |
| <u>Total Food Costs</u>                                                         | \$ | 20,000 |
| <u>Total Nonprogram Food Revenue</u>                                            | \$ | 6,000  |
| <u>Total Revenue</u>                                                            | \$ | 25,000 |



# Quiz Time

When determining an SFA's total revenue, what must be included?

- A** Reimbursement funds and all student meal sales
- B** Non-program food revenue
- C** Program food revenue
- D** All funds accumulated to the NSFSA



# Quiz Time

When determining an SFA's total revenue, what must be included?

**A** Reimbursement funds and all student meal sales

**B** Non-program food revenue

**C** Program food revenue

**D** All funds accumulated to the NSFSA

The total revenue must include all funds received by the NSFSA. This includes all answers above; however, it is important to ensure that all funds that have been added to the NSFSA are included in this figure. All SFAs operate differently and must evaluate their own revenues.





# Step 4: Interpreting the Results



SECTION 6



# Step 4: Interpreting the Results

## **ENSURING COMPLIANCE IN THE RESULTS**

While interpreting the results of the Non-Program Food Revenue Tool in Step 4, the SFA must ensure that the non-program food revenue that is available supports the production of reimbursable meals and is not subsidized by revenues from program foods.



# Step 4: Interpreting the Results

## MINIMUM PORTIONS

Based on the amounts the SFA has entered, the tool will calculate the minimum portion of revenue required from non-program funds.

|                                                                                 |           |  |
|---------------------------------------------------------------------------------|-----------|--|
| Nonprogram Revenue Calculator                                                   |           |  |
| Enter the cost for reimbursable meal, cost of nonprogram food and total revenue |           |  |
| Cost for Reimbursable Meal Food                                                 | \$ 15,350 |  |
| Cost of Nonprogram Food                                                         | \$ 4,650  |  |
| Total Food Costs                                                                | \$ 20,000 |  |
| Total Nonprogram Food Revenue                                                   | \$ 6,000  |  |
| Total Revenue                                                                   | \$ 25,000 |  |
|                                                                                 |           |  |
|                                                                                 |           |  |
| Minimum portion of revenue from nonprogram funds                                | 23%       |  |

# Step 4: Interpreting the Results

## THE PERCENT OF MINIMUM PORTIONS

The Minimum Portion of Revenue from Non-Program Funds is the minimum percentage of non-program revenue to total revenue needed for compliance. The percentage is calculated by dividing the cost of non-program food by the total food cost.

- For example, Elementary School A had \$4,650.00 for Cost of Non-Program Food and \$20,000 for Total Food Costs. Therefore, they would divide \$4,650.00 by \$20,000.00 to get the Minimum Portion of Revenue from Non-Program Funds Percentage of 0.2325 or 23.25%.



# Step 4: Interpreting the Results

## **MINIMUM REVENUE REQUIRED FROM NON-PROGRAM FOODS**

The Minimum Revenue Required from the Sale of Non-Program Foods is the minimum amount of non-program food revenue needed for compliance. This amount is calculated by taking the Total Revenue and multiplying it by the Minimum Portion of Revenue From Non-Program Funds Percentage.

- For example, Elementary School A had a Minimum Portion of Revenue from Non-Program Funds Percentage of 23.25% and Total Revenue of \$25,000.00. Therefore, \$25,000.00 multiplied by 23.25% would give them Minimum Revenue Required from the Sale of Non-Program Foods of \$5,813.00.

# Step 4: Interpreting the Results

## MINIMUM REVENUE

The next figure on the tool is Minimum Revenue Required from the Sale of Non-Program Foods.

Elementary School A’s Minimum Revenue Required from the Sale of Non-Program Foods for October was **\$5,813.00** as entered below:



|                                                                                 |    |        |
|---------------------------------------------------------------------------------|----|--------|
| Nonprogram Revenue Calculator                                                   |    |        |
| Enter the cost for reimbursable meal, cost of nonprogram food and total revenue |    |        |
| Cost for Reimbursable Meal Food                                                 | \$ | 15,350 |
| Cost of Nonprogram Food                                                         | \$ | 4,650  |
| Total Food Costs                                                                | \$ | 20,000 |
| Total Nonprogram Food Revenue                                                   | \$ | 6,000  |
| Total Revenue                                                                   | \$ | 25,000 |
|                                                                                 |    |        |
|                                                                                 |    |        |
| Minimum portion of revenue from nonprogram funds                                |    | 23%    |
|                                                                                 |    |        |
| Minimum Revenue Required from the Sale of Nonprogram Foods                      | \$ | 5,813  |



# Step 4: Interpreting the Results

## MINIMUM REVENUE LESS THAN TOTAL REVENUE

If the Minimum Revenue Required from the Sale of Non-Program Foods is equal to or less than the Total Non-Program Food Revenue, the SFA is compliant with revenue from non-program food requirements.

- For example, Elementary School A had a Minimum Revenue Required from the Sale of Non-Program Foods of **\$5,813.00**, and a Total Non-Program Revenue of **\$6,000.00**. Therefore, Elementary School A met revenue from non-program food requirements

|                                                            |          |
|------------------------------------------------------------|----------|
| Minimum Revenue Required from the Sale of Nonprogram Foods | \$ 5,813 |
| Total Nonprogram Food Revenue                              | \$ 6,000 |

# Step 4: Interpreting the Results

## MINIMUM REVENUE MORE THAN TOTAL REVENUE

If the Minimum Revenue Required from the Sale of Non-Program Foods is greater than the Total Non-Program Food Revenue, the SFA is not compliant with revenue from non-program food requirements.

- For example, Elementary School B had Minimum Revenue Required from the Sale of Non-Program Foods of **\$6,975.00** and Total Non-Program Revenue of **\$5,000.00**; therefore, Elementary School B was not in compliance with the revenue from non-program food requirements

|                                                            |    |        |  |
|------------------------------------------------------------|----|--------|--|
| Total Nonprogram Food Revenue                              | \$ | 5,000  |  |
| Total Revenue                                              | \$ | 30,000 |  |
|                                                            |    |        |  |
|                                                            |    |        |  |
| Minimum portion of revenue from nonprogram funds           |    | 23%    |  |
|                                                            |    |        |  |
| Minimum Revenue Required from the Sale of Nonprogram Foods | \$ | 6,975  |  |
|                                                            |    |        |  |
| Additional Revenue Needed to Comply                        | \$ | 1,975  |  |



# Step 4: Interpreting the Results

## **CORRECTING NONCOMPLIANCE**

If the Minimum Revenue Required from the Sale of Non-Program Foods is greater than the Total Non-Program Food Revenue, the SFA will need to either:

- add non-Federal funds to the NSFSA; or
- revise its non-program food pricing structure to increase the Total Non-Program Food Revenue.

# Step 4: Interpreting the Results

## **EXAMPLE: ELEMENTARY SCHOOL B**

When the Minimum Revenue Required from the Sale of Non-Program Foods is greater than the Total Non-Program Food Revenue, the SFA is required to ensure compliance with the revenue from the non-program food requirement. Please refer to the example below to understand how to correct noncompliance:

- For example, Elementary School B had Minimum Revenue Required from the Sale of Non-Program Foods of \$6,975.00 and Total Non-Program Food Revenue of \$5,000.00; therefore, Elementary School B will need to either add \$1,975.00 in non-federal funds to its NSFSA or revise its non-program pricing structure to generate an additional \$1,975.00 in order to meet revenue from non-program food requirements.



# Step 4: Interpreting the Results

## **DOCUMENTATION FOR NON-PROGRAM REVENUE**

The Non-Program Food Revenue Tool is not required to be submitted to ADE unless requested at the time of the Administrative Review. However, it is important to keep all completed tools on file for a minimum of five years.

If the tool shows that the SFA is not in compliance with the revenue from Non-Program Foods requirements at the time of review and non-Federal funds have not been added to the NSFSA, the SFA will be required to revise its non-program pricing structure and complete the tool again to show compliance.

# CONTACT US

If you have a question or require additional assistance, please contact your assigned specialist or contact HNS.



602-542-8700



ContactHNS@azed.gov



[www.azed.gov/hns](http://www.azed.gov/hns)







# Congratulations

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**You have completed the Online Course:  
How to Complete the Non-Program Food  
Revenue Tool**

Information to include when documenting this  
training for Professional Standards:

**Training Title:  
How to Complete the  
Non-program Food  
Revenue Tool**

**Key Area: 3000-Administration  
Learning Code: 3320, 3350  
Length: 45 minutes**

Please note, attendees must document the amount of training hours  
indicated on the training despite the amount of time it takes to complete it.



# Certificate

Requesting a training certificate

Please click the button to complete a brief survey about this online training. Once the survey is complete, you will be able to print your certificate of completion from Survey Monkey.



Information to include when documenting this training for Professional Standards:

**Training Title:**  
**Step-By-Step**  
**Instruction: How to**  
**Complete the Non-**  
**Program Food Revenue**  
**Tool**

**Key Area: 3000-Administration**  
**Learning Code: 3320, 3350**  
**Length: 45 minutes**

Please note, attendees must document the amount of training hours indicated on the training despite the amount of time it takes to complete it.







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1. **Mail:** U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Mail Stop 9410, Washington, D.C. 20250-9410;
2. **Fax:** (202) 690-7442; or
3. **Email:** [program.intake@usda.gov](mailto:program.intake@usda.gov).

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