

TO: Henderson County Board of Education
FROM: Sabrina Jewell, Director of Child Nutrition
DATE: 6/11/14
RE: Community Eligibility Provision (CEP)

The Community Eligibility Provision (CEP) is a program offered by USDA to increase access to meals for children. Under this provision, all students in a qualifying school will be able to eat meals (breakfast and lunch) at no charge.

Henderson County has several schools that meet the minimum requirements, but 3 top out: Jefferson Elementary, South Heights Elementary, and Thelma B. Johnson Early Learning Center. If CEP is approved, then we can expect increased participation for meals at these schools.

For the Child Nutrition department going CEP is a distinct advantage. We would be able to claim all meals at these particular schools at 100% free reimbursement. There would be no distinction of any child based on meal status. There would also be no charges at these schools. We also would not have to process free/reduced applications at the CEP schools because our reimbursement would be based off a formula tied to Direct Certified students (SNAP, Medicaid, etc).

For the district, there are a few changes. The district must appoint a FRAM Coordinator to process the Household Income Forms at CEP schools. This insures that the district is able to capture socio-economic data for the CEP students. The FRAM Coordinator cannot be a Child Nutrition employee. Household Income Forms can be required to be filled out by every student in the CEP schools.

There is some concern about how this could affect Title 1 allocation and eRate. I have been in communication with both Jo Swanson and Mike Bruner. For Title 1, the rankings are based off of the last year's free/reduced numbers. So the first year of CEP would not show any change. The second and succeeding years can be a combination of Direct Certified students and Household Income Form (HIF) information. Because HIFs are completed for each student in the CEP school, the poverty information may actually be more accurate. As for eRate, it essentially freezes at the percentage the school had when it becomes CEP. It remains at that rate for the 5 years that the CEP is in effect. At the time of renewal, the rate could change, but the new rate would be based off of the HIFs.

My recommendation is that we pilot Jefferson, South Heights, and TBJ ELC for the 14-15 SY. As we learn more about the program and its intricacies, we can add schools next year.

Respectfully submitted,

Sabrina Jewell

June 11, 2014

Here are the details which I have read, discussed (with David Millanti, Title 1 Education Administration Program Manager Audit and Compliance Branch Manager, Division of Consolidated Plans and Audits):

Impacts of CEP to Title 1 reporting and allocations:

1. Becoming a CEP school and using the recommended 1.6 multiplier to determine Title 1 allocations will inflate the school's Title allocation. Districts could use an alternative method of calculating the calculation. New federal guidance allows multiple methods for determining school allocations.
2. Schools can pull from the direct certification numbers housed in FRAM in IC. However, the district must follow up by issuing the eligibility income form to ALL parents in the CEP school.
3. FRC, school and district staff must be aggressive in getting the forms returned for documentation.
4. Food Service may not assist with # 2. This usually falls to the district Title 1 coordinator's office.
5. Millanti states this is the # 1 complaint.
6. CEP will not affect the allocation to the district.

In summary, I think CEP is feasible and has positives for these schools. I think it will cause extra recordkeeping for Title I district staff. We can handle that to assist schools and families in the positives it creates for families.

Jo Swanson

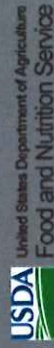
Assistant Superintendent of Teaching and Learning

Tips for States/LEAs Considering CEP

- ✓ Consider and plan for potential issues surrounding the absence of data for other education purposes.
- ✓ Communicate effectively to all students and households about the nutrition benefits of school meals.
- ✓ Determine individual schools, groups of schools or LEAs that could participate.
- ✓ Use the reimbursement calculator to anticipate level of Federal reimbursement.
- ✓ Consider non-Federal funds available to supplement Federal reimbursement as needed.

Resources

- ✓ FNS Guidance
- ✓ Department of Education Guidance



Notification Requirements

By April 15th of each year, LEAs must supply the State agency with a list of schools with:

- ✓ An identified student percentage of at least 40%
- ✓ An identified student percentage greater than 30% but less than 40%

By May 1st of each year, the State must publish a list:

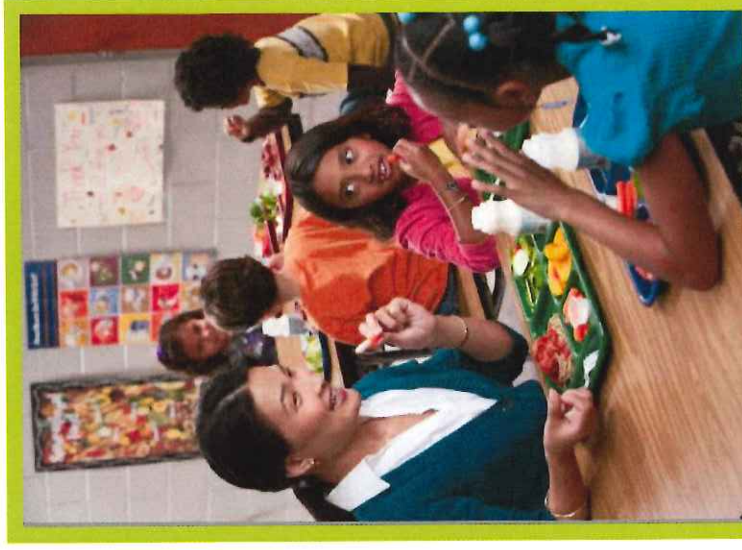
- ✓ With an identified student percentage of at least 40% of their eligibility
- ✓ With an identified student percentage greater than 30% but less than 40% of their potential future eligibility
- ✓ Of LEAs who are currently electing CEP

**COMMENT ON THE PROPOSED
RULE BY JANUARY 3, 2014:**

<http://www.regulations.gov>

or by mail to:

William Wagoner
Policy and Program Development Branch
Child Nutrition Division, Food and Nutrition Service
3101 Park Center Drive, Room 1212
Alexandria, VA 22302-1594



Supporting and Promoting the Community Eligibility Provision

School Nutrition Association State
Agency/USDA Meeting

December 11, 2013



Background

The Healthy, Hunger-Free Kids Act of 2010 provides an alternative to household applications in the National School Lunch and School Breakfast Programs.

The intent of the Community Eligibility Provision (CEP) is to improve access to free school meals in eligible high poverty Local Educational Agencies (LEAs) and schools and to eliminate the administrative burden of collecting household applications.

The CEP was phased in over a period of three years in a limited number of States and will be available nationwide beginning July 1, 2014.

Currently LEAs and schools in eleven States are participating, including the District of Columbia, Illinois, Kentucky, Michigan, New York, Ohio, West Virginia, Florida, Georgia, Maryland, and Massachusetts.

Benefits

- ✓ Lunches and breakfasts are served free to all students.
- ✓ No household applications for free and reduced price meals are collected or certified.
- ✓ No certification means no verification is required.



Eligibility Criteria

Instead of applications, schools use claiming percentages based on the number of identified students for reimbursement in the school. Identified students are primarily certified for free meals through direct certification. LEAs and/or schools must have an identified student percentage of at least 40%.

LEAs multiply the identified student percentage by a factor of 1.6 to arrive at the free claiming percentage. The difference between the free claiming percentage and 100% results in the paid claiming percentage.

The claiming percentage established for a school in the initial year is guaranteed for a period of four school years.

Election and Deadline

LEAs may elect the CEP for all schools in the district, a group of schools in the district or individual schools in the district.

LEAs in CEP are required to inform students and parents that free meals will be offered to all enrolled students.

LEAs are also required to submit documentation no later than June 30 to begin CEP in the School Year (SY) beginning July 1.

"CEP has been great for our kids. The children in the schools that are in this program come from severely disadvantaged households. The ability to offer free meals to every child everyday is great for kids while also presenting our department in a manner that proves that we value the nutrition of children above all else!"

Jeffrey M. Proulx, SNS

Definitions

Identified Students

Students certified for free meals through means other than individual household applications in the School Year prior to implementing the provision. This includes both students who are directly certified (recipients of SNAP, TANF and FDIPIR) and categorically eligible (including Foster, Migrant, Head Start, and Runaway children).

Enrolled Students

Students who are enrolled in and attending schools participating in the CEP and who have access to at least one meal service daily.

Identified Student Percentage

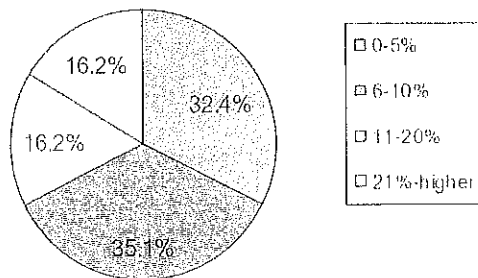
The percentage determined by dividing the number of "identified students" as of a specified period of time by the number of "enrolled students" as of the same period of time and multiplying the quotient by 100.

SY 13-14 Community Eligibility Provision Survey Results

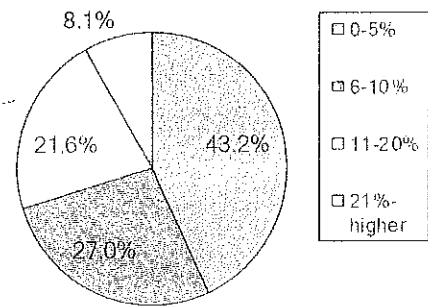
In March of 2014, CEP districts were asked to respond to the following questions. A total of 37 districts participated.

During your first year of CEP, what was the percentage of increase for breakfast and lunch?

What was the percentage of increase for breakfast during your first year of CEP participation?

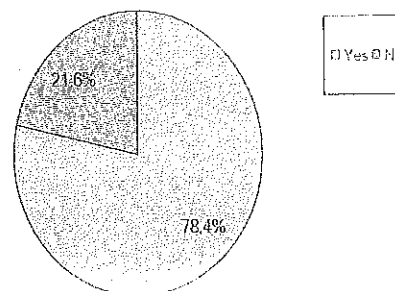


What was the percentage of increase for lunch during your first year of CEP participation?

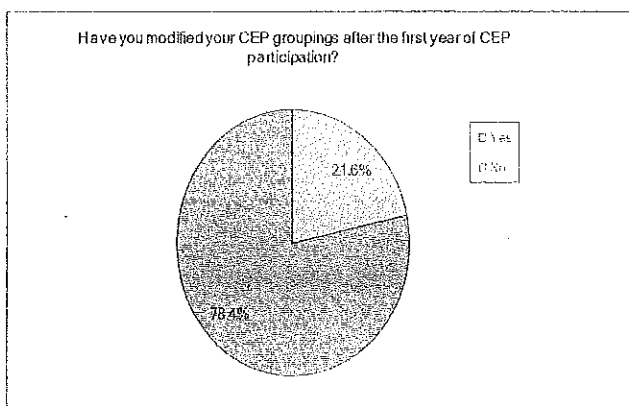


Has the percentage of Direct Certification (identified students) increased from your "Year Prior First Year" data since you have implemented CEP?

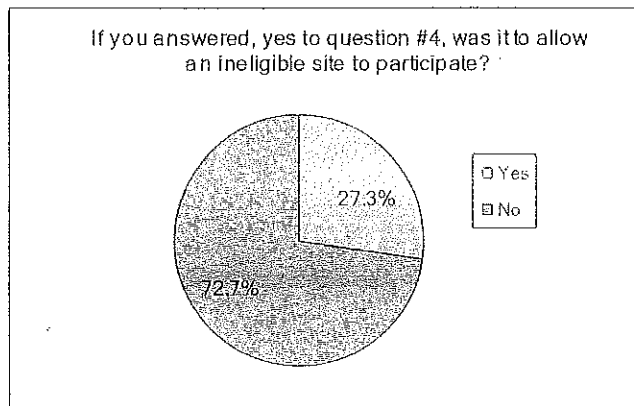
Has the percentage of Direct Cert (identified students) increased from your "Year Prior First Year" data since you have implemented CEP?



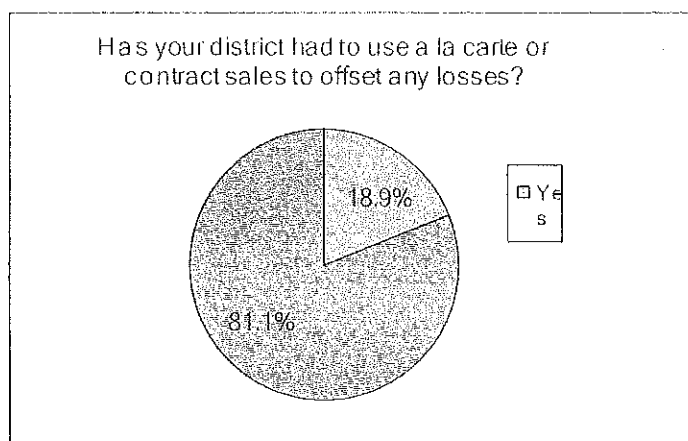
Have you modified your CEP groupings after the first year of CEP participation?



If you answered YES, to question 4, was it to allow an ineligible site to participate?



Has your district had to use a la carte or contract sales to offset any losses?



For more information on the Community Eligibility Provision, please visit the Division of School and Community Nutrition website at:
<http://education.ky.gov/federal/SCN/Pages/School-Meal-Programs.aspx>

Division of School and Community Nutrition
Community Eligibility Provision (CEP)
Eligibility Criteria and Pre-Implementation Steps

Shown below are the eligibility criteria to participate in the Community Eligibility Provision (CEP):

- The LEA reports April DC data per SCN data collection and reporting requirements. The deadline for reporting is April 15th
- All eligible feeding sites are required to have a minimum percentage (40%) of identified students (either on an individual basis or by grouping with other eligible sites), who are directly certified for free meals through means other than individual household applications (i.e., students directly certified through the SNAP, KTAP, Medicaid, and the foster child monthly downloads or on a certified list) in the school year prior to implementing the CEP provision.
- The LEA must participate in both the SBP and NSLP, providing lunches and breakfasts to all students at no charge.
- Financial viability of participating in CEP is the responsibility of the LEA. The USDA provides a financial calculator to assist districts in that decision making.

Pre-Implementation Steps

By participating in CEP the LEA agrees to abide by the following policies and procedures:

1. The eligible LEA will **notify** SCN of their intent to participate in CEP on behalf of a single school, select group, or districtwide by May 15th. An SCN program consultant will be assigned to the district to assist with the application and approval process.
2. The LEA must submit documentation of school board approval (the form is provided below). This documentation will confirm the school board's approval and that the following will be implemented:
 - a. Cover with non-Federal funds any costs of providing free meals to all students that exceed the Federal reimbursement (e.g., a la carte sales, catering, district's general fund).
 - a. Eliminate collection of NSLP household applications for free and reduced price meals because meal reimbursement will be based on claiming percentages derived from the identified student percentage.

- b. Appoint a FRAM Coordinator to distribute, collect and process the household income form (HIF). Such processes will be developed and managed totally separate from the School Nutrition Program: no food service staff shall be used to process the HIF forms. It is expected that the form/request for household information for non-Program purposes would clarify its purpose, and affirmatively state that receipt of school meal benefits would not be affected by a household's decision to complete and return the form/request. The Division of District Support provides a form for this use along with further guidance on CEP for districts:

[http://education.ky.gov/districts/SHS/Pages/Community-Eligibility-Option-\(CEO\).aspx](http://education.ky.gov/districts/SHS/Pages/Community-Eligibility-Option-(CEO).aspx)

3. Updates to the NSLP Policy Statement and attachments from the district will be required (i.e., Meal Counting and Claiming). The Meal Counting and Claiming procedures must identify any alternative point of service system, must clearly demonstrate that accurate meal counting practices are instituted, provide a description of the procedures that will be used to ensure that there are no second meals counted for reimbursement, provide a description of the internal controls that will be employed to monitor for problems in the meal counting system and provide a copy of any forms that will be used.
4. The LEA must submit updates to the Policy Statement, complete the Sponsor Application Packet in CNIPS and receive SCN's approval prior to implementation of the Community Eligibility Provision at the start of program year.
5. The LEA must provide and maintain documentation of training on the Meal Counting and Claiming procedures, complete any required USDA civil rights training and applicable HACCP procedures with all applicable staff.

The LEA needs to notify SCN of their intent to participate with CEP by May 15th. While the decision to participate in CEP resides with the LEA, SCN is required to confirm the LEA's eligibility and that the criteria to participate have been met.



CEP Timeline of Events

July

- Publicize the CEP media release in venue of your choice: newspaper, radio, television or any combination of these
- Market the CEP program on your website, school flyers, open houses, etc.
- Ensure there are 2 CEP posters per site; one in the cafeteria and one near the school entrance
- Communicate with principals, DPPs, and district leadership on CEP with the intent of increasing meal participation
- (*Partial CEP Districts*) Process all household applications—including mixed CEP households
- Follow guidelines on synchronization of meal status between POS and Campus

August

- Obtain signed and dated runaway/homeless/migrant lists from district coordinator; enter these in POS and Campus as directly certified
- Import the August DC file. Inform the FRAM Coordinator of import and that data synchronization has been properly set up. FRAM Coordinator can begin processing HIF forms.

October

CEP schools do not conduct verification reporting. However, CEP districts complete sections 1-2, 2-3, 3-1, and 5-1 in CNIPS.

November

- Report site enrollment (aka October qualifying data):
 - **Full CEP:** Report the Free % currently used to claim meals under the CEP (identified student percentage times 1.6) in the LEA/school should be applied to the current October enrollment number to estimate the number of children approved for Free Lunches. CEP sites will not report Reduced Price data.
 - **Partial CEP:** For the CEP sites, report as instructed above, for the Non-CEP sites report Free, Reduced, and Paid status for Site Enrollment (October qualifying data).

April

- Report April DC numbers

Daily

- Complete the "Edit Check Worksheet for CEP Schools" (unless your system has been modified to compare the number of total meals served to the number of attendance adjusted enrollment).
- Assist FRAM Coordinator with assigning an SES status for runaway, homeless, and migrant students

Monthly

- Import the monthly DC file into your POS and Campus
- Enter claim in CNIPS by 15th of each month
- Ensure your Closing Bank Balance does not exceed the 3-month operating expense



- *Best Practice:* In partial CEP districts, share the POS roster of free/reduced students who attend CEP schools with the FRAM Coordinator. He/she can use this information and forego processing the HIF form

Annually

- Re-apply for CEP on your NSLP application in CNIPS.

Frequently Asked CEP Questions

Question Topic: LEA and School Level Eligibility

1. **Does each individual school need to meet the 40% identified student percentage, or may the 40% threshold be based on an aggregate of schools in the LEA?**

The 40% threshold may be determined school-by-school, by a group of schools within the LEA, or in the aggregate for an entire LEA. In any case, the LEA must determine whether they can operate the program given the expected level of Federal reimbursement and other non-Federal resources available to them.

2. **Are new schools able to elect the CEP?**

If the number of identified students and total enrollment are available before the counting and claiming of meals begins and the school meets the eligibility requirements, then the school may elect or be included in a group of schools to elect the CEP. If the number of identified students and enrollment are not available, the new school may not elect the CEP.

3. **If a district has a district-wide identified student percentage of at least 40% but some schools do not elect the CEP, does the district still qualify?**

The identified student percentage threshold must be met by the participating schools. If the threshold is not met as an entire LEA with the deletion of the schools, the LEA is not eligible to participate on a district-wide basis. Individual schools or groups of schools may still participate.

4. **Can schools be randomly grouped together to become eligible for the CEP?**

Yes, as long as the schools are in the same LEA.

5. **How is the identified student percentage determined for groups of schools electing CEP?**

The identified student percentage for a group of schools is calculated by taking the sum of the identified students for the group of schools divided by the sum of student enrollment for the group of schools.

6. **What schools are eligible to participate in the CEP?**

Any non RCCI school that has an agreement with the State agency (SA) to participate in the National School Lunch Program (NSLP) and/or the School Breakfast Program (SBP) and meets the eligibility criteria to elect the CEP may participate.

7. **Are LEAs with schools currently operating Provision 2/3 in a NON BASE year permitted to express interest in electing the CEP?**

The SA may establish identified student percentages for the purpose of applying for consideration for selection for current Provision 2 or Provision 3 schools that are not in the base year. Please provide base year numbers if these are the only numbers available. Provision 2 and Provision 3 schools would be required to establish identified student percentages for the purpose of receiving reimbursement under the CEP if the State is selected for participation.

Question Topic: Identified Student Percentage Determination
--

8. Who are the identified students?

Identified students are those who have been approved as free eligible through means other than an income application. This is otherwise known as directly certified students.

These students are those who have been directly certified as free through:

- Direct certification lists from the State Agency that is downloaded monthly for SNAP, TANF, Medicaid and Foster Children.
- Children, who have been certified as homeless or runaway, identified on a signed list from the Homeless Liaison.
- Children, who have been certified as migrant, identified on a signed list from the Migrant Coordinator.
- Children, who have been identified as a fully federally funded Headstart student, identified on a signed list from the Headstart Director.
- Foster Children certified through means other than a household application and the Direct Certification downloads.

9. What number should be used as the total enrollment for determining the percentage of identified students?

The identified student percentage should reflect the percentage of students with access to the NLSP and SBP enrolled in the school as of April 1, 2013. Please note that the number of students enrolled should reflect all those students with access to the NLSP and SBP and not just those students participating in the programs.

10. When does the identified student percentage have to be drawn in relation to April 1st?

The law States that the identified student percentage must be established using the identified students and students enrolled with access to the program from no later than April 1st of the prior year. The intent is to capture the most recent number of identified students available while still meeting the notification deadline of May 1, 2012, for participating LEAs and schools.

In Kentucky, LEA's should determine their identified student percentages after the April direct certification list from the SA has been downloaded on or about April 7th. This will allow those students who will be newly identified as directly certified in the month of April to be included in the LEA's identified student percentage.

11. How should we round when determining the identified student?

When determining the percentage of identified students you should NOT round. The percentage must be at least 40% to be eligible. A percentage of 39.98% does NOT meet the threshold

Question Topic: Non-Federal Sources

12. What may be counted as "funding from non-Federal sources" (Non-program Revenue)?

The federal definition of non-federal sources for the purposes of CEP is any funds other than Federal reimbursement available to the nonprofit school food service account. This definition is different than what is identified as non-Federal sources when calculating a PLE, Calculating the revenue from non-program foods and when referring to allowable costs in the NSLP. To avoid any confusion, SCN will refer to these funds as those identified as non-program revenue.

Please note that, similar to Provision 2 and 3, the use of non-program revenue is only necessary if the total amount of Federal reimbursement through the CEP does not cover the costs of serving free meals to all students.

Examples of non-program revenue sources include: Profits from a la carte sales, money from the general fund and in-kind contribution funds from outside sources such as volunteer services or a cash donations.

Question Topic: Reimbursements

13. Are schools electing the CEP able to receive the extra 2 cents lunch reimbursement and severe need breakfast reimbursements?

Yes. CEP schools will be reimbursed at their usual reimbursement rates, including the 2 cent lunch differential and severe need breakfast rates, if applicable.

14. Will the current multiplier of 1.6 change?

The law States that the multiplier is 1.6 through SY 2013-2014 (July 1, 2013 through June 30, 2014). After that time, FNS is permitted to change the multiplier to a number between 1.3 and 1.6. Schools electing the CEP will keep the same multiplier for an entire four-year cycle and do not have to implement changes to the multiplier until the next cycle if the CEP is elected again.

At this time, whether the multiplier will change for new CEP districts in SY 2014-2015 has not been determined by USDA and communicated to State Agencies.

15. How is breakfast reimbursed through the CEP?

The identified student percentage for each school is used to determine reimbursements for both breakfasts and lunches. This percentage multiplied by the multiplier (currently 1.6) is then applied to both the total breakfasts and total lunches served to determine how many breakfasts and lunches are covered at the free rate. The remaining meals are reimbursed at the paid rate.

16. When is a school permitted to elect out of the CEP?

Schools may decide not to elect the CEP or to stop utilizing the CEP at any time. Schools should notify SCN of their intent to elect out of CEP by May 15th for the next SY. Since the new percentage of identified students must be established before April 1st of the prior year, schools will have time to

decide if continuing or beginning the CEP will be advantageous for the next year. Schools electing to stop the CEP must be prepared to return to their normal counting and claiming procedures in the next school year.

17. How will area eligibility percentages be determined for CEP schools?

Since the multiplier is intended to provide an estimate of the total number of students eligible for free and reduced price meals in the eligible schools, the product of the identified student percentage multiplied by the multiplier will be used for area eligibility purposes. These percentages can be used for determining area eligibility in the Summer Food Service Program, Seamless Summer CEP, Child and Adult Care Food Program (CACFP) at-risk afterschool snacks, CACFP tiering, and afterschool snacks through the NSLP.

18. How are Fresh Fruit and Vegetable Program (FFVP) award determinations made for CEP schools?

School level CEP percentages (the school level number of identified students divided by the school level enrollment multiplied by their multiplier) will need to be determined for the purposes of awarding FFVP funds. Schools in districts electing the CEP district wide or as part of a group of schools electing the CEP with a shared identified student percentage must use the individual school CEP percentage for purposes of awarding FFVP funds.

Question Topic: Verification

19. Do LEAs and schools electing the CEP conduct verification?

Since applications are not collected in CEP schools, LEA's in which all schools are CEP will not conduct verification. However, CEP schools still have verification reporting requirements on the FNS 742 form due annually to the State Agency. LEAs with some but not all schools electing the CEP must still conduct verification in the schools not electing the CEP and will report both CEP and non CEP information on the FNS 742 due annually to the State Agency.

Question Topic: Application for CEP
--

20. How do LEA's apply to participate in the CEP?

New CEP Sponsors should notify the State Agency by May 15th of their intention to implement the CEP for the upcoming SY. Sponsors will then fill out the required information related to CEP in their NSLP renewal application in CNIPS by June 30th to submit to the State Agency for approval.