



Community Eligibility Provision (CEP) National School Lunch Program and School Breakfast Program

North Carolina Department of Public Instruction
Child Nutrition Services

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Considering the Community Eligibility Provision

Agenda:

- Overview of the USDA Community Eligibility Provision (CEP)
- Identify Eligibility Requirements
- Financial Implications of CEP
- Making the Decision to Participate in the CEP
- Question and Answers

What is the CEP?

Section 104(a) of the Healthy, Hunger Free Kids Act of 2010 amended the National School Lunch Act to provide an alternative to household eligibility applications for free and reduced price meals in high poverty local educational agencies (LEAs) (or districts) and schools. The overall purpose of the CEP is to improve access to nutritious meals for students in high poverty areas by providing meals to all students “at no cost” to the students.

Requirements to participate in the CEP

**LEA must meet
minimum
requirements as
prescribed in the
rule**

**(RCCIs are not
eligible)**

**LEA must
participate in
both the NSLP
and the SBP**

**LEA must be in
good standing
with the
Administrative
Review**

Considering the Community Eligibility Provision

CEP is a four-year reimbursement option for eligible high poverty LEAs and schools

LEAs and schools may opt in or opt out each year

A LEA may participate in CEP for some or all schools in the LEA

CEP Requirements

The LEA must have a minimum of 40%
“Identified Students”
based on enrollment. This is not the same as
the percent of students eligible for free or
reduced-price meals.



“Identified Students”

Students who are:
(1) directly certified and
(2) categorically eligible

SNAP (FNS)
TANF
FDPIR

Homeless
Runaway
Migrant

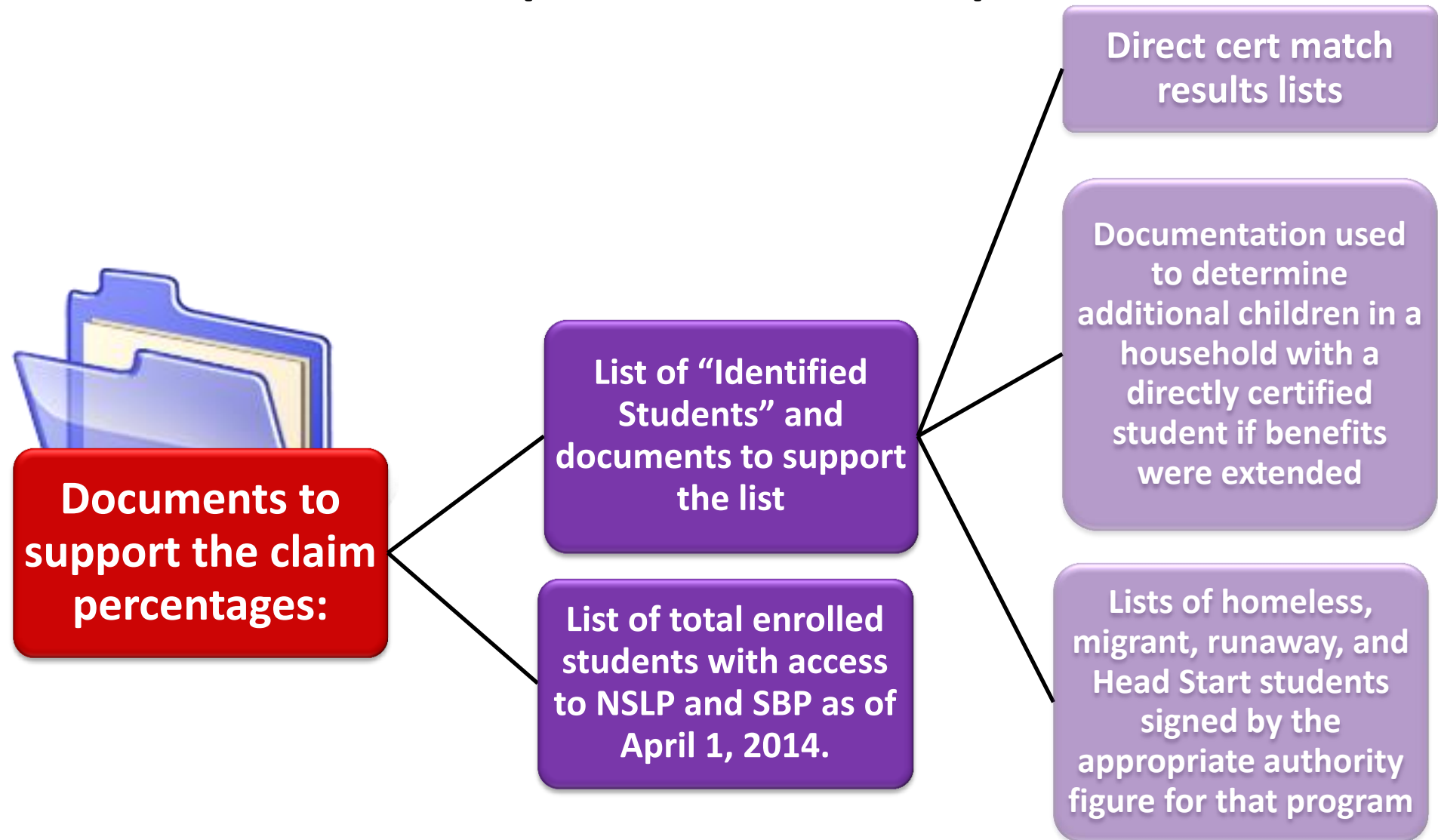
Head Start
Even Start

Additional
Foster Children
(not already
included in DC)

Non-applicant
students
approved by
the LEA



What paperwork are we required to keep?



CEP Requirements

LEA must agree to provide meals to all students at no cost.

LEA must agree to cover with non-federal funds any costs of providing no cost meals to all students above amounts provided in federal meal reimbursements.



CEP Requirements

LEA agrees to maintain a total count of breakfasts and lunches served to students at the point the students receive the meal.

LEA agrees that it will not collect free and reduced-price applications from households for the purpose of NSLP in participating CEP schools.



Determining School Eligibility

School eligibility is based on the number of “identified” students*. Identified students are:

- (1) directly certified or
- (2) categorically eligible for free meal benefits.

*Certified for free meal benefits using methods other than free and reduced-price meal application.



Determining School Eligibility

The percent of Identified Students may be determined by school, by a group of schools within the LEA, or in the aggregate for an entire LEA.

$$\% \text{ Identified Students} = \frac{\# \text{ of Identified Students as of April 1} \times 100}{\text{Total Enrollment}^* \text{ as of April 1}}$$

The percent of Identified Students is then multiplied by the USDA determined factor of 1.6 for SY 2014-2015.

**Enrollment is defined as number of students with access to the NSLP and SBP enrolled in the school as of April 1, 2014.*

Aim for the “Magic Number”

Remember... 62.5 is the
“Magic number.”

At 62.5% “identified students,” all meals are reimbursed at the Free rate.

For percentages below 62.5%, meals are reimbursed at a combination of the Free and Paid Rate.

Example

School A has 100 students with access to the NSLP/SBP programs enrolled as of April 1.

- 50 of those students are determined to be in the “Identified Student” group
- School A has an Identified Student percentage of 50%.

$50\% \times 1.6 = 80\%$ Free Reimbursement Rate,
20% Paid Reimbursement Rate.

At the end of the month, if you counted and served 10,000 reimbursable lunch meals, 8,000 (80%) will be claimed at the free reimbursement rate and 2,000 (20%) at the paid reimbursement rate.

Let's look at some actual CEP numbers

For this exercise, we are going to examine the a LEA spreadsheet of data by school, the Child Nutrition Technology System and the CEP Calculator tool.

Data Collection and Submission Requirements

All data must be collected, by school, for each category of “identified student”

Data must be submitted in the CNTS on or before April 8, 2014.

NCDPI will notify all LEAs of eligibility by April 15, 2014.



CEP Participation/Agreement Form

An interested SFA must submit a CEP participation form and a CEP participation worksheet (Excel document) to NCDPI in order to be approved to participate in the CEP.

If approved, the claiming percentages established are guaranteed for a period of four school years

- May increase if the percent of Identified Students increases as of April 1 of the current school year.

A CEP participating school may stop participating during the four-year cycle by notifying NCDPI no later than June 30 of the school year prior to when it wants to return to normal counting and claiming procedures.

Direct Certification Under CEP



CEP participating schools may wish to continue to conduct direct certification on an annual basis:

- Could result in an increase in the percent of Identified Students, increases the percent of meals claimed as FREE in subsequent CEP years.

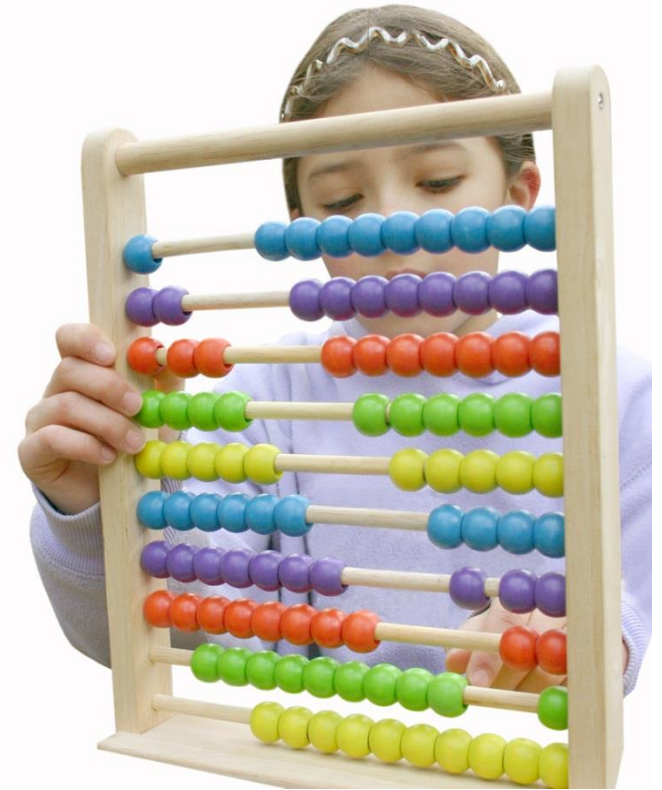
While not required, it is recommended for schools that have NOT reached the threshold of 62.5% Identified Students, which allows them to claim 100% of meals FREE.



For schools that have already reached the threshold of 62.5% of Identified Students – it is not necessary to conduct direct certification until the end of the 4-year cycle.

Second, Third and Fourth Year Procedures

For the second, third and, fourth years of a school's participation in the CEP, the school may use the initial percentage of Identified Students used for determining reimbursement in the **First Year**, or the percentage of Identified Students as of April 1 of the next year of the cycle, whichever is higher.



Example

🍏 Initial Identified Students (as of April 1, 2014):
57.09%

🍏 Identified Students (as of April 1, 2015): 59.87%
(since higher)

🍏 Year One Rate - $0.5709 \times 1.6 = .9150$

🍏 Year Two Rate - $0.5987 \times 1.6 = .9579$

🍏 95.79% of all meals served in Year 2 are reimbursed at the free rate

🍏 4.21% of all meals served in Year 2 are reimbursed at the paid rate

Advantages of CEP



ALL students receive a no-cost breakfast and lunch.



Eliminates overt identification issues for students.



Improves nutrition to students at risk. Potential for attendance rate and test score improvement.



Reduces paperwork at the school district level.



Simplifies meal counting and claiming.



Provides potential labor savings.



Increases breakfast and lunch participation.

Disadvantages of CEP



Potential financial issues when less than 100% reimbursement is at the free rate



SFA not collecting paper applications – to determine individual student economic status.



School must identify other procedures to determine economic status of individual students.

How do we Count Meals?

Count the total number of reimbursable meals served daily.

Meals must still be counted at point of service and schools are still responsible to count reimbursable meals only.

Meals do not have to be counted by category.

Meal counting must ensure one reimbursable meal per student.

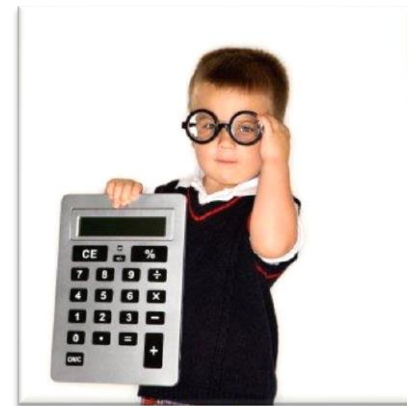


How are claims submitted for Reimbursement?



If the district has both CEP and non-CEP schools, non-CEP schools will claim meals in the usual fashion.

For CEP schools, you will consolidate daily total reimbursable meal counts into monthly totals by site for breakfast and lunch.

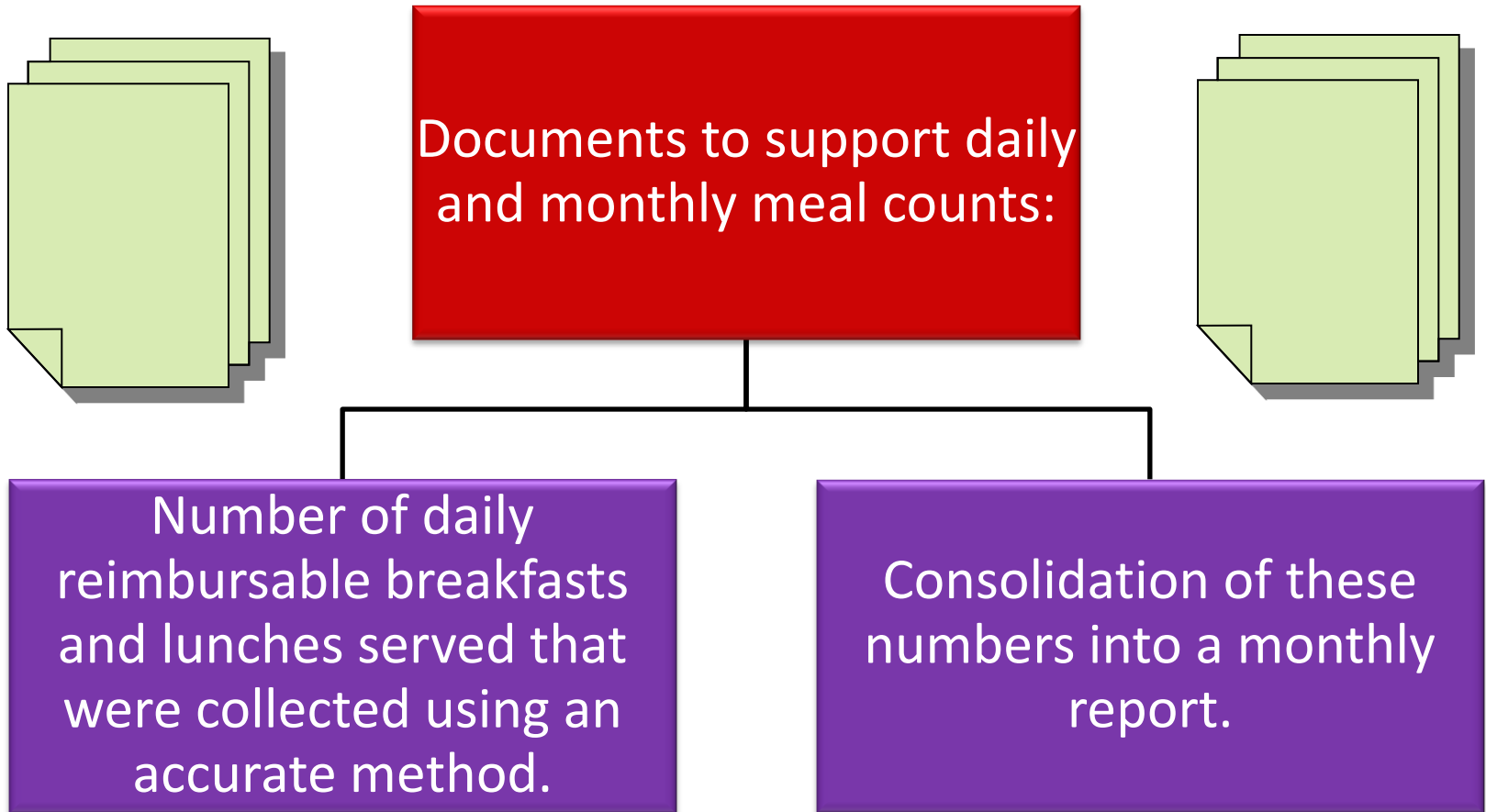


How will the claims process work?

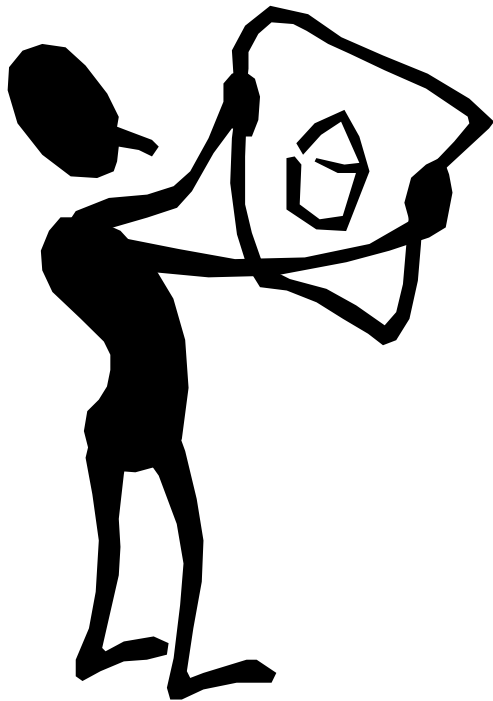
The claiming system will use your approved percentages and automatically calculate the numbers of free and paid reimbursable meals (breakfast and lunch).

Be sure to maintain proper documentation for meal counts.

What Claim-related documentation are we required to keep?

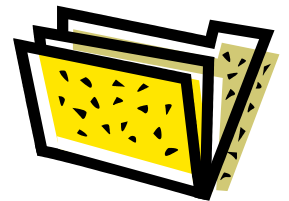


What about other program documentation?

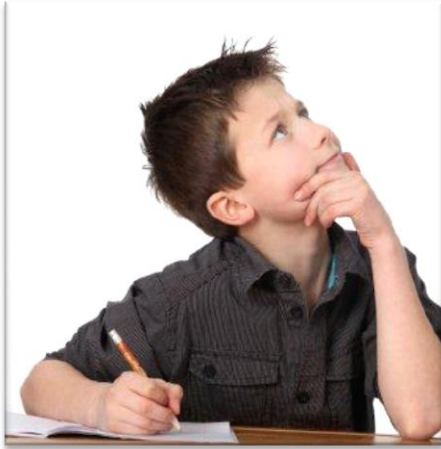


All other school meal program paperwork still applies; i.e., production records, HACCP plans, health department inspections, local wellness policies, etc.

Invoices to support the number of meals served.



How will we conduct verification?



CEP schools do NOT have to do verification, but WILL fill out the Verification Summary Report (FNS-742) yearly.

Districts having only some of their schools in CEP will have to do verification on their schools not operating under CEP.



What impact will CEP have on other Child Nutrition Programs?

Other Child Nutrition Programs will be able to utilize the percent of meals claimed free to determine their eligibility:

- Summer Food Service Program (SFSP)
- Fresh Fruit and Vegetable (FFVP)
- After School Snacks
- Child and Adult Care Food Program – After School at Risk Meals Program



Summary

To be eligible a school/cluster of schools or SFA must have a minimum of 40% students directly certified/categorically eligible for free meals.

Schools participating in CEP must provide breakfast and lunch at no cost to **all** students.



A final note...

The School Nutrition Administrator must work with LEA officials and school board to determine the pros and cons of participating in CEP.



What Pilot States are saying about the CEP



In Illinois, Kentucky and Michigan, breakfast participation increased 25% in one year.

In Illinois, Kentucky and Michigan, lunch participation increased 13% in one year.

“We now have students eating who never ate school meals before. We see improved nutritional status of students, potential improvement in attendance and test scores.”

“Participation in CEP has strengthened our school nutrition program financially by expanding participation and increasing revenue.”

Questions and Answers

