

# Community Eligibility: Feeding All Your Students for Free

Feed more students while raising more revenue for schools



Texas school nutrition programs have until **June 30, 2019** to sign up for the Community Eligibility Provision (CEP) for the 2019-2020 school year. CEP is a federal option that allows high-poverty schools to provide **free meals—both breakfast and lunch—to all students** without having to collect school meal applications. Instead, the Texas Department of Agriculture reimburses schools through a formula based on the number of “identified students”—children directly certified without application for free school meals due to their enrollment in other need-based programs for low-income students. These funds can be used to pay staff, buy equipment, or improve the quality of the food served.

## How Community Eligibility works

CEP can be implemented at a single school, a group of schools, or districtwide as long as at least 40 percent of students in the group have been identified through the direct certification process. Officials determine federal reimbursements for both breakfast and lunch by multiplying the identified student percentage (ISP) by 1.6. The resulting number, the free claiming percentage, is the percentage of meals reimbursed at the highest rate or “free” reimbursement rate, with the rest being reimbursed at the “paid” rate (see example on pg. 2). Using CEP, schools with an ISP of at least 62.5 percent will be reimbursed at the free rate for all students ( $62.5\% \times 1.6 = 100\%$ ).

## Why Community Eligibility is great for Texas schools

**More children get to eat** – All students get both free school breakfasts and lunches. Students who have access to better nutrition tend to perform better academically.

**Less paperwork** – Schools no longer have to spend time chasing school meal applications, handling meal payments accounts or tracking whether each meal served was paid, reduced-price, or free.

**Claiming rates can only improve** – A school’s claiming percentage is locked in for four years, but if a school’s ISP increases the school can recalculate and use its new higher claiming percentage to start a new four year cycle.

**Increased revenue** – More children eating means economies of scale and more revenue that schools can



## Does Your School Qualify?

Any public, private, or charter school that offers the National School Lunch and School Breakfast Program where at least 40 percent of students are identified can use CEP. Identified students are those eligible for free meals through direct certification if they meet any of these criteria:

- Live in households receiving Supplemental Nutrition Assistance Program (SNAP, formerly “food stamps”) benefits
- Live in households at or below 133 percent of the Federal Poverty Level and a child receives Medicaid benefits
- Live in households receiving Temporary Assistance for Needy Families (TANF) cash assistance
- Live in households receiving Food Distribution Program on Indian Reservations (FDPIR) benefits
- Are enrolled in Foster Care; migrant, homeless, or runaway programs; Head Start, or state-sponsored pre-kindergarten programs

A complete list of eligible schools can be found on the [Texas Department of Agriculture’s website](#).

## CEP Meal Reimbursement Example

Identified Student Rate = 60%  
Multiplied by factor of 1.6 =  $60\% \times 1.6 = 96\%$   
Free claiming percentage = **96%**  
Paid claiming percentage =  $100\% - 96\% = 4\%$

Reimbursement Calculation  
Total daily meals served: 600  
Meals reimbursed at free rate:  $600 \times 96\% = 576$   
Meals reimbursed at paid rate:  $600 \times 4\% = 24$

use to pay staff, buy equipment, or improve the quality of the food served.

**Alignment with the Texas school breakfast requirements** - Schools where at least 80 % of students qualify for free or reduced-price meals are required to offer free breakfast to all students. The majority of schools subject to the law are eligible for CEP.

### How Community Eligibility compares to Provision 2

Provision 2 is similar in that it allows schools to serve no-cost meals to all students. However, schools using Provision 2 must still collect household applications to

determine free, reduced-price, and paid percentages every four years with a school's reimbursement rate based on its base year. Using CEP, schools do not collect applications for meal purposes and only count total meals served for reimbursement. The reimbursement rate is guaranteed for four years but can increase if the direct certification rate increases.

### Community Eligibility and Federal Title I funding

Using CEP will not affect the total amount of Title 1 funds a district receives, but it may affect how funds are allocated to each school building. When making within-district allocations, a district may choose to use the rate of identified students, alone or multiplied by 1.6, Census data, Medicaid data, TANF data, income data collected outside the school nutrition program, or a combination to rank schools as long as they use a common metric for all of their schools whether or not they are CEP schools.

If a district chooses to group schools in order to qualify for CEP, they must use each individual school's identified student rate (alone or multiplied by 1.6) for ranking and allocation. If a district has more than one CEP school at 100 percent after applying the 1.6 multiplier, the school with the highest identified student rate could receive a higher per-pupil allocation.

### Important Notice -- Recertification

Schools must recertify their eligibility for CEP every four years. If they have not already done so, schools and districts that elected CEP when it first became available in the 2015-16 school year must recalculate their ISPs for 2019-2020.

### For More Information

- [Community Eligibility Provision Planning and Implementation Guidance](#). Food and Nutrition Service, United States Department of Agriculture, 2016.
- [Community Eligibility Provision Resource Center](#). Food and Nutrition Service, United States Department of Agriculture.
- [Community Eligibility](#). Food Research and Action Center.
- [Community Eligibility Provision](#). Texas Department of Agriculture.

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“CEP is really great because we don't have to pull any trays or give out peanut butter and jelly sandwiches when a kid doesn't have a balance in their account. Finally, more kids eat lunch.”

- KILLEEN ISD

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## State Compensatory Education Funding Example

Identified Student Rate = 60%

Multiplied by factor of 1.6 =  $60\% \times 1.6 = 96\%$

Free claiming percentage = **96%**

SCE Funding Calculation

Student Enrollment: 800

Students Eligible for SCE funding:  $800 \times 96\% = 768$

The [United States Department of Education guidance](#) on CEP and Title I funding eligibility, allocation, and reporting includes detailed examples.

### E-Rate funding

[Federal Communications Commission guidance](#) specifies that schools adopting CEP switch to using their Free Claiming Percentage (Identified student rate\*1.6) to determine their level of poverty when calculating discounts on services received under the E-rate program.

### Effect on State Compensatory Education funding

In Texas, State Compensatory Education (SCE) funding is calculated based on the number of students determined to be educationally disadvantaged and therefore eligible for the basic allotment multiplied by 0.2. [Texas Education Agency guidance](#) states that for schools using CEP, SCE funding will be determined by the school's Free Claiming Percentage (identified student rate\*1.6) multiplied by the number of students.

SCE funding is based on a school's meal eligibility data from the previous school year, so districts choosing CEP for the 2019-2020 school year will not see a change until the 2020-2021 school year.

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"In past years we had thousands of dollars in negative balances... We are down to almost zero debt."

- DALLAS ISD

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### Effect on Pre-K funding

Children are considered eligible for free Pre-Kindergarten for a range of reasons, including being educationally disadvantaged. If a CEP school stops collecting free and reduced-price meal applications, they must use an alternative form, like the one noted below, for collecting household income data for their Pre-Kindergarten students.

### Does my school still need to collect income data from our students?

At this time the Texas Education Agency (TEA) still requires schools to provide income data for school testing and accountability purposes. Schools can continue to collect income data from families as long as it is done outside of the nutrition department. Schools can [design their own forms](#) or use [TEA's Compensatory Education Allotment Alternative form](#).



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## Effect on Fee Waivers and Reductions for ACT, SAT, and AP Exams

Students at schools using CEP may qualify for fee waivers for ACT and SAT tests, as well as fee reductions for all AP exams. Eligibility is based on family income level and several other indicators of economic need. To find out more, visit the sites below:

- [ACT Fee Waiver](#)
- [SAT Fee Waiver](#)
- [AP Exam Fee Reduction](#)

### Direct Certification

Participation in CEP requires the identification of eligible students. Students are identified through direct certification, a federally mandated electronic data-matching process that determines the eligibility for free school meals based on students' participation in other need-based programs.

For more information on direct certification, please visit the [Texas Department of Agriculture website](#), or refer to our [Direct Certification Best Practices Guide](#).

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"Years ago when we learned about CEP, we decided to make that jump over only because we had a fairly high percentage of students who were meal recipients. It turned out to be the best thing we could have done because the percentage of meals that were claimed as free were a lot higher than when we were in Provision 2."

- RIO GRANDE CITY CISD

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