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Service

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SUBJECT: Community Eligibility Provision: Guidance and Updated Q&As

TO: Regional Directors  
Child Nutrition Programs  
All Regions

State Directors  
Child Nutrition Programs  
All States

The Community Eligibility Provision (CEP) is a National School Lunch Program (NSLP) and School Breakfast Program (SBP) meal service option that allows schools and local educational agencies (LEAs) in high poverty areas to offer meals at no cost to all enrolled students without collecting household applications.

FNS published a final rule, *Child Nutrition Programs: Community Eligibility Provision-Increasing Options for Schools* (88 FR 65778), on September 26, 2023, with an effective date of October 26, 2023, which lowered the minimum identified student percentage (ISP) threshold from 40 to 25 percent. As a result, more students, families, and schools have the opportunity to experience CEP's benefits, such as increasing access to school meals at no cost, eliminating unpaid meal charges, minimizing stigma, and streamlining meal service operations.

This memorandum provides new guidance and Questions and Answers (Q&As) to address changes made by the CEP final rule. Additionally, this memorandum provides clarification on guidance related to CEP. The attached Q&As supersede SP 54-2016, *Community Eligibility Provision: Guidance and Updated Q&As*.

Notable changes include:

***Updates based on the final rule:***

- Changed minimum thresholds for electing CEP, electing a CEP grace year, and for identification of eligible and nearly eligible local educational agencies (LEAs) and schools.
- Updated language on the importance of considering the financial viability of CEP prior to electing.

***Updates based on current stage of CEP implementation:***

- Removed references to extending the deadline for electing CEP. The previous edition of the Q&As was issued the final year USDA offered flexibility

through *SP 30-2016: Extension of the Deadline for Local Educational Agencies to Elect the Community Eligibility Provision for School Year 2016-17*.

- Updated language on transfer policies to reflect the implementation of the mandatory 10-day carryover requirements for transfer students, regardless of whether they are transferring within the same LEA or between LEAs, effective July 1, 2019.

***Miscellaneous Updates:***

- Condensed portions of the CEP history section.
- Added language discussing direct certification with Medicaid, AP and SAT test fee waivers/reductions, unpaid meal charges, and Summer EBT.
- Clarified the funding available to support CEP.
- Clarified how CEP schools determine eligibility and reimbursement when operating the Seamless Summer Option.

Minor wording changes and revisions to regulatory citations to reflect publication of the final rule were also made throughout. ***[New/Revised]*** appears next to new or revised questions.

The CEP Resource Center provides extensive resources officials at the local, State, and Federal levels may use to better understand CEP and its positive benefits. The CEP Resource Center includes the CEP Estimator Tool, which LEAs can use to determine if CEP is a financially viable option, based on the LEA's expected monthly reimbursement. [Click here to see the CEP Resource Center.](#)

State agencies are reminded to distribute this memorandum to Program operators immediately. LEAs, school food authorities, and other Program operators should direct any questions concerning this guidance to their State agency. State agencies with questions should contact the appropriate FNS Regional Office.

**Original Signed**

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Acting Director  
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## Frequently Asked Community Eligibility Provision (CEP) Questions

### Notification, Publication, and Election Process Requirements

#### 1. What are the key dates for CEP?

Below is the timeline for the CEP notification, publication, and election process.

Date	Requirement
April 15	<p><b>Notification</b></p> <ul style="list-style-type: none"> <li>• State agencies notify local educational agencies (LEAs) of district-wide eligibility status and provide guidance and information.</li> <li>• LEAs submit school-level eligibility information to the State agency. State agencies may exempt LEAs from this requirement if school-level data is available to the State.</li> </ul>
May 1	<p><b>Publication</b></p> <ul style="list-style-type: none"> <li>• State agencies post the LEA district-wide and school-level lists on their website and send a link to the Food and Nutrition Service (FNS).</li> </ul>
June 30	<p><b>Election</b></p> <ul style="list-style-type: none"> <li>• Interested and eligible LEAs notify their State agency of their intent to participate under CEP.</li> <li>• LEAs planning to participate in CEP the following school year submit to the State agency identified student and total enrollment data that reflects April 1.</li> </ul>

The April 15 notification requirement is codified at 7 CFR 245.9(f)(5) and (6). Meeting the April 15 requirement is necessary to meet the May 1 requirement, which is included in section 11(a)(1)(F)(x)(III) of the National School Lunch Act (NSLA) and codified at 7 CFR 245.9(f)(7). The June 30 election requirement is included in section 11(a)(1)(F)(x)(I) of the NSLA and codified at 7 CFR 245.9(f)(4)(i).

#### 2. *[Revised]* What data should be used to meet the notification and publication requirement if data reflective of April 1 is not available?

If LEA- or school-specific identified student data as of April 1 is not readily available, State agencies or LEAs may use the number of directly certified students (e.g., with SNAP and/or with other eligible assistance programs, as applicable) as a proxy for the number of identified students.

If proxy data is used, it must be clearly noted on the eligibility lists that the data is intended for informational purposes only and that the data does not confer eligibility to elect CEP.

Interested LEAs must provide full school-level identified student data as of April 1 to determine eligibility and participate in CEP.

**3. [Revised] What is the correct protocol for informing the public about CEP?**

*State Agencies*

Per 7 CFR 245.9(f)(7), no later than May 1, State agencies must post lists of LEAs and schools with:

- An Identified Student Percentage (ISP) of at least 25 percent (eligible);
- An ISP greater than or equal to 15 percent but less than 25 percent (nearly eligible);
- An ISP greater than or equal to 15 percent but less than 25 percent in their fourth year of electing (eligible for grace year); and
- A list of LEAs currently participating districtwide.

These lists must be posted to the State agency website and State agencies must provide FNS with the link to these lists. State agencies should submit their link via email to: [SM.FN.cepnotification@usda.gov](mailto:SM.FN.cepnotification@usda.gov). State agencies are required to maintain eligibility lists on their website until the following May 1, when new eligibility lists are published. FNS maintains online links to State-specific information on LEAs and schools that may be eligible to elect the CEP for the current school year. [Click here to see lists of eligible LEAs and schools by State.](#)

*LEAs*

LEAs electing CEP should use their usual channels of communication (i.e., the required public announcement included at 7 CFR 245.5) to notify the public that school meals will be available at no cost to all enrolled students. LEAs may also consider including information about CEP when sending out “back-to-school” packets with student registration materials each fall, posting information about CEP on the district website, and/or sharing information about CEP in student handbooks.

**LEA and School Level Eligibility and Grouping**

**4. [Revised] What is the definition of “school” for CEP?**

CEP follows parts (a) and (b) of the NSLP definition of “school” at 7 CFR 210.2. According to Federal regulation, “school” means: (a) An educational unit of high

school grade or under, recognized as part of the educational system in the State and operating under public or nonprofit private ownership in a single building or complex of buildings; or (b) any public or nonprofit private classes of preprimary grade when they are conducted in the aforementioned schools.

This may include public, nonprofit private, and charter schools, but not residential child care institutions (RCCIs). By law, RCCIs are not eligible to participate in CEP [U.S.C. 42 1759a(a)(1)(F)(ii)(I)(cc)].

**5. *[New]* Can a State agency prevent an eligible LEA from participating in CEP?**

No, electing CEP is an LEA-level decision [U.S.C. 42 1759a(a)(1)(F)(ii)(I)]. If the State agency determines that the LEA has met the eligibility requirements, the LEA may elect CEP (7 CFR 245.9(f)(4)(ii)).

**6. *[Revised]* Must LEAs participate in CEP district wide in order to operate CEP?**

No. LEAs may elect CEP for all schools, individual schools or groups of schools within the LEA, as long as the school or group meets the 25 percent ISP threshold and other eligibility criteria included at 7 CFR 245.9(f)(3).

**7. *[Revised]* Can LEAs establish more than one group of schools in order to maximize their ISP when electing CEP?**

Yes. LEAs may establish different groups within the LEA to maximize their ISP. LEAs have discretion in how to group schools as long as the schools are in the same LEA, and the group meets the 25 percent ISP threshold and other eligibility criteria included at 7 CFR 245.9(f)(3).

**8. *[Revised]* Are schools operating Provision 2 or Provision 3 permitted to elect CEP?**

Yes. If the school(s) meets the 25 percent ISP threshold and other eligibility criteria for CEP, schools operating Provision 2 and Provision 3 may elect CEP.

**9. If an LEA groups four schools in Year 1 of the four-year CEP cycle, then adds four more schools in Year 2, may all eight schools be grouped together?**

Yes, the schools may be grouped together, or the LEA may form two separate groups. In this example, the LEA may:

- Form two separate groups of four schools. Each group would have its own ISP (calculated using April 1 data from the year before CEP implementation) and its own four-year cycle; or
- Form a new group of eight schools and calculate a new ISP based on the identified student number and enrollment from all eight schools. The new

group would start a new four-year cycle. The ISP would be established using April 1 data from the year before the new group adopts CEP.

When there is a change to a CEP group, as in the second example, the group must recalculate the ISP. The four schools adopting CEP in Year 1 would use data from April 1 the preceding year (Year 0) to calculate the ISP. When four additional schools are added in Year 2, the identified student population and enrollment both change, and the ISP must be recalculated.

**10. [Revised] What is a “grace year”?**

An LEA, group of schools, or individual school in Year 4 of a CEP cycle with an ISP of less than 25 percent but at least 15 percent as of April 1 may continue participating in CEP for one grace year (i.e., a fifth year). This gives LEAs the opportunity to restore their eligibility status without immediately resuming standard counting and claiming procedures or disrupting the CEP meal service. Reimbursement for schools participating in a grace year is based on the ISP as of April 1 in Year 4 of the current four-year cycle. For example, the claiming percentages for schools participating in a grace year for school year (SY) 2024-2025 would be calculated as follows:

- Year 4 ISP as of April 1, 2024: **20%**
- $ISP \times 1.6$  multiplier ( $20\% \times 1.6$ ): **32%**
- Free claiming percentage: **32%**
- Paid claiming percentage: **68%**

If the LEA, group of schools, or individual school regains an ISP meeting the 25 percent threshold as of April 1 of the grace year, the State agency may approve a new four-year cycle beginning the following school year. The grace year provision is codified at 7 CFR 245.9(f)(4)(ix).

**Direct Certification Data**

**11. [Revised] How often are LEAs electing CEP required to run direct certification?**

Under 7 CFR 245.6(b)(1)(v), LEAs electing CEP are required to conduct a data match between SNAP records and student enrollment records at least once annually. State agencies may conduct data matching on behalf of LEAs and exempt LEAs from this requirement. LEAs must continue to provide direct certification eligibility notifications to households, even if the children in that household attend a CEP school (7 CFR 245.6(c)(6)(ii)). The LEA’s public notification cannot fulfill this requirement.

Conducting direct certification at least annually allows LEAs participating in CEP to take advantage of any ISP increases and ensures directly certified households are aware of their eligibility status which may be used for other programs and benefits, such as Summer EBT or for other educational and school-level benefits.

Additionally, running direct certification helps LEAs observe demographic trends. For example, if direct certification rates are trending toward a decrease that makes CEP fiscally unfeasible, running direct certification could help LEAs plan in advance to return to standard counting and claiming. See the “Reporting and Recordkeeping” section of this guidance for information on reporting Data Element #3 on the FNS-834 form.

**12. *[Revised]* What does “direct certification” mean for the purposes of determining the ISP in CEP?**

For the purposes of CEP, any student certified without an application and, therefore, not subject to verification (as prescribed in 7 CFR 245.6a(c)(2)) is considered “directly certified” and included in the ISP. The definition of identified students is included in section 11(a)(1)(F)(i) of the NSLA and codified at 7 CFR 245.9(f)(1)(ii).

**13. Can an LEA request direct certification data from the State agency at any time?**

FNS encourages State agencies and LEAs to work together to ensure that LEAs have the data needed to make sound decisions related to CEP, and recommends State agencies respond to LEA requests for direct certification data promptly, whenever possible. LEAs operating under standard counting and claiming are required to run direct certification matches at least three times per year (7 CFR 245.6(b)(3)(ii)). As stated at 7 CFR 245.9(f)(6), State agencies also are required to notify LEAs of potential district-wide ISP eligibility by April 15 of each year.

FNS requires LEAs operating CEP (and other special provisions, as described in 7 CFR 245.9) to conduct direct certification matches with SNAP records and student enrollment records at least once annually. This requirement is codified at 7 CFR 245.6(b)(1)(v).

**Identified Student Percentage Determination**

**14. *[Revised]* Who are the identified students?**

Identified students are students who are approved as eligible for free meals and who are not subject to verification. This definition (codified at 7 CFR 245.9(f)(1)(ii)) includes students directly certified for free school meals through participation in:

- SNAP;



- Temporary Assistance for Needy Families (TANF);
- Food Distribution Program on Indian Reservations (FDPIR); and
- Medicaid, in States operating USDA’s Direct Certification with Medicaid Pilot Project (Only children directly certified as free may be included in the ISP. Students certified for reduced price meals are not included in the ISP but are accounted for via the CEP multiplier.)

Identified students also include:

- Children experiencing homelessness, as specified under section 725(a) of the McKinney-Vento Homeless Assistance Act [42 U.S.C. 11434a(2)];
- Children who have runaway and/or are experiencing homelessness and are served by programs established under the Runaway and Homeless Youth Act [42 U.S.C. 5701];
- Children who migrate, as specified under section 1309 of the Elementary and Secondary Education Act of 1965 [20 U.S.C. 6399];
- Children placed in foster care, certified through means other than a household application;
- Children enrolled in a federally funded Head Start Program or comparable State-funded Head Start or pre-kindergarten program; and
- Non-applicant students approved by local education officials, such as a principal, based on available information.

Students who are categorically eligible based on information, such as a case number, submitted through an application may be included in the identified student count if LEA staff can verify the case number with the appropriate agency and convert the student to “directly certified” in the LEA’s certification system.

**15. [New] Are LEAs and schools participating in the Direct Certification with Medicaid Pilot Project allowed to include the students identified in the ISP?**

Yes. In States operating USDA’s Direct Certification with Medicaid Pilot Project, students directly certified for free meals on the basis of their participation in Medicaid are included in the identified student count and the ISP. Students certified for reduced price meals via Medicaid pilots are not included in the ISP. For more information on the Direct Certification with Medicaid pilot projects, please see FNS’s National School Lunch and School Breakfast Program Demonstration Projects to Evaluate Direct Certification with Medicaid website. [Click here to see the Direct Certification with Medicaid website.](#)

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

For purposes of calculating the ISP, “enrolled students” include students who are

enrolled in and attending schools participating in CEP and who have access to at least one meal service (NSLP or SBP) daily, regardless of whether the students participate in the meal service. The definition of enrolled students is codified at 7 CFR 245.9(f)(1)(i). According to 7 CFR 245.9(f)(3)(i), the ISP must be representative of the number of identified students and the student enrollment as of April 1 of the year before CEP implementation.

**17. [Revised] When does the ISP have to be drawn in order to be reflective of April 1?**

According to section 11(a)(1)(F)(iii) of the NSLA, the ISP must be established using the number of identified students and the number of total enrolled students as of April 1 of the year before CEP implementation (7 CFR 245.9(f)(3)(i) and 7 CFR 245.9(f)(4)(i)). Due to variations in the point in time for monthly updates in State and local direct certification systems, updates to the ISP could be made before or after April 1 to account for differences in operational procedures, but the ISP data must be representative of the student population as of April 1.

Since regulations regarding direct certification at 7 CFR 245.6(b)(3)(ii) require direct certification matches with SNAP to be conducted three times each year at schools operating standard counting and claiming, the timing of one of these matches can easily be planned to represent April 1.

**18. [Revised] How should LEAs round when determining the ISP?**

When determining the percentage of identified students, LEAs must round the ISP to at least two decimal places. The percentage must be at least 25.00 percent for the entity to be eligible to participate in CEP. An entity with an ISP of 24.98 percent does not meet the threshold, and therefore, is not eligible to elect CEP.

To calculate the ISP, divide the identified students in the school, group of schools, or district electing CEP by enrolled students in the school, group of schools, or district electing CEP:

$$\frac{\text{Identified Students}}{\text{Enrolled Students}}$$

Carry the calculation to four decimal places using standard rounding (four or less, round down; five or more, round up). Then, multiply the result by 100 to calculate the percentage to two decimal places. For example:

- A school has 550 identified students and 700 enrolled students.
- $550/700 = 0.78571429$ , which rounds to 0.7857.
- Multiply by 100 to calculate an ISP of 78.57 percent.

**19. A school's student population includes a subset of pre-kindergarten children that attend school half-day and only eat one meal. Are these children included in the ISP?**

Yes. Students who have access to at least one meal during their school day must be included in the ISP. In this example, the pre-kindergarten children must be included in both the numerator (identified students), as applicable, and the denominator (enrolled students). The definitions for identified and enrolled students are codified at 7 CFR 245.9(f)(1).

**20. A group of students from a non-CEP school attends classes and eats lunch at a CEP school. Should these students be included in the CEP school's ISP?**

Yes. The students attend classes and have access to meal service daily at the CEP school, so they should be included in the CEP school's ISP. The students should be included in the numerator (identified students), as applicable, and the denominator (enrolled students). The definitions for identified and enrolled students are codified at 7 CFR 245.9(f)(1).

**21. If a school uses October data for other programs, such as area eligibility and the Fresh Fruit and Vegetable Program, could the school use October data to establish eligibility for CEP?**

No. According to sections 11(a)(1)(F)(iii)(I)(bb) and 11(a)(1)(F)(iv)(I)(bb) of the NSLA, an ISP must reflect the student population as of April 1. Data to establish CEP eligibility and the ISP for the following school year must reflect the student population on April 1 of the school year prior to implementing CEP. This requirement is codified at 7 CFR 245.9(f)(3)(i).

**22. If an LEA, group of schools, or individual school participating in CEP experiences a change to the student population, must the LEA, group of schools, or individual school recalculate the ISP?**

It depends. The CEP reimbursement rate corresponds with the poverty level of the households served by participating schools. Changes to a student population could indicate a change in the poverty level of the households served by the school and may require an ISP to be recalculated.

*LEAs Participating District-Wide*

For LEAs participating district-wide, the ISP must be recalculated if the LEA's attendance area changes, as this may indicate a change the socioeconomic status of the community served by the LEA. The attendance area is typically understood as the geographic area served by the LEA or school but may be defined by other parameters set by a State or locality. If the composition of schools in the LEA changes, but the overall attendance area served by the LEA does not change, an ISP recalculation is not required. For example, if an LEA closes one school, and two new schools open,

but the LEA's overall attendance area remains the same, an ISP recalculation is not required.

*Multiple Schools Participating as a Group*

When a school or schools (and the attending students) are added to or removed from a CEP group, the ISP must be recalculated. However, if students are moved or reorganized among schools within a CEP group (i.e., a grade moves from one CEP school to another and both schools are in the same CEP group), an ISP recalculation is not required, because the group's total identified student and total enrollment numbers are the same. This logic applies to all CEP group changes, including school closings, schools merging, and one school splitting into two schools.

*Individual Schools Participating*

Similar to LEAs participating district-wide, for a school participating as an individual site, the ISP must be recalculated only if the school's attendance area changes. If the composition of grades in the school changes, but the school's overall attendance area does not change, an ISP recalculation is not required. For example, if a school adds or removes a grade, but the overall attendance area remains the same, the ISP will not have to be recalculated.

*Mid-Year Changes to the Student Population*

ISP recalculations are not required mid-year for any changes in a student population. For any mid-year student population change, the LEA, group of schools, or individual school may continue claiming meals using the existing ISP for the remainder of the school year. However, if an ISP recalculation is required (based on the criteria outlined above) and the LEA intends to continue electing CEP in the following school year, the ISP must be recalculated using April 1 data. A new four-year cycle would start the following school year, using the new ISP as the basis for claiming meals.

**23. [Revised] Is the ISP locked in for the four-year cycle, even if it decreases?**

Generally, yes. The original ISP (established from April 1 data in the school year before CEP implementation) is valid for four years, and the LEA is protected against decreases in direct certification rates. This protection is codified at 7 CFR 245.9(f). Certain changes to the student population (as described in the previous question) may require the ISP to be recalculated during the four-year cycle.

If the ISP increases during the four-year cycle, the LEA may begin a new cycle to guarantee the higher ISP for four years. This flexibility is codified at 7 CFR 245.9(f)(4)(viii). During the second, third, and fourth years of the four-year cycle, the LEA or school may select for the claiming percentage the higher of:

- The ISP reflective of the most recent April 1; or
- The ISP from the year prior to the first year of CEP implementation of the current four-year CEP cycle (the original ISP).

To begin a new four-year CEP cycle, the LEA must calculate a new ISP using identified student data from the April 1 prior to the new four-year cycle and demonstrate to the State agency the participating school(s) still meet the ISP requirement (7 CFR 245.9(f)(4)(i)).

**24. *[Revised]* If an LEA has an agreement to provide food service to schools outside of the LEA, can the LEA include those schools in a CEP group?**

It depends. Schools grouped together for the purposes of CEP must be participating in the school meal programs under a single State agency agreement. School districts that provide food service to outside schools (i.e., private schools, charter schools) through a vending contract, or similar agreement, may not include the outside schools in the district's ISP, unless the schools are listed as serving sites on the LEA's State agency agreement. Only students who are enrolled in the same school or group of schools in an LEA can be included in the ISP. Sites incorporated in this manner are subject to all NSLP and SBP requirements and may be selected for review during the State agency's Administrative Review of the school district.

Vended meals provided to schools outside the LEA may not be included in the total meal counts used for claiming at CEP schools. Vended meals must be counted and claimed separately.

**25. *[Revised]* If a student is enrolled in a CEP school and has access to breakfast at the school, but also attends a second CEP school (i.e., Career Center) in a separate LEA and has access to lunch there, can each LEA include the student in their ISP?**

Yes. Students who attend school half-day and only have access to one meal (breakfast or lunch) are included in the ISP numerator (identified students), as applicable, and the denominator (enrollment). The definitions for identified and enrolled students are codified at 7 CFR 245.9(f)(1).

**26. *[Revised]* What process should be followed if an ISP error is identified outside of an Administrative Review?**

The LEA should notify the State agency immediately. The State agency must confirm the corrected ISP (based on identified student data from April 1 of the school year before the start of the current CEP cycle). The corrected ISP is then applied to the current unclaimed month and future claims for the remainder of the four-year cycle. If the corrected ISP is lower than the original ISP, resulting in overclaims, State agencies have discretion to retroactively adjust claims back to the start of the school year. If the corrected ISP is higher than the original ISP, resulting in underclaims, retroactive, upward adjustments to claims are not allowed for errors found outside of an Administrative Review.

As a reminder, State agencies must ensure the accuracy of an LEA's ISP(s) at the time CEP is elected in order to prevent incorrect ISP calculations. For more information,

please refer to *SP 11-2024: Community Eligibility Provision: State Agency Procedures to Ensure Identified Student Percentage Accuracy*.

### **Changes in CEP Election**

#### **27. [Revised] When is an LEA permitted to end participation in CEP?**

An LEA may choose to end CEP participation and restore standard meal procedures at any time if standard procedures better suit their program needs. Prior to the change taking place, the LEA must notify the State agency of the intention to end CEP participation and seek State agency guidance regarding a return to standard counting and claiming. LEAs that resume standard counting and claiming during the school year are required to notify the public and meet the certification and verification requirements of 7 CFR 245.6 and 7 CFR 245.6a in affected schools.

Schools considering ending use of CEP should consult with their State agency immediately so the State agency can proactively provide technical assistance. An overview of requirements for LEAs opting to restore standard counting and claiming procedures is included at 7 CFR 245.9(j).

#### **28. When a school ends participation in CEP, do students have “free” eligibility status for 30 operating days?**

##### *Ending CEP Participation Mid-Year*

LEAs must offer all students reimbursable meals at no cost for a period of at least 30 operating days (or until a new eligibility determination is made) following the resumption of standard counting and claiming mid-year. This requirement, included at 7 CFR 245.9(j), provides the school time to notify families and print, disseminate, collect, process, and certify household applications. Importantly, this requirement ensures students’ meal service routine is not disrupted during the transition. Meals served to students during this transition period are claimed at the same free and paid claiming rates used to claim meals under CEP.

##### *Ending CEP Participation Between School Years*

Under 7 CFR 245.6(c)(2), State agencies have discretion to allow LEAs to provide up to 30 operating days (or until a new eligibility determination is made) of meals at no cost at the beginning of a school year when students transition from CEP to non-provision schools. Similarly, when a CEP school decides to resume standard counting and claiming procedures between school years, State agencies may permit LEAs to offer meals at no cost to all students in that school for up to 30 operating days at the beginning of the new school year or until a new eligibility determination is made, whichever comes first. Meals served to students during this time (the “carryover period”) are claimed at the free rate.

If a State agency chooses not to exercise the CEP carryover provision, students are eligible for meals at no cost during the 30-day carryover period only if they have an individual eligibility determination from the previous year. Examples include a direct certification match or a sibling's household application from a non-CEP school.

**29. *[Revised]* Do CEP students have “carryover” eligibility (up to 30 days of free meals at the start of a school year) when they move from a CEP to a non-provision school?**

To safeguard children's access to school meal benefits when they move to new schools, children transferring from a provision school must receive free meals for up to 10 days or until a new eligibility determination is made, whichever comes first. State agencies may permit children transferring from provision schools to receive free meals for up to 30 days. Free meals served under these circumstances may be claimed at the Federal free rate. These requirements are codified at 7 CFR 245.9(l).

**Transfer and Visiting Students**

**30. *[Revised]* When a student from a CEP school transfers to a non-provision school, is the student eligible for meals at no cost for the duration of the school year?**

According to 7 CFR 245.9(l), if a student transfers from a CEP to a non-provision school, whether within the same LEA or in a different LEA, the new school must provide meals at no cost to the student for up to 10 operating days or until an eligibility determination is made, whichever comes first. State agencies have discretion to allow LEAs to provide meals at no cost for up to 30 operating days or until a new eligibility determination is made, whichever comes first, to students transferring from CEP (and other special provision) schools to non-provision schools.

Schools have discretion, and are encouraged, to implement this option so students moving between schools do not experience a disruption in meal benefits. Meals served under these circumstances may be claimed at the Federal free rate.

**31. *[Revised]* A CEP school collects socioeconomic survey data to allocate State education funding. Income data reported by a household show that a student is eligible for free meals. If the student transfers to a non-CEP school, may the new school make an eligibility determination based on the survey data?**

No. If a student transfers from a CEP school that collected socioeconomic data from the student's household through an alternate income form, the new school may NOT make an eligibility determination based on information submitted in the form. Alternate income forms are not tied to the NSLP/SBP and may not be used to determine individual student eligibility for free or reduced price school meals. If a student transfers from a CEP school to a non-CEP school, the new school must

process an official school meal application or otherwise determine the student eligible for free meals (e.g., SNAP direct certification or homeless/migrant lists).

**32. If a student at a non-CEP school visits a CEP school during lunch, will the student receive lunch at no cost?**

Yes. Similar to procedures under Provision 2, CEP schools do not accept payment from visiting students (students who do not regularly attend and have access to meals). Meals served to visiting students are included as part of the total count of meals served in the CEP school and are reimbursed based on the CEP claiming percentage.

**33. If a student at a CEP school visits a non-provision school during lunch, will the student receive lunch at no cost? If so, how is the meal claimed for reimbursement?**

FNS strongly encourages non-CEP schools that host visiting students from CEP schools in the same LEA to provide the students a meal at no cost to avoid any disruption to the students' meal service. Such meals would be claimed according to the claiming percentages of the CEP school.

For example, 20 students from a CEP school visit a non-CEP school and all eat lunch at no charge. If the CEP school's claiming percentages are 85 percent free and 15 percent paid, these percentages are applied to the visiting student meals. The non-provision school in this example would claim 17 "free" meals and three "paid" meals. If only one CEP student is visiting a non-CEP school, the meal should be claimed at the free rate. The nonprofit school food service account can be used to cover the value of any paid meals of visiting students.

CEP students visiting a non-provision school outside of their LEA may be provided meals at no charge. The CEP school should pay the non-provision school for the value of any student meals claimed at the paid rate. In either case, the non-provision school must claim the reimbursable meals for visiting students in its Claim for Reimbursement according to the appropriate claiming percentages.

### **Reimbursement and Claiming**

**34. Will the 1.6 multiplier change?**

The 1.6 multiplier is codified at 7 CFR 245.9(f)(4)(vi). The NSLA provides discretion for FNS to change the multiplier to a number between 1.3 and 1.6; however, there are currently no plans to change the multiplier. Providing stability around the multiplier minimizes administrative uncertainty and gives LEAs and schools greater confidence when planning program operations.



If the multiplier is changed in the future, schools electing CEP will keep the same multiplier for their entire four-year cycle and will not have to implement changes to the multiplier until their next cycle if CEP is elected again. Any change to the multiplier will be communicated well in advance of implementation through a proposed rule in the *Federal Register*.

**35. [Revised] How are area eligibility percentages determined for CEP schools?**

For a site to be determined area eligible, individual school data must indicate that the proposed meal site is located in the attendance area of a CEP school where the free claiming percentage is at least 50 percent. LEAs or groups of schools may not use aggregated ISPs multiplied by 1.6 to determine area eligibility (i.e., the ISP of a group of schools or for the school district as a whole may not be used). Area eligibility determinations based on data from schools electing CEP as part of a group of schools or a school district must still use the individual school data rather than group or district-wide data.

Since the 1.6 multiplier provides an estimate of the total number of students eligible for free and reduced price meals at CEP schools, the product of the ISP multiplied by 1.6 is used for area eligibility purposes. If the result is equal to or greater than 50 percent, meal sites located in the school (or the attendance area of the school) are area eligible. Schools in LEAs electing CEP district-wide or as part of a group of schools electing CEP with a shared ISP must still use the individual school ISP. These percentages can be used for determining area eligibility in the Summer Food Service Program (SFSP), the NSLP Seamless Summer Option (SSO), Child and Adult Care Food Program (CACFP), and afterschool snacks provided through the NSLP.

For more information, [click here to see SP 08, CACFP 04, SFSP 03-2017: Area Eligibility in Child Nutrition Programs](#).

**36. [Revised] What are the rounding rules for calculating free and paid claiming percentages under CEP?**

The rounding rules for calculating free and paid claiming percentages under CEP are described below. Instructions for determining the free and paid claiming percentages are codified at 7 CFR 245.9(f)(4)(v).

*Free and Paid Claiming Percentages*

Multiply the ISP by 1.6 to determine the percentage of meals reimbursed at the free rate. Carry the calculation to a minimum of two decimal places (i.e., 86.15 percent) using standard rounding: numbers five and above round up to the next higher number, numbers four and below round down (i.e., 86.155 percent = 86.16 percent, 86.154 percent = 86.15 percent).

The paid claiming percentage is the difference between the free claiming percentage and 100 percent. The free and paid claiming percentages (rounded to two decimal places) are used to calculate the Claims for Reimbursement.

*Number of Meals Reimbursed at the Free Rate*

Multiply the percentage of meals reimbursed at the free rate by the total number of reimbursable meals in the claiming period to determine the number of meals reimbursed at the free rate. Remaining meals are reimbursed at the paid rate.

*Meal Claims*

Meal claims must be calculated as whole numbers. When the free or paid meal calculations result in partial meals, use standard rounding procedures (five and above round up, four and below round down) to calculate whole numbers. For any claim, if the total number of meals claimed for free and paid reimbursement does not equal the total number of meals served, the paid category must be adjusted so that all served meals are claimed for reimbursement (7 CFR 245.9(f)(4)(v)(B)). For example, if 800 reimbursable meals were served and the free claiming percentage is 86.15 percent, the number of meals reimbursed at the free rate would be 689.2 ( $800 \times 0.8615 = 689.2$ ), which is adjusted to 689 meals. The number of meals reimbursed at the paid rate would be 111 ( $800 - 689 = 111$ ).

**37. [New] Can an LEA use nonprofit school food service account funds to support CEP?**

The primary purpose of the nonprofit school food service account is to operate or improve a school meals program that serves nutritious meals meeting the meal pattern requirements. Therefore, funds in the nonprofit school food service account may be used to support CEP in accordance with 7 CFR 210.14(a). This includes Federal reimbursement and other assistance provided under the NSLA and the Child Nutrition Act of 1966, including unused reimbursement from the SFSP and CACFP [42 U.S.C. 1759a(a)(1)(F)(ii)(I)(bb)]. This also includes other funds in the nonprofit school food service account, such as nonprogram revenue in excess of revenue required to meet requirements at 7 CFR 210.14(f).

**38. [New] If an LEA uses nonprofit school food service account funds, what considerations should be made so that electing CEP does not diminish other aspects of school meal operations?**

While funds in the nonprofit school food service account may be used to support CEP, LEAs should ensure that schools have sufficient funding to not only provide all meals at no cost under CEP, but also to provide meals that comply with NSLP and SBP meal patterns and comply with resource management requirements (e.g., compliance with the net cash resources in 7 CFR 210.14(b) and the availability and priority for use of excess net cash resources per 7 CFR 210.19(a)(1)). LEAs should also ensure that using nonprofit school food service account funds to support CEP

does not adversely impact the financial viability or overall sustainability of the school meals programs.

As a reminder, expenditures of all funds in the nonprofit school food service account are subject to Federal cost principles, detailed at 2 CFR 200, and must only be made for allowable costs (7 CFR 210.14(a)). Operating CEP is an allowable cost of the nonprofit school food service account.

**39. *[Revised]* When must non-Federal funds be used to support CEP operations?**

If there is a difference between the cost of serving lunches and breakfasts at no cost to all participating children and the funding available, as explained in Question 36, the LEA must pay that difference with non-Federal funding sources (7 CFR 245.9(f)(4)(vii)) and 7 CFR 210.14(a)). Sources of non-Federal funds may include State and local funds, cash donations, and in-kind contributions from outside sources, such as volunteer services.

As a reminder, the expenditure of additional non-Federal funds is not required if all CEP operating costs can be covered from allowable funding sources.

**40. Are CEP schools required to conduct an edit check? If so, and the edit check is exceeded, what type of documentation is required under CEP?**

Yes. Participation in CEP does not change the requirement to conduct an edit check. When an edit check is exceeded, schools must maintain documentation to demonstrate why the edit check is exceeded (i.e., visiting students) or corrective action may be required. Edit check procedures are outlined at 7 CFR 210.8(a)(3).

**41. Are there specific requirements for the point of service or point of sale (POS) system employed by CEP schools during meal service?**

Any institution participating in the Federal school meal programs is required to take an accurate count of reimbursable meals served to students at each meal service (7 CFR 210.7(c) and 7 CFR 220.11). Serving lines must be adequately supervised to ensure that all meals claimed for reimbursement meet meal pattern requirements, and that reimbursement is only claimed for one meal per student per meal service (with the exception of second breakfasts permitted to be claimed as specified in 7 CFR 220.9(a)).

An accurate meal count may be achieved through a variety of methods. USDA does not require the use of any specific POS system. Many school districts use POS systems which incorporate technologies such as personal identification numbers (PIN), biometrics, and other individual student identifiers. When implementing CEP, USDA encourages school systems to maintain an accurate POS system that has a proven track record of reliability and security.

**42. [Revised] Are schools electing CEP eligible to receive the extra two cents lunch reimbursement and severe need breakfast reimbursements?**

Yes. CEP schools will be reimbursed at their usual reimbursement rates, including the two cent lunch differential and severe need breakfast rates, if eligible. Eligibility for both of these additional reimbursements is based on data from the second preceding school year (i.e., the school year before last school year).

*Severe Need*

Severe need eligibility is based on school-level data (7 CFR 220.9(d)). If the school operated CEP during the second preceding school year, the individual school's approved ISP must be used to determine eligibility for severe need reimbursements. Therefore, the individual school's ISP from the second preceding year multiplied by 1.6 must be at least 40 percent to qualify for severe need reimbursement in the SBP. If a school uses the same ISP for four consecutive school years, the same ISP would be used to determine eligibility for severe need for four consecutive years. Schools participating in CEP as part of a group may not use the group free claiming percentage to determine eligibility for severe need reimbursement. Instead, they must use their individual ISP that contributes to the group's claiming percentage.

If a new school elects CEP, the individual school's ISP can be used to determine eligibility for severe need without waiting for the first three months of claims, as is required in *SP 23-2005: Eligibility for Severe Need Rates for the School Breakfast Program (SBP)*. [Click here to see SP 23-2005](#).

*Two Cent Differential*

The two cent differential for NSLP is determined at the SFA-level [U.S.C. 42 1753(b)(2)]. To calculate eligibility for this reimbursement, SFAs aggregate counts of lunches served by reimbursement category. If at least 60 percent of the lunches served were reimbursed at the free or reduced price rates, then the SFA may claim an additional two cents reimbursement for all lunches served. Schools certified for the additional eight cents performance-based reimbursement would receive that additional reimbursement in all cases, as these funds are not tied to claiming patterns.

For SFAs that have partially implemented CEP or have more than one CEP group within their SFA, the calculation approach does not change; eligibility is determined if the percentage of free and reduced price lunches served in the SFA during the second preceding year was 60 percent or greater.

If the SFA operates CEP district-wide as one group, then the SFA is eligible if the free claiming percentage ( $ISP \times 1.6$ ) during the second preceding year was 60 percent or greater.

If there is a new SFA participating in CEP district-wide, the SFA does not have to wait for the first three months of claims to determine eligibility for the two cent differential. The new SFA may use the SFA's free claiming percentage ( $ISP \times 1.6$ ) to determine eligibility. However, if the new SFA is not participating in CEP district-

wide, then it must follow the guidance in *SP 30-2014: Determining Eligibility for Two Cent Differential Reimbursement in New Schools* and wait for the first three claims to determine eligibility. [Click here to see SP 30-2014.](#)

**43. [Revised] Can a CEP school use CEP claiming percentages for meals served during NSLP summer school?**

If a CEP school offers summer school to students, all of whom are enrolled at the school, the school may operate CEP and offer meals at no-cost to all summer school students. The school may:

- Apply the CEP claiming percentages for the NSLP to summer school; or
- Establish an ISP and CEP claiming percentage for summer school operations and use “summer school” claiming percentages in subsequent years of the CEP cycle.

If a CEP school offers summer school to students who, during the regular school year, are enrolled in different schools (CEP or non-provision), the school may:

- Offer standard program operations to summer school students (i.e., standard application and meal counting and claiming procedures); or
- Operate CEP and offer meals at no-cost to all summer school students by establishing an ISP and CEP claiming percentage for summer school operations. They can use these “summer school” claiming percentages in subsequent years for the summer school session’s meal counting and claiming process.

**44. Do children enrolled in a CEP school during the school year receive free meals if they attend a non-CEP school for summer school?**

Not necessarily. The non-CEP school must process household applications for children from the CEP school to establish eligibility for free, reduced price, or paid meals. Standard application and meal counting and claiming procedures would apply.

**Administrative Review**

**45. If a State agency finds errors in the ISP during an Administrative Review, what procedures must be followed?**

If a State agency finds errors in the ISP during an Administrative Review, the State agency must determine the actual ISP (based on identified student data from April 1 of the school year before the start of the current CEP cycle), then apply the correct claiming percentage retroactively to all claims submitted in the school year during which the Administrative Review takes place. The corrected ISP is used for the

remainder of the four-year cycle.

At the discretion of the State agency, upward adjustments to claims from the current and prior fiscal years may be made following the identification of an ISP calculation error during an Administrative Review (7 CFR 210.8(b)(4)). State agencies have discretion to extend fiscal action beyond the school year in which the erroneous ISP was found, if applicable (7 CFR 210.18(1)(3)).

If, based on an ISP calculation error, the State agency determines the LEA is ineligible for CEP, and the LEA is not eligible for a grace year, the State agency should work with the LEA to return to standard counting and claiming. If there is insufficient time in the current school year to resume standard counting and claiming, the LEA should use the corrected claiming percentage for the remainder of the school year. Additionally, the State agency should examine its CEP application process to determine why the erroneous ISP was not discovered and corrected when the LEA elected CEP.

**46. *[Revised]* During an Administrative Review of an LEA electing CEP, must the State agency review all ISPs in the LEA?**

No, the Administrative Review guidance instructs State agencies to review at least one CEP school. When reviewing the ISP, the review could be at the LEA, group, or individual school level, depending on the level at which CEP is elected. If multiple CEP schools are selected through normal site selection procedures, the corresponding ISP(s) would be reviewed. If no CEP schools are selected, the State agency would conduct an abbreviated review in at least one CEP school or site.

The State agency must ensure:

- A minimum of 10 percent of student names or a statistically valid sample for the ISP is reviewed;
- Appropriate documentation was used to establish the ISP(s); and
- The free and paid claiming percentages used to claim meals for each CEP site reviewed are accurate.

[Please click here to see the Administrative Review – Guidance and Tools, and Forms.](#)

**47. *[Revised]* If an LEA elects or drops CEP in the middle of a school year, what Administrative Review activities must the State agency complete?**

State agencies should conduct Administrative Review activities specific to the LEA's status during the month and on the day of review. For example, if the review month is December, and the LEA was operating under CEP in December, the State agency must complete certification and benefit issuance review activities required to assess compliance under CEP. However, if the day of review is in February, and the LEA has resumed standard counting and claiming, the State agency will assess standard

meal counting and claiming procedures on the day of review. For additional information, [please click here to see the Administrative Review – Guidance and Tools, and Forms.](#)

### **Independent Review of Applications and Verification**

#### **48. Are LEAs participating in CEP subject to the independent review of applications?**

No. LEAs that demonstrate high risk for administrative error associated with certification, verification and other administrative processes are required to conduct an independent review of submitted free and reduced price school meal applications (7 CFR 245.11(a)). Therefore, only LEAs that collect applications are required to conduct a second review of applications. If an LEA elects CEP and, therefore, does not collect applications, an independent review of applications is not required.

#### **49. Do LEAs electing CEP conduct verification?**

No. Because applications are not collected, LEAs are exempt from verification for the schools electing CEP. LEAs with some, but not all, schools electing CEP must conduct verification in schools that collect applications via standard counting and claiming.

#### **50. *[Revised]* If an LEA ends use of CEP and resumes standard counting and claiming, must verification be conducted on the applications processed after the LEA resumed standard counting and claiming?**

Yes. If applications were collected to determine eligibility for school meals, the LEA must comply with verification requirements (7 CFR 245.9(j)(2)). The State agency will work with the LEA to establish a reasonable timeframe for the LEA to complete verification and reporting activities. The LEA must also comply with other requirements related to application processing, such as the requirement for *verification for cause* at 7 CFR 245.6a(c)(7), which requires the LEA to verify questionable applications.

### **Reporting and Recordkeeping**

#### **51. How is CEP data reported on the FNS-742?**

FNS-742 procedures for SFAs and States reporting on CEP schools and non-base year Provision 2/3 schools include the following:

- Report in Sections 1 and 2 of the FNS-742 for all schools, as applicable.

- If all schools in the LEA are participating in CEP, check box 3-1 and report “0’s” for the remaining Sections of the FNS-742.
- If only some schools in the LEA are participating in CEP and the rest operate standard counting and claiming, report as follows:
  - Report SNAP-only direct certification data for the schools NOT participating in CEP in Section 3-2: “Students directly certified through SNAP” on the FNS-742.
  - Report the remaining fields of Section 3 and all other Sections of the FNS-742 for schools NOT participating in CEP or Provision 2/3 in non-base years, as applicable.

**52. [Revised] How is CEP data reported on the FNS-834?**

Annually by December 1, State agencies must report a statewide count of students matched with SNAP on the FNS-834 in the Data Element #3 box for “The number of SNAP Children in Special Provision Schools Operating in a Non-Base Year.” This includes students from all schools participating in CEP and any non-base year Provision 2/3 schools combined. The reporting requirements for Data Element #3 for CEP schools are codified at 7 CFR 245.13(c)(3).

To obtain the number of students matched against SNAP records that are enrolled in CEP schools to report on the FNS-834, one of the following options may be used.

*Option 1:*

Perform a special provision match similar to other provision schools operating in a non-base year. The special provision match is a match run between the SNAP database and school enrollment database(s) from special provision schools operating in a non-base year for the given school year. This includes Provision 1 schools, Provision 2 schools, Provision 3 schools, and CEP schools, as well as any other schools that may operate under the special provisions (7 CFR 245.13(c)(3)).

States using this option must conduct the special provision match in or near October each year, but no later than the last operating day in October. For example, in SY 2024-2025, the count for Data Element #3 would come from the special provision match conducted in or near October 2024, but not later than the last operating day of October 2024.

*Option 2:*

Use the count of identified students matched with SNAP used in determining the approved CEP claiming percentage for that school year. For example, if the current school year is SY 2024-2025, and the first year of the four-year cycle was SY 2022-2023, then the count for Data Element #3 would be the number of identified students matched with SNAP from April 1, 2022.

*Option 3:*

Use the count of identified students matched with SNAP conducted by April 1 of the same calendar year the FNS-834 is due, whether or not it was used in the claiming



percentages. For example, in SY 2024-2025, the count for Data Element #3 would be the number of identified students matched with SNAP by April 1, 2024, whether or not the school elected to update the claiming percentage that year.

For more information on the FNS-834 report, [click here to see SP 54-2013: Transmittal of Q&As on Computation of Direct Certification Performance Rate with SNAP](#).

**53. [Revised] How should LEAs participating in CEP report information on the FNS-10?**

LEAs participating in CEP must complete the FNS-10, *Report of School Program Operations*, annually. The free claiming percentage currently used under CEP ( $ISP \times 1.6$ ) in the LEA or school should be applied to the current October enrollment number to estimate the number of children approved for free lunches to report in 15a. LEAs participating in CEP are not required to report reduced price data in 15b.

**54. How are CEP data accounted for in the FNS-828?**

All SFAs must report their paid reimbursable lunch prices to their State agency on the FNS-828. SFAs that do not charge for paid student lunches must enter "\$0.00" in any or all categories, as applicable. SFAs that have some schools that do not charge for lunches (i.e., CEP schools), would report the most frequently charged lunch price(s) in those schools or categories of schools that charge for paid lunches (CEP schools are excluded).

**55. [Revised] What CEP documentation must be maintained by the State agency and LEA once the State agency validates the ISP?**

*State Agency Recordkeeping Requirements*

State agencies have established an array of processes for assessing the accuracy of an LEA's ISP(s). State agencies opting to follow the procedures outlined in the Administrative Review (i.e., locate 10 percent, or a statistically valid sample, of identified student names on appropriate documentation) must, at a minimum, maintain the following ISP data for LEAs and schools participating in CEP, as part of the Administrative Review records:

- A list of all identified students, with their ISP classification, used to determine the ISP from all schools participating in CEP from each LEA;
- Documentation for the total enrollment at all CEP schools;
- The 10 percent sample list of identified students that the State agency used to verify the initial ISP; and
- The ISP worksheet the LEAs used to calculate the ISP(s) and submitted to State agencies with appropriate documentation.

For more information, see *SP 11-2024: CEP State Agency Procedures to Ensure Identified Student Percentage Accuracy*, February 5, 2024.

Under 7 CFR 210.5(d), State agencies are required to maintain Program records as necessary to support the reimbursement payments made to SFAs. 7 CFR 210.23(c) requires records to be retained for a period of three years after the date of submission of the final Financial Status Report for the fiscal year. Therefore, State agencies that opt to establish their own processes for validating and ISP at the time CEP is elected must maintain documentation used to confirm the current claiming ISP for the entire time an LEA or school operates CEP, and for three years after submission of the LEA's final Claim for Reimbursement for the last fiscal year of CEP. If audit findings have not been resolved, these records must be retained beyond the three-year period and for as long as required for the resolution of issues raised by the audit.

#### *LEA Recordkeeping Requirements*

According to 7 CFR 245.9(h)(3), LEAs participating in CEP must ensure the following records are maintained:

- Data used to calculate the ISP;
- Annual selection of the ISP;
- Total number of breakfasts and lunches served daily;
- Percentages used to claim meal reimbursement;
- Non-Federal funding sources used to cover any excess meal costs; and
- school-level information provided to the State agency for publication, if applicable.

LEAs must maintain source documentation used to confirm the ISP for the entire time an LEA or school operates CEP. If an LEA or school chooses to return to standard counting and claiming, the LEA must follow standard recordkeeping procedures and maintain the source documentation for three fiscal years after submission of the final Claim for Reimbursement for the last fiscal year of CEP. Similar to State agency records, if audit findings have not been resolved, LEA records must be retained beyond the three-year period and for as long as required for the resolution of issues raised by an audit. Failure to retain required documentation may result in removal from CEP and/or fiscal action.

### **Student Charges and Pricing**

#### **56. May a student attending a CEP school be charged for a non-reimbursable meal?**

Yes. If a student selects a non-reimbursable meal (i.e., the student refuses to select the components required for a reimbursable meal) the school may charge the student for the food components through à la carte sales. Alternatively, the school may allow the student to take the food at no cost. In either case, the school may not claim a non-reimbursable meal for reimbursement.

**57. What if a parent or guardian insists on paying for a student's meal?**

FNS encourages schools electing CEP to explain to parents and guardians how CEP benefits students, schools, and households. Encouraging all students to participate at no cost reduces the peer-group stigma sometimes associated with free or reduced price status and may improve the school nutrition environment.

Parents or guardians that insist on paying should be encouraged to make a monetary donation to the nonprofit school food service account. Children may also opt out of receiving free meals by bringing food from home or purchasing à la carte foods, if available.

**58. How should CEP schools be included for the purposes of Paid Lunch Equity (PLE) in LEAs that have some CEP and some non-CEP schools?**

In partial-CEP districts, CEP schools are excluded from the calculation for the average weighted price for the PLE requirement. [Click here to see SP 39-2011 \(Revised\): Child Nutrition Reauthorization 2010: Guidance on Paid Lunch Equity and Revenue from Nonprogram Foods.](#)

**Other Child Nutrition Programs**

**59. [New] Will all children who attend CEP schools be automatically enrolled in Summer EBT (i.e., be issued benefits without the need to apply)?**

No. In order to be eligible for Summer EBT benefits, children must be individually determined to be eligible for free or reduced price school meal benefits during the instructional year immediately preceding the summer operational period (the Summer EBT instructional year starts on July 1 of the previous summer) or during the summer operational period (7 CFR 292.2, 7 CFR 292.6(a)). Children enrolled in CEP schools who are not otherwise identified as Summer EBT-eligible through streamlined certification may apply for Summer EBT benefits using a Summer EBT Application.

More information about Summer EBT is available on the FNS Summer EBT Website. [Click here to see the Summer EBT website.](#)

**60. [New] If LEAs collect and process applications that are used for Summer EBT eligibility and they participate in CEP, are they violating CEP program regulations?**

No. The NSLP and SBP regulations at 7 CFR 245.9(f)(4)(iv) that prohibit CEP schools from collecting free and reduced price household applications do not apply to LEA activity in processing Summer EBT applications. This is because LEAs are not developing, conducting, or funding this effort under the NSLP or SBP. In these cases,

it must be clearly communicated to families of children attending a CEP school that they will receive free school meals even if they do not submit a Summer EBT application.

**61. [Revised] A CEP school also operates the Special Milk Program (SMP) for half-day kindergarten students who do not have access to NSLP or SBP. How should the school certify students for the SMP without household applications?**

The SMP operates independently from NSLP and SBP. CEP schools that also operate the SMP for children who do not have access to NSLP or SBP must process household applications to certify students for SMP benefits. More information about the SMP is available on the FNS School Meal Programs website. [Click here to see the SMP website.](#)

**62. [Revised] How are Fresh Fruit and Vegetable Program (FFVP) award determinations made for CEP schools?**

When considering CEP schools for FFVP funds, State agencies must use the individual school-level ISP multiplied by 1.6, since the 1.6 multiplier provides an estimate of the total number of students eligible for free and reduced price meals. Schools in LEAs electing CEP for the entire LEA and schools participating as part of a group must still use the individual school-level ISP percentage for purposes of awarding FFVP funds. The multiplier is codified at 7 CFR 245.9(f)(4)(vi).

**63. What data should be used to establish area eligibility for the NSLP Afterschool Snack Program?**

Data from the previous October is typically used to establish area eligibility for NSLP Afterschool Snacks. In the first year of a CEP cycle, participating LEAs and schools must use data from the previous October to determine area eligibility for individual schools.

After the first year of CEP participation, LEAs and schools must use the CEP free claiming percentage ( $ISP \times 1.6$ ) to establish area eligibility for NSLP Afterschool Snacks. Schools in LEAs electing CEP for the entire LEA and schools participating as part of a group must determine area eligibility using the individual school's  $ISP \times 1.6$  (not the district-wide or group claiming percentage). For more information, [click here to see SP 08, CACFP 04, SFSP 03-2017: Area Eligibility in the Child Nutrition Programs.](#)

**64. [Revised] How are NSLP Afterschool Snacks claimed at a CEP schools?**

CEP schools that are not area eligible claim snacks using the same claiming percentages used to claim meals under NSLP/SBP. CEP schools that are area eligible claim all snacks at the free reimbursement rate. A CEP school is area eligible if:

- At least 50 percent of students are free or reduced price eligible (school's individual ISP is at least 31.25 percent); or
- The school or site is located in the attendance area of another school in which at least 50 percent of the children enrolled at the school are certified as eligible for free or reduced price meals.

**65. May schools use unused reimbursement from the SFSP and CACFP to cover operating costs for CEP?**

Yes. Section 11(a)(1)(F)(ii)(I)(bb) of the NSLA states that Federal assistance received under the NSLA and CNA may be used to support offering breakfasts and lunches to students at no cost in CEP schools.

**66. How do schools transition from Provision 2 to CEP?**

An LEA considering a switch from Provision 2 to CEP should work with its State agency to make the transition. [Click here to see State agency contact information.](#) If the State agency determines a Provision 2 school is eligible for CEP and would benefit from making the transition, the LEA should submit required documentation to the State agency for approval.

When making the transition, the LEA should work with its State agency to ensure all requirements for operating CEP (i.e., validating the ISP, meeting notification and publication requirements) are met. These schools must retain base year records (base year plus all extensions) for three years after the final year of Provision 2 operations, or longer if there are audit findings until the findings are resolved.

**Title I and Other Educational Funding**

**67. [Revised] Where can LEAs find information about Title I procedures for CEP schools?**

The Department of Education (DOE) published guidance, which is included in *SP 35-2015: Updated Title I Guidance for Schools Electing Community Eligibility*. [Click here to see SP 35-2015.](#)

In addition, in February 2022, DOE released updated guidance titled *Within-District Allocations Under Title I, Part A of the Elementary and Secondary Education Act of 1965, as Amended*. The guidance discusses provisions that govern within-district Title I allocations and supersedes the section in the 2015 guidance entitled "Within-District Allocations." [Click here to see SP 10-2023: Updated Title I Guidance for Making Within District Allocations.](#)

**68. A school district includes CEP and non-CEP schools. To alleviate confusion among households and administrative staff, the district would like to use a single form to collect household income information to (1) determine eligibility for school meals in non-CEP schools, and (2) distribute other education funding in CEP schools. The district would cost-allocate expenses for form processing based on the proportionate number of students surveyed in non-CEP vs. CEP schools. Costs for surveys of CEP households would not be paid from the nonprofit school food service account. Is this allowable?**

Yes. Single forms developed for this purpose must:

- Contain all information required on the school meals application;
- Include a clear, concise, and prominent disclaimer to indicate households with students attending CEP schools are not required to submit the form for their student to receive meals benefits; and
- Clearly specify to households which fields must be completed for students attending CEP vs. non-CEP schools.

LEAs opting to use a single form must be able to distinguish between forms from students attending CEP vs. non-CEP schools so the LEA can comply with Program requirements related to household applications. For example, only non-CEP applications are used for selecting the verification sample, conducting an independent review of applications, and the Certification and Benefit Issuance portion of the Administrative Review. Additionally, the LEA must cost-allocate expenses for form processing. Costs for processing forms for students attending CEP schools may not be paid from the nonprofit school food service account.

USDA encourages LEAs to identify means of allocating education funding that do not mitigate CEP's paperwork reduction benefit. However, some LEAs electing to partially implement CEP have determined that individual income information is still necessary for carrying out various education funding allocations. A single form collecting household income information from students in CEP and non-CEP schools may be a reasonable way to streamline information collection.

**69. Can school food service staff process alternate income forms if an LEA decides it is necessary to collect forms to allocate education funding?**

Yes. School food service staff has expertise collecting household income forms. If an LEA decides it is necessary to collect alternate income forms to allocate education funding, school food service staff may process the forms, but the cost of alternate income form processing may not be paid from the nonprofit school food service account and the forms may not be associated with school meals. The LEA must pay for (or reimburse the nonprofit school food service account) for the cost of processing forms.

**70. An LEA, in which all schools participate in NSLP or SBP, partially implements CEP. Students within a single household attend both CEP and non-CEP schools. Can information from one sibling's household application be shared with a CEP school to determine another sibling's eligibility for other types of funding (i.e., athletic fee waivers)?**

Yes. However, this approach will likely not provide comprehensive information for the entire student population at the CEP school because it is not likely that all CEP students will have a sibling that submits a schools meals application at a non-CEP school. Also, students may not be added to a school's ISP based on information gathered via a household application submitted to determine a sibling's eligibility at a non-CEP school.