

# **Community Eligibility Provision (CEP) for School Nutrition Programs – Basics and Considerations**

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WISCONSIN DEPARTMENT OF  
**Public Instruction**  
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# Objectives

- 1. Attendees will learn how to assess their School Food Authority's (SFA) eligibility for CEP, as well as determine if CEP is a financially viable option for the SFA.**
- 2. Attendees will learn about the factors that go into the decision to participate in CEP. They will also gain a basic understanding of what CEP is.**

# Who in this room...

- **Has CEP in their School Food Authority (SFA)?**
  - At all schools?
  - At a few schools?
- **Has no CEP in their SFA?**
- **Is not sure?**



# What is CEP?

**C***ommunity*

- Provision within the National School Lunch Program and School Breakfast Program

**E***ligibility*

- Allows qualifying schools and districts to serve breakfast and lunch at no cost to all enrolled students without collecting household applications

**P***rovision*

# Who is CEP for?

- Individual schools, groups of schools, whole SFAs
- Private (including choice), public, or charter schools
- Must offer both breakfast (SBP) and lunch (NSLP)
- Must qualify
- Must apply



# How do you qualify for CEP?

## **I**dentified **S**tudent **P**ercentage

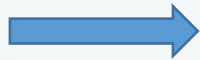
- Based on ISP
- Must be 25.00% or above
- No rounding → 24.95% = not qualified
- Enrollment data from April 1 of school year prior to CEP implementation
- April 1, 2024 for 2024-25

# How do you qualify for CEP?

Identified  
Students

÷

Enrolled  
Students



- Students directly certified for FREE meals without the use of a meal application

- Enrolled in & attend schools applying for CEP
- Access to at least one meal service daily

# How do you qualify for CEP?

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## DPI Support

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District Code	School District Name	Request Date	Match Codes								Total Free Studnts	Total Enroll	ISP	
			E	G	M	O	S	T	Z	N				
[REDACTED]	[REDACTED]	1/29/2024 1:28:56 PM	0	0	50	0	124	0	8	412	174	594	29.29%	
Schl #	School Name	School Type												
20	[REDACTED]	Elementary	0	0	32	0	83	0	4	212	115	331	34.74%	
40	[REDACTED]	High School	0	0	18	0	41	0	4	200	59	263	22.43%	



# How do you qualify for CEP?

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# How do you qualify for CEP?

District  
totals



Total Free Studnts	Total Enroll	ISP
174	594	29.29%
115	331	34.74%
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School  
totals

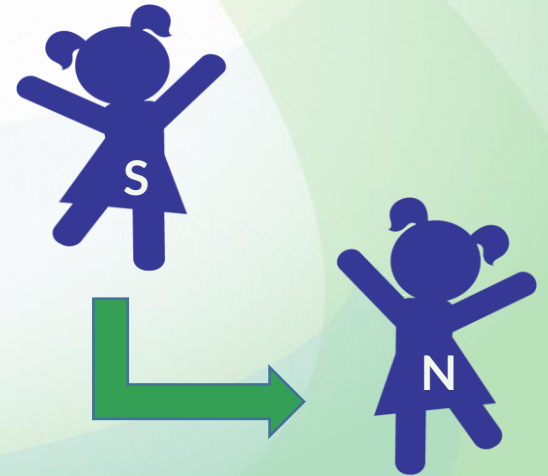
# Can you qualify for CEP with a free/reduced percentage of 25%?

- No, CEP is based on ISP
- Not just based on F/R percentage
- Assess percentage of students directly certified for free meals
- Do not count reduced-eligible (no Z codes) or eligibility from applications



# How do you get the highest ISP?

- Start with April 1 free direct certification matches (S, T, O, G, M, E)
- Look at N and Z codes → any additional that can be Identified Students?
- Any extension of free meal benefits?



# How do you get the highest ISP?

**Categorically eligible for free without meal application:**

- **Homeless, migrant, or runaway**
- **Foster certified through means other than an application**
- **Head Start or Even Start programs**



# How is reimbursement calculated?

- All meals are NOT necessarily reimbursed at the free rate
- No reduced-price category in CEP
- ISP used to establish free and paid claiming percentages
- Same percentages for breakfast and lunch
- $ISP \times 1.6 =$  free claiming percentage
- Once approved, claiming percentages valid up to 4 years

# How is reimbursement calculated?

- $625 \text{ identified students} / 1000 \text{ enrolled students} = 0.6250 \text{ ISP}$
- $0.6250 \times 100 = 62.50\%$
- $62.50\% \times 1.6 = 100.00\% \text{ free claiming percentage}$
- $100\% - 100.00\% = 0.00\% \text{ paid claiming percentage}$

# How is reimbursement calculated?

- 250 identified students / 1000 enrolled students = 0.2500 ISP
- $0.2500 \times 100 = 25.00\%$
- $25.00\% \times 1.6 = 40.00\%$  free claiming percentage
- $100\% - 40.00\% = 60.00\%$  paid claiming percentage



# Current Reimbursement Rates

- **Financial Management webpage → Reimbursement**  
<https://dpi.wi.gov/school-nutrition/program-requirements/financial-management>
- **Rates updated by USDA each school year**
- **Typically released around July 1 each year**

# Current Reimbursement Rates

School Breakfast Program (SBP)	Non-Severe Need	Severe Need <sup>1</sup>
To students paying full price for meals	\$0.38	\$0.38
To students eligible for reduced priced meals <sup>2</sup>	\$1.98	\$2.43
To students eligible for free meals	\$2.28	\$2.73
Annual State Breakfast Aid for SY 2022-23 <sup>3</sup>	\$0.057	\$0.057

# Current Reimbursement Rates

<b>National School Lunch Program (NSLP)</b>	<b>Less than 60%<sup>1</sup></b>	<b>Less than 60%<sup>1</sup> including PBR<sup>2</sup></b>	<b>60% or more<sup>1</sup></b>	<b>60% or more<sup>1</sup> including PBR<sup>2</sup></b>
To students paying full priced meals	\$0.40	\$0.48	\$0.42	\$0.50
To students eligible for reduced priced meals <sup>3</sup>	\$3.85	\$3.93	\$3.87	\$3.95
To students eligible for free meals	\$4.25	\$4.33	\$4.27	\$4.35
USDA Foods Value	\$0.295	\$0.295	\$0.295	\$0.295
Annual <u>State</u> Lunch Aid for SY 2022-23 <sup>4</sup>	\$0.048	\$0.048	\$0.048	\$0.048

# How is reimbursement calculated?

## CEP Lunch Example:

- 40.00% free claiming percentage
- 60.00% paid claiming percentage
- Total lunches served for the month = 5000
- $(5000 \text{ lunches} \times 0.40 \times \$4.33) = \$8,660.00$
- $(5000 \text{ lunches} \times 0.60 \times \$0.48) = \$1,440.00$
- Total lunch revenue = **\$10,100.00**

# How is reimbursement calculated?

## Standard Counting & Claiming Example:

- 5000 lunches (1660 free, 165 reduced, 3175 paid)
- $(1660 \text{ free} \times [\$0.00 \text{ payment} + \$4.33]) = \$7,187.80$
- $(165 \text{ reduced} \times [\$0.40 \text{ payment} + \$3.93]) = \$714.45$
- $(3175 \text{ paid} \times [\$3.00 \text{ payment} + \$0.48]) = \$11,049.00$
- Total lunch revenue = **\$18,951.25**

# How is reimbursement calculated?

## CEP vs Standard Counting & Claiming Example:

- CEP: total lunch revenue = **\$10,100.00**
- Standard: total lunch revenue = **\$18,951.25**
- Difference:  $\$18,951.25 - \$10,100.00 = \$8,851.25$
- In this example, less revenue under CEP

# What are the benefits?

- Free breakfast and lunch for students
- Possible increased participation
- No applications for meal benefits
- No verification
- Simplified meal counting & claiming
- No unpaid meal charges



# What are other considerations?

- Level of participation
- Anticipated reimbursement
- Financial impact
- Non-federal funds available
- Collecting economically disadvantaged data for other programs



<https://www.fns.usda.gov/sites/default/files/resource-files/SY23-24EstimatorCEP.xlsx>



# What are the possible funding sources for CEP?

- **Nonprofit school food service account, including:**
  - Federal reimbursement and other assistance under the National School Lunch Act and Child Nutrition Act
  - Unused reimbursement from the Summer Food Service Program and Child & Adult Care Food Program
  - Nonprogram food revenue in excess of revenue required to meet requirements at 7 CFR 210.14(f)
- **Non-Federal funds, including:**
  - State and/or local funds;
  - Cash donations; and
  - In-kind contribution funds from outside sources, such as volunteer services.

# When must non-federal funds be used to support CEP?

- If difference between cost of serving lunches and breakfast at no cost to all participating children and available funding in nonprofit school food service account, then SFA must pay difference with non-federal funds.
- Use of additional non-Federal fund not required if all CEP operating costs covered by allowable funding sources.

# **What considerations must be made so electing CEP does not diminish other aspects of school meal operations?**

- **Ensure sufficient funding to provide all CEP meals at no cost, but also meals that comply with meal pattern and resource management requirements.**
- **Ensure financial viability or overall sustainability of school meal programs not adversely affected.**

# Do you have to be in CEP for 4 years?

- Not necessarily
- Is a 4-year option
- Once approved, good for up to 4 years (if no significant changes)
- Can stop participation before 4 years
- Do not recommend dropping mid-year
- Consider communications to households and impact of change

# How do you apply for CEP?

- **Assess fully before applying**
- **June 30 deadline**
- **Agreement Form +  
Eligibility Worksheet =  
Application**



# Questions?

- Email [cep@dpi.wi.gov](mailto:cep@dpi.wi.gov); or call a CEP specialist.
- Visit <https://dpi.wi.gov/school-nutrition/community-eligibility-provision> and <https://www.fns.usda.gov/cn/community-eligibility-provision-resource-center>
- USDA Q&A: <https://www.fns.usda.gov/cn/cep-guidance-updated-qas>

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- 2. fax:**  
(833) 256-1665 or (202) 690-7442; or
- 3. email:**  
[program.intake@usda.gov](mailto:program.intake@usda.gov)

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