



Arizona Department of Education
Health & Nutrition Services Division

School Nutrition Programs

**Community Eligibility Provision of the National School
Lunch and School Breakfast Programs
Application**

Apply for CEP
School Year 2022-2023

Application Deadline:

June 30, 2022

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About Community Eligibility Provision (CEP)

The Community Eligibility Provision (CEP) is a non-pricing meal service option for schools and school districts that serve low-income populations. CEP allows Arizona's schools and districts serving a higher poverty population, to serve breakfast and lunch at no cost to all enrolled students. This is done without collecting household applications to determine eligibility for School Meal Programs. Instead, schools that adopt CEP are reimbursed using a formula, based on the percentage of students categorically eligible for meals at no cost based on their participation in other specific means-tested programs, such as the Supplemental Nutrition Assistance Program (SNAP) and Temporary Assistance for Needy Families (TANF). Arizona Department of Education (ADE) administers the program and is responsible for providing program outreach, oversight and processing Local Educational Agency (LEA) applications.

Benefits

Who benefits? Everyone!

☐ Students

Access to a healthy, free breakfast and lunch for all students, no stigma around income eligibility, and less time spent in cashier lines means more time to eat these nutritious meals

☐ Parents

Relieves the burden of providing breakfast and lunch food or money during the school week, and no household application means less paperwork

☐ School staff

Streamlined meal service operation, including not having to count by student eligibility, and well-fed students have been shown to behave and perform better

☐ Administrators

Reduced paperwork and administrative costs, no need to track unpaid meal charges, improved program integrity, incentive to attend over other schools that charge for meals, and more nourished students ready to learn and grow

Eligibility for Community Eligibility Provision (CEP)

Schools with the identified student percentage of **40% or higher** are eligible to elect CEP in the upcoming 2022-2023 school year. Identified students are those students that are eligible for free meals by means other than a household income application. The identified student percentage (ISP) is the percentage of identified students from the entire student population. ISP data reflective of April 1, 2022, must be used to determine school year 2022-2023 CEP eligibility.

The ISP is calculated using the following formula:

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

LEAs can access current district and school level eligibility by viewing the Annual Publication of Eligible and Near Eligible districts and sites on the webpage <https://www.azed.gov/hns/nslp> under the Required State Reporting accordion. **The Arizona Department of Education will post this information no later than May 1, 2022.** This data is required to be reported annually by each LEA and will serve as a tool for your school to determine CEP eligibility for the 2022-2023 school year. LEAs have the flexibility to elect CEP for a single site, group(s) of sites, or district wide. CEP is operated over a four-year period, or cycle. Additionally, the ISP is locked in over the course of the four-year cycle length with no risk of decrease.

CEP Claiming Percentages

The ISP is calculated to a set CEP claiming percentage which will be utilized over the four-year CEP cycle. To derive the CEP claiming percentage for a single school site, group(s) of sites or district wide, the CEP claiming multiplier of 1.6 must be applied to the ISP to derive the percentage of free meal reimbursement. For example, an ISP of 55% calculates to 88% of meals served at the free reimbursement rate when the claiming multiplier is applied. This means 88% of the total NSLP and SBP meals claimed will be reimbursed at the federal free rate; additionally, the remaining 12% of the total NSLP and SBP meals claimed would be reimbursed at the federal paid rate.

**Identified Student Percentage Multiplied by 1.6 =
Federal Free Claiming %.**
**The remaining percentage of meals up to 100% are reimbursed at the
Federal Paid Reimbursement Rate.**

*CEP claiming percentages totaling over 100% will be reimbursed 100% at the Federal Free Rate.

What are electing schools required to do during the four-year CEP cycle?

- Agree to serve free breakfasts and lunches at no charge to all students during the four-year cycle.
- Agree to count total breakfasts and total lunches served to students daily.
- Agree not to collect household applications for School Meal Programs.

Community Eligibility Provision Application Deadline

The CEP application deadline for PY2023 (School Year 2022-2023) election is **June 30, 2022**. Applications received after this date **will not be considered**. LEAs have until September 1, 2022, to select CEP participation for the School Breakfast and National School Lunch Programs sections on the CNPWeb site application, but all application and validation documents must be received by ADE no later than June 30, 2022.

Community Eligibility Provision Application and Instructions

Complete and submit the following required application documents to ADE **no later than June 30, 2022**.

| Required Document | Form Instructions |
|--|---|
| <p><u>Community Eligibility Provision (CEP) Participation Form</u></p> | <p>This is the contract between the LEA and ADE for CEP participation of the National School Lunch Program (NSLP) and School Breakfast Programs (SBP). Enter the LEA legal name in paragraph 1. CNPWeb contains the legal names and CTDS for each NSLP site. A current authorized signer listed on the Food Program Permanent Service Agreement must sign and date this form.</p> |
| <p><u>Addendum – Community Eligibility Provision</u></p> | <p>This is a semi-permanent document that outlines policies and procedures for sites operating CEP. Fill in the grey areas of the form. CNPWeb contains the legal name and CTDS for each NSLP site.</p> |

CEP Eligibility
Worksheet

This form must be completed to reflect each NSLP site applying to operate CEP. CEP can be elected for an individual school site, for group(s) of sites or districtwide. For each CEP electing site, the site name, site CTDS, site-level identified student count and site-level enrollment count must be entered into the CEP Eligibility Worksheet on the appropriate participation tab(s). All information must be reflective of April 1, 2022.

Participating in CEP by School Site (Choose “Individual School Sites” tab):

Use the Individual School Sites tab to list each site in the district that will be participating in CEP. When participating by site, each site selected to participate in CEP will have its own claiming percentages. There is also the option of having some schools claimed as individual sites, as well as, having some schools claimed as a group in order to increase the claiming percentages. If you have both individual sites and groups, both the Individual School Sites tab, and the Group Sites tab will need to be completed.

Participating in CEP by Group(s) (Choose “Group Sites” tab):

Use the Group Sites form to list a group or groups of sites. The group(s) should be labeled "Group 1," "Group 2" and so on, with a blank row between each group. When participating by group(s) there must be at least two school sites per group and there is no maximum number of schools that can be a group. However, each site can only be in one group. Each group will have a claiming percentage that will be used for all sites in that group. If you have some individual sites and some groups, both the Individual School Sites tab, and the Group Sites tab will need to be completed.

Participating in CEP by District/Sponsor (Choose “District or Sponsor Sites” tab):

Use the District/Sponsor Sites tab to list all the school sites in your district or LEA. When participating by district/sponsor, all sites within that district/sponsor must participate in CEP. If there are any sites that do not want to participate, then you must participate by group using the Group Sites tab. If participating by district/sponsor, all schools in that district will use the same claiming percentage.

Submit identified student supporting documentation and enrollment records

The identified student percentage used to apply for CEP is self-reported, and therefore *must be validated prior to approval*. Data to support the identified students and site level enrollment counts listed on the CEP eligibility worksheet must be sent to ADE upon request. Note, student data is protected by federal and state laws; therefore, secure file transfers are required to be utilized for any student data submitted to ADE. Gather documents to support the identified student count and enrollment listed on the CEP eligibility worksheet and await the secure file delivery email from ADE. **DO NOT EMAIL STUDENT INFORMATION**. The supported identified student and enrollment documents that must be uploaded to the secure file server for submission to ADE are:

- Enrollment list(s) for each applying site. Enrollment must be reflective of April 1, 2022, and should contain student addresses and school site; Label enrollment file as [Enrollment for Site Name];
- Direct Certification match lists for each applying site; Direct Certification match lists must be reflective of April 1, 2022; Label Direct Certification files as [DC for Site Name]
- List or notation of SNAP/TANF/FDPIR extended household members for each site;
 - Notice to Provider Foster letters for each site;
 - Official Head Start roster(s) for each site.
- Food Distribution on Indian Reservation (FDPIR) participation letters or FDPIR Intertribal Tribal Organization signed and dated lists indicating participation for each site.
- McKinney-Vento Homeless list signed and dated by school liaison for each site.
 - Migrant Education Program list signed and dated by school liaison for each site.
 - Runaway student list signed and dated by school liaison for each site.

LEA Application Submission Instructions

LEAs must email the completed CEP Participation Form, Addendum-Community Eligibility Provision, and CEP Eligibility Worksheet to ContactHNS@azed.gov **no later than June 30, 2022**. Please include the LEA name in the title of the email along with the email address of the Contact Person who ADE will request the supporting identified student and enrollment records in the LEA application submission. When the application is submitted, ADE will acknowledge receipt of the CEP application and proceed with sending the secure file transfer request to the Contact Person provided by the LEA.

The LEA contact person must upload the identified student and enrollment records and send back to ADE via the secure file delivery system. ADE staff will be automatically notified of the LEA data submission and will confirm with both the School Food Authority and Contact Person when supporting documents are received.

Arizona Department of Education's CEP Application Approval Process

The application approval process can take up to five weeks from the date of an LEA submission of a **complete** CEP application packet. When processing CEP applications, ADE will do the following as per USDA guidelines:

- Review application documents for completeness
- Ensure the CEP Participation Form signer is authorized to sign per the current Food Program Permanent Service Agreement
- Conduct data validation of the identified student supporting documentation and site level enrollment records. The ADE data validation includes:
 1. Ensuring the Identified Student supporting documentation are acceptable as per USDA guidelines. This includes a review of the LEA Direct Certification records, SNAP/TANF/FDPIR agency letters, Foster agency or court records, Homeless, Migrant, Runaway liaison records/lists, Head Start rosters/lists, and SNAP and TANF extended household member lists.
 2. Ensuring each identified student is counted toward the correct NSLP site as the student is shown on the enrollment roster.
 3. Ensuring students are not double counted as identified students.
 4. Ensuring the LEA enrollment records match the enrollment count for each applying site as listed on the CEP eligibility worksheet.

If discrepancies are found during the ADE validation of supporting identified student and enrollment documentation compared to the data listed on the CEP eligibility worksheet, ADE will contact the school food authority to determine if documentation is missing.

Kathy Hoffman, Superintendent of Public Instruction

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How will I know if ADE approved the CEP application?

The ADE will sign and send a copy of the CEP participation form and CEP eligibility worksheet via email to the LEAs School Food Authority, which indicates the LEA is approved for CEP participation at applying sites in the upcoming school year. LEAs are not approved to operate CEP until the ADE **signed** CEP participation form and eligibility worksheet are sent back to the School Food Authority contact of the LEA.

Important Community Eligibility Provision Considerations to Understand Prior to Applying

Determining which sites will participate in CEP

Districts choose which schools will participate in CEP. The ISP and corresponding CEP claiming percentage determine the amount of federal free and paid reimbursement for an electing site, group of sites or district over the four-year CEP cycle. While not required, multi-site LEAs are able to use the grouping tool to determine the most financially beneficial way to operate the CEP by considering all possible grouping scenarios. Individual sites with less than 40% ISP can become eligible to participate in CEP when grouped with other sites that bring the grouped percentage over 40%. LEAs are encouraged to group school ISPs together if grouping will maximize program reimbursements. The higher the ISP, the more federal free reimbursement a site, group or district will receive. Note, grouping or districtwide implementation of CEP is not required.

LEAs who elect CEP for all sites can elect to use the districtwide ISP for claiming purposes, regardless of the site level ISP of each site. For example, a school district elects to operate CEP for all sites within the LEA. The combined, districtwide ISP is 45%. To determine the free and paid percentages for all sites within the district, multiply the districtwide ISP of 45% by the USDA claiming multiplier of 1.6. The federal free claiming percentage for all sites in the district would be 72%. This means 72% of total meals claimed each month would be reimbursed at the federal free rate; the remaining 28% of total meals would be reimbursed at the federal paid rate for all sites in the district.

The [CEP Grouping Tool](#) can be accessed on the webpage at <https://www.azed.gov/hns/nsfp/forms> under the Special Provision Options accordion. If assistance is needed with completing the tool or grouping recommendations, please reach out to ContactHNS@azed.gov and request technical assistance.

Determining if the Local Educational Agency’s Food Service Program can financially sustain offering the Community Eligibility Provision (CEP)

LEAs who elect CEP must agree to utilize non-Federal funds if the cost to serve breakfasts and lunch to all students at no charge exceeds the amount received from the USDA reimbursement. Therefore, it is important to determine prior to electing CEP, whether offering the program would be financially feasible for the food service program to operate. ADE offers the CEP Monthly Federal Reimbursement Calculator as a tool to assist with evaluating the financial impacts of CEP election. By completing the tool, LEAs can preview the estimated revenue or deficit of operating CEP at a single site, districtwide or among a group or groups of sites. On average, the annual daily participation for a school offering a pricing and switching to a non-pricing meal service in the following school year grew by 5% for the National School Lunch and School Breakfast Programs.

To determine the financial impact of electing CEP, please utilize the CEP Monthly Reimbursement Calculator. The CNPWeb claiming system contains LEA reimbursement rates, meal count data and monthly reimbursement totals for each NSLP and SBP site. This information is needed to complete the CEP Monthly Reimbursement Calculator.

| Community Eligibility Provision (CEP) Monthly Federal Reimbursement Estimator | | | |
|--|-------|--|------------------|
| Use to estimate the level of Federal reimbursement received under the CEP | | | |
| District Name: | | | |
| Step 1: Calculating the Identified Student Percentage If grouping schools, use the grouping calculator to assist in determining 1.1 and 1.2. Enter the number of identified students and enrolled students that is reflective of April 1 st in 1.1 and 1.2 Click to define: Identified Students | | Step 2: Federal Reimbursement Rates Select the current reimbursement rates used for each program (without the \$0.06). The additional \$0.06 is applied in the next box. | |
| 1.1) Enter the number of identified students | | Lunch | Breakfast |
| 1.2) Enter the TOTAL student enrollment | | Free | 0 |
| Percentage of identified students = <i>**This percentage must be at least 40% to be eligible**</i> | 0.00% | Paid | 0 |
| Percentage of meals reimbursed at the Federal FREE rate = | 0.00% | Select "\$0.06" if the SFA is certified for the additional \$0.06. | |
| Percentage of meals reimbursed at the Federal PAID rate = | 0.00% | \$- | |
| Step 3: Monthly Meal Data Enter in the number of LUNCHES and/or BREAKFASTS served in a month in 3.1 and 3.2 | | Estimated CEP Monthly Federal Reimbursements | |
| 3.1) Enter the total number of LUNCHES served in a month: | | Reimbursement for LUNCH = | \$0.00 |
| 3.2) Enter the total number of BREAKFASTS served in a month: | | Reimbursement for BREAKFAST = | \$0.00 |
| Total number of MEALS served in a month: | 0 | Total Reimbursement Level = | \$0.00 |
| Step 4: Anticipated Participation Change due to serving all FREE meals (for example enter 2 for 2%): | NSLP | Federal Reimbursement per LUNCH = | \$0.00 |
| number of LUNCHES reimbursed at FREE rate = | 0 | Federal Reimbursement per BREAKFAST = | \$0.00 |
| number of LUNCHES reimbursed at the PAID rate = | 0 | Optional Comparison: Enter current monthly Federal reimbursements and student payment revenue | |
| number of BREAKFASTS reimbursed at FREE rate = | 0 | LUNCH = | |
| number of BREAKFASTS reimbursed at the PAID rate = | 0 | BREAKFAST = | |
| CEP Difference: This section displays the estimated difference between operating CEP and the current Federal reimbursements and student payments (if applicable). If the difference boxes are green then CEP will generate the same or more Federal revenue, if the box is red then current procedures generate higher Federal Revenue | | LUNCH Difference = | Total Difference |
| | | BREAKFAST difference = | |

Kathy Hoffman, Superintendent of Public Instruction

Instructions for CEP Monthly Federal Reimbursement Estimator

Step 1: Calculating the Identified Student Percentage (reflective of April 1, 2022)

1.1 Enter the total number of identified students reflective of April 1, 2022. Identified students are defined as the students certified for free meals not through the submission of individual applications. This definition includes students directly certified through SNAP, TANF, and FDPIR participation, and homeless on the liaison list, Head Start, pre-K Even Start, migrant youth, runaways, and non-applicants approved by local officials. Foster children certified through means other than an application are also included. (7 CFR 245.6a(c)(2))

Students who are categorically eligible based on submission of a free and reduced-price application (e.g., submitted an application with a SNAP number on it) are **not** included.

1.2 Enter the total student enrollment reflective of April 1, 2022

Step 2: Federal Reimbursement Rates

Use the drop-down menus to select your current free and paid reimbursement rates for the NSLP and SBP.

- o The reimbursement rates table is unprotected and is updated each year by ADE staff.
- o If you do not know your reimbursement rates, click on the link in the upper right corner of the worksheet for assistance.
- o If your reimbursement rate is not listed in the drop-down menu, enter your reimbursement rate in the table in the lower left of the worksheet. Enter reimbursement rates in blank cells under "----OTHER----". Once entered into the table, select your reimbursement rate from the drop-down menu under the "OTHER" header.

If your School Food Authority is certified to receive the .07 cents performance-based reimbursement, select \$0.07 from the drop-down menu.

| |
|--|
| Step 3: Monthly Meal Data |
| |
| 3.1 Enter the total number of lunches served in a month for the local educational agency, school, or group of schools considering the Community Eligibility Provision. |
| |
| 3.2 Enter the total number of breakfasts served in a month for the local educational agency, school, or group of schools considering the Community Eligibility Provision. |
| |
| Step 4: Anticipated Participation Change Due to Serving All Free Meals |
| |
| 4.1 If you anticipate that participation will increase or decrease due to all students eating at no cost, enter the estimated percent change in participation. |
| |
| Results |
| The LIGHT GREEN box in the middle right hand side provides an <i>estimate</i> of monthly Federal reimbursements (monthly totals and per meal) under CEP, based on data entered in steps 1-4 above. |
| |
| Optional Comparison: |
| |
| Federal Reimbursement + Student Payments (non-CEP) vs. Federal Reimbursement under CEP |
| This section displays the estimated difference between the <i>estimated</i> Federal reimbursement operating under CEP and the current Federal reimbursements and student payments (if applicable). |
| |
| Enter current monthly Federal reimbursements plus student payments (add together and enter a total) revenue for both breakfast and lunch. |
| |
| Results |

If the boxes in the lower right are **bright green**, then CEP is *estimated* to generate the same or more Federal revenue. If the boxes in the lower right are **red**, then current procedures generate higher Federal revenue. LEAs will need to assess the availability of non-Federal sources to cover any meal costs above the Federal reimbursements.

If you have additional questions or need assistance with the CEP application process, please email ContactHNS@azed.gov.

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