



**State of Arizona  
Department of Education**



Health and Nutrition Services Division

**HNS #21-2018**

**MEMORANDUM**

**To:** All Local Educational Agencies Operating the National School Lunch Program

**From:** Melissa Conner, Associate Superintendent  
Arizona Department of Education, Health & Nutrition Services Division

Keith Snyder, Deputy Associate Superintendent  
Arizona Department of Education, Educator and School Excellence

**Date:** October 11, 2018

**RE:** Questions and Answers Regarding Community Eligibility Provision and Title I Funding

The Community Eligibility Provision (CEP) is a meal service alternative of the National School Lunch Program (NSLP) that allows schools and school districts to serve breakfast and lunch at no cost to all enrolled students without the burden of collecting household applications. This alternative provision provides administrative relief to those that operate CEP by streamlining paperwork and administrative requirements. Rather than collecting school meal applications to make individual student eligibility determinations, schools that adopt CEP are reimbursed using a formula based on the percentage of students participating in specific means-tested assistance programs. This formula-based claiming and lack of individual student data has caused reluctance in implementing CEP due to the unknown impact that adopting this provision would have on the Title I Program. There are several aspects of Title I that require the use of poverty data at the school or individual student level: within-district allocations, equitable services for eligible private school students, within-State allocations, and accountability. NSLP data are often used as an indicator of poverty to help carry out Title I programs.

This memorandum will serve as a Question and Answer Guide to provide clarification regarding the impact of CEP implementation and Title I funding allocations.



1535 West Jefferson Street, Phoenix, Arizona 85007 • (602) 542-5460 •  
[www.azed.gov](http://www.azed.gov)

## **General**

### **Who can participate in CEP?**

To be eligible, Local Educational Agencies (LEAs) and/or schools must meet a minimum level of “identified students” for free meals in the School Year prior to implementing CEP; agree to serve breakfasts and lunches at no cost to all students; and agree to cover with non-Federal funds any costs of providing meals at no cost to students above the amounts provided by Federal assistance. Reimbursement for each LEA or school is based on claiming percentages derived from the percentage of identified students, i.e., students certified for free meals through means other than individual household applications. To be eligible to participate in CEP the percentage of identified students must be at least 40 percent of enrollment. An LEA may have some sites that participate in CEP and others that do not.

### **What is the purpose of Title I?**

The purpose of Title I - *Improving the Academic Achievement of the Disadvantaged of the Every Student Succeeds Act (ESSA)* (signed into law on December 10, 2015, replacing No Child Left Behind) is to “provide all children significant opportunity to receive a fair, equitable, and high-quality education, and to close educational achievement gaps.” Title I is administered by the Arizona Department of Education (ADE). In addition to funding allocations, the Title I program area provides technical assistance, service, and support to LEAs and schools to help ensure every child has access to an excellent education.

### **Which department provides guidance regarding Title I funding and CEP?**

Questions specific to Title I funding and formulas are to be directed to the ADE Title I program area. Questions concerning CEP operations are to be directed to the ADE Health and Nutrition, School Nutrition Programs Department. School Nutrition Programs are not equipped to answer Title I funding questions.

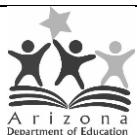
## **Title I Total District and Charter Allocations**

### **What data does Title I use to determine allocations for School Districts?**

Title I receives U.S. Census Bureau data from the U.S. Department of Education (census poverty and population data) for every school district in the state of Arizona to help determine district allocations.

### **What data does Title I use to determine allocations for Charter Schools?**

U.S. Census Bureau data are not available for charter LEAs, as these LEAs do not have geographic boundaries. ADE is required to use alternative data to help determine charter LEA population and poverty for the purposes of calculating Title I allocations. October 1 enrollment data submitted by charter LEAs through Arizona Education Data Standards (AzEDS) are used to provide population data. For charter schools that participate in the NSLP, the data from the published Free and Reduced Percentage report is used to determine the percentage of income



eligible students within the LEA. To determine economic need in charter schools that do not participate in the NSLP, Title I uses “IncomeEligibility1” and “IncomeEligibility2” indicators that are submitted by LEAs through AzEDS to determine the percentage of income eligible students within the LEA (these were previously known as “NCLB1” and NCLB2” indicators).

### **What are IncomeEligibility1 and IncomeEligibility2 indicators?**

“IncomeEligibility1” and “IncomeEligibility2” indicators are individual student level attributes assigned to economically disadvantaged students by LEAs in student level data they submit to ADE through AzEDS. The income ranges for these indicators follow the same ranges as the NSLP free and reduced ranges. For example, a family of four earning \$600 per week would be labeled “IncomeEligibility1” or free eligible.

### **If an LEA elects CEP, will less Title I Funding be received at the LEA level?**

A portion of the Title I funding calculation is based on the number of students in an LEA that have an economic need. In order to determine economic need, Title I uses the following determinations:

School Districts: Census data is used to determine economic need.

Charter Schools that participate in NSLP on CEP: Economic need is based on data from the Free and Reduced report. The free and reduced rate for a site that participates in CEP is based on the site’s Identified Student Percentage (ISP) multiplied by 1.6. For example, an individual site that has 100 students enrolled, 50 of whom are identified students, would have a 50% ISP; the free and reduced rate for this site would be 80% once the 1.6 multiplier is applied. The 1.6 multiplier is applied for those students who may have qualified for reduced-price meals therefore the portion of economic need in the allocation calculation for Title I is not decreased.

Charter Schools that participate in NSLP and do not elect CEP: Economic need is based on data from the Free and Reduced report. The free and reduced rate is the number of students eligible for free and reduced-price meals divided by the total number of students eligible to participate in the school meals program(s). For example, if a site has 100 students enrolled, 40 of whom were qualified for free meals and 10 of whom qualified for reduced-price meals, the free and reduced rate is 50%.

Charter Schools that do not participate in NSLP: Data is based on the IncomeEligibility1 and IncomeEligibility2 indicators reported in AzEDS.

**Summary:** Electing CEP **does not** reduce or increase the amount of Title I funding received as Title I funding is based on economic need. When determining economic need for CEP, the 1.6 multiplier is used to determine the final economic need at a school site.



## **Title I Within-District and Within-Charter Allocations**

### **When an LEA operates CEP, can the LEA use NSLP data for within-district allocations?**

Schools and/or districts participating in NSLP have the option of using Free and Reduced-Price lunch data under the Richard B. Russell National School Lunch Act. CEP sites must use the individual site ISP multiplied by 1.6 as the Free and Reduced-Price lunch data for within-district allocations. For example, a site that has an ISP of 45% has a 72% poverty measure. Please remember that a group or district-wide ISP is not appropriate to use for this purpose. If assistance is needed in these areas, LEAs may use the site-level Free and Reduced-Price report that is published annually in January to help determine the site-level poverty percentage. The Free and Reduced-Price report can be found at: <http://www.azed.gov/hns/frp/>.

### **When an LEA operates both CEP and non-CEP sites, how does this affect within-district allocations?**

An LEA opting to use Free and Reduced-Price lunch data for within-district allocations will use their individual ISP multiplied by 1.6 for the sites operating CEP. For example, a site that has an ISP of 45% has a 72% poverty measure. The multiplier of 1.6 is intended to approximate the free and reduced-price eligible student count for a CEP school to account for the difference in poverty rates when using free and reduced-price eligibility data for non-CEP schools and identified student data for CEP schools. Please remember that a group or district-wide ISP is not appropriate to use for this purpose. Non-CEP sites can use the NSLP free and reduced-price percentage to determine rank order of all sites. When an LEA chooses this option, they may use the NSLP Free and Reduced-Price report located at <http://www.azed.gov/hns/frp/> to determine the free and reduced-price percentage for both CEP sites and non-CEP sites.

## **AzEDS Reporting**

### **What is the AzEDS reporting requirement?**

Each LEA, regardless of its participation in the NSLP, is required to submit individual student data to determine A-F Accountability, School Report Cards, AZ Dash, as well as all federal reporting associated with programs under the Elementary and Secondary Education Act (ESSA). This has *previously* been done by LEAs designating their enrolled students as “NCLB1 free lunch” and “NCLB2 reduced lunch”. Now, LEAs will designate each of their enrolled students as “IncomeEligibility1” and “IncomeEligibility2”.

### **When an LEA chooses to operate CEP, are they required to complete the AzEDS reporting (i.e. IncomeEligibility1 and IncomeEligibility2 indicators in AzEDS)?**

Yes. Whether the school participates in CEP or not, individual students must be designated as “IncomeEligibility1” or “IncomeEligibility2”. Guidance regarding how to collect these data may be located at: [2018-2019 Guidelines to Determine Eligible Students](#). These forms can then be processed by the school or district to be entered into AzEDS.



**If an LEA operating CEP is still required to collect individual student data, can the data collection and processing effort of school or district staff be funded through the non-profit school food service account?**

Should an LEA decide to collect individual student data through an alternative income application, the LEA must ensure that it does not in any way indicate that the application is required by USDA, and non-profit school food service account funds may not be used to distribute, collect, or process these applications. An alternative income application can be found at: [2018-2019 Guidelines to Determine Eligible Students.](#)

This institution is an equal opportunity provider.

