



## Arizona Department of Education

Health and Nutrition Services Division

**HNS# 01-2020**

### MEMORANDUM

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

**From:** Melissa Conner, Associate Superintendent  
Arizona Department of Education, Health and Nutrition Services Division  
Kelly Koenig, Associate Superintendent  
Arizona Department of Education, Student Achievement & Educator Excellence

**Date:** January 3, 2020

**Subject:** Reporting Income Eligibility I and II Indicators in AzEDS while operating a Special Provision Option of the National School Lunch Program

*Original Signed*

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The purpose of this memorandum is to clarify the Arizona Department of Education (ADE) requirements to report Income Eligibility I and II Indicators in AzEDS while operating a Special Provision Option (SPO) of the National School Lunch Program (NSLP) and School Breakfast Program (SBP). Arizona SPOs are Provision 2, Provision 3, and the Community Eligibility Provision (CEP) of the NSLP and SBP. All Local Education Agencies (LEA), including those that operate a SPO, are required to submit Income Eligibility Indicators (formerly known as NCLB indicators) in AzEDS for all enrolled students based on individual student level income documentation. If a school has student documentation to support income levels, the student will be coded as a "1" or "2" based on the Eligibility I and II guidelines. If a school has no individual student level data for a student, the student must be coded "0".

When a school participates in the NSLP, the household completes a household income application that provides individual student level income data that can be used as documentation to code a student as Eligibility I or II. A benefit of operating an SPO is to reduce the paperwork burden on the LEA food service department and the households the LEA serves, thus the LEA is prohibited from distributing NSLP household applications to determine if a student is eligible for free or reduced-price meals, except during a Provision 2 or Provision 3 base year. Therefore, the LEA can no longer rely on NSLP household applications as individual student level income documentation.

The individual student data collected from the NSLP household application has been used to identify free and reduced-price households that may be eligible for additional educational resources outside of the NSLP and SBP. With the elimination of the NSLP household application as a requirement of operating an SPO, the school no longer has individual student level income data.

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**Kathy Hoffman, Superintendent of Public Instruction**

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In order to provide uniform guidance on reporting Eligibility I and II for LEAs that operate an SPO, a workgroup was formed that included multiple ADE departments: School Nutrition Programs, Accountability and Research, School Finance, Exceptional Student Services, and Administration. The following requirements and recommendations specific to schools participating in an SPO are a direct result of the workgroup:

- All LEAs, including those that operate an SPO, are required to submit Income Eligibility Indicators (formerly known as NCLB indicators) in AzEDS for all enrolled students based on individual student level income data.
- A school that operates an SPO must determine a way to collect Income Eligibility I or II documentation for all students. Schools may send out an alternate income form to collect Income Eligibility I or II indicators to identify the income eligibility of a student. If alternate income forms are collected, the cost of the alternate income application disbursement, collection and processing cannot be paid from the nonprofit school food service account.
- Schools may indicate all directly certified students as Income Eligibility I. If a school chooses to utilize Direct Certification data, it must be made certain that no students are overtly identified.
- Schools cannot mark a student as Income Eligible I or II unless there is appropriate documentation. If no supporting documentation is available, the school must mark the student as not eligible, "0".
- To review the Income Eligibility I and II guidelines, please review the alternative income form located here: <http://www.azed.gov/titlei/>

If you have specific questions regarding the collection of income eligibility data, please contact Achieve at 602-542-5151 or e-mail [achieve@azed.gov](mailto:achieve@azed.gov)

Please contact your School Nutrition Programs Specialist at ADE with questions concerning this guidance. Your assigned specialist can be found at the top of the Sponsor application in CNPWeb. You may also send an email to [ADESchoolNutrition@azed.gov](mailto:ADESchoolNutrition@azed.gov) or call 602-542-8700, option 2.

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