

REPORT TO THE LEGISLATURE

UPDATE: Schools Implementing the Community Eligibility Provision

2019

Authorizing legislation: RCW 28A.235.290

T.J. Kelly
Chief Financial Officer

Prepared by:

- **Leanne Eko**, Director of Child Nutrition Services leanne.eko@k12.wa.us | 360-725-0410
- Wendy Barkley, Assistant Director of Child Nutrition Services wendy.barkley@k12.wa.us | 360-725-0433

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Executive Summary

State law (Revised Code of Washington [RCW] 28A.235.290) requires the Office of Superintendent of Public Instruction to report annually to the Legislature on the number of schools participating in United States Department of Agriculture's (USDA) Community Eligibility Provision (CEP). The report must identify barriers to participation and make recommendations to increase participation.

The Community Eligibility Provision allows schools with high numbers of low-income students to serve free breakfast and lunch to all students without collecting school meal applications. CEP is available to public, private, and tribal schools.

Since implementation in the 2014–15 school year, school district participation has increased from 25 districts with 77 schools to 89 districts with 319 schools participating in 2019–20. Not only have new school districts started implementing the program, participating school districts have also expanded their program to additional campuses.

Background

The Child Nutrition Services department within the Office of Superintendent of Public Instruction (OSPI) administers the Community Eligibility Provision (CEP) in Washington state. Eligible districts or schools must have an identified student percentage (ISP) of at least 40%. A district or school's ISP is determined from the number of directly certified students. Directly certified students includes students categorically eligible based on their participation in other means-tested programs such as the Supplemental Nutrition Assistance Program (SNAP) and Temporary Assistance for Needy Families (TANF), or students experiencing homelessness, a foster child, or migrant student. Participating districts and schools are reimbursed using their ISP multiplied by a U.S. Department of Agriculture (USDA) set multiplier (currently 1.6). Districts have the option to group schools together to maximize their ISP and corresponding reimbursement rate.

Benefits of CEP include:

- All students can receive a healthy breakfast and lunch at no cost, ensuring students and families do not have school meal debt.
- Breakfast After the Bell programs are simplified.
- There is no public identification of students who do not have money to pay for meals.
- If participation rates increase, there is the potential for an increase in a school or district's federal reimbursement.

There is a greater possibility that federal reimbursement covers program costs.

CEP runs on four-year cycles. The first four-year cycle ended on June 30, 2018. School districts are required to renew at the end of the four-year cycle in order to continue participation.

Update Status

CEP Participation

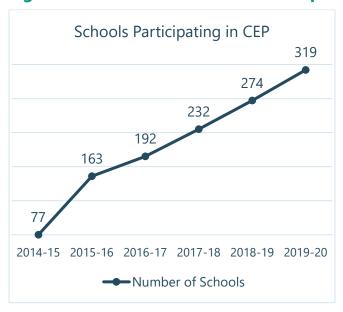
OSPI continues to see increases in both the number of districts and schools participating in the program. This year had the largest increase in participants since the initial increase after the first year (2014–15). In 2019–20, 45 new schools and 15 new districts began participating.

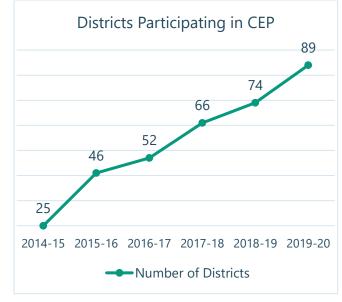
Figure 1: CEP Participation in Washington State over the Past Six School Years

	2014–15	2015–16	2016–17	2017–18	2018–19	2019–20
Number of CEP Districts	25	46	52	66	74	89
Number of CEP Schools	77	163	192	232	274	319

Source: OSPI Child Nutrition Services.

Figure 2: Schools and Districts Participating in CEP





Source: OSPI Child Nutrition Services.

Barriers to Implementation

Collection of Poverty Data

Individual poverty data is one of the largest barriers to CEP participation; both in the collection of the data and the potential financial impacts of not successfully collecting the data.

While schools participating in CEP are not allowed to collect the federal free and reduced-price meal applications, they must still collect family income data for state funding mechanisms and programs that use school-specific poverty data. As a result, school districts must use an alternate method, the Family Income Survey, to collect these data. Districts participating in CEP must develop new processes to distribute, collect, and process the Family Income Survey. These processes are imperative to establishing accurate poverty levels to ensure consistent and appropriate funding levels. When unsuccessful, funding for important programs is compromised.

Collecting and processing these Family Income Surveys cannot be paid for with nutrition services funding and must be completed by another program in the district or performed by food service staff and then charged to a non-food service budget.

Student Poverty Data and State Funding

The state Learning Assistance Program (LAP) is one of the programs that use this school-specific poverty data. LAP offers supplemental services for K–12 students scoring below grade-level standard in English language arts (ELA) and math. LAP funding is distributed based on a district's poverty data using a formula that multiplies prior-year student enrollment with the prior-year percentage of students eligible for free and reduced-price meals. Without this data from free and reduced-price applications, it is imperative that districts have a strong procedure to collect Family Income Surveys along with their direct certification process. Along with LAP funding, individual poverty data is used for the National Board Certified Teachers bonus and E-Rate funding.

Confusion Around CEP and Federal Funding

Districts have also shared concerns about losing federal Title I, Part A funding. This funding is based on federal census data and is **not** impacted by participating in CEP. This confusion has deterred districts from utilizing CEP even when they are good candidates for the program.

Meal Reimbursement Rates

School districts should also review how CEP participation could affect their revenues and expenditures in their food service operations. An identified student percentage (ISP) of 62.5% will result in 100% of meals claimed to be reimbursed at the federal free reimbursement rate. This typically results in an increase in revenues. An ISP rate of 40% will result in 64% of meals

claimed to be reimbursed at the federal free rate. This lower ISP rate can lead to a loss in revenue if the number of meals claimed through CEP does not increase enough to replace funds previously collected for paid student meals. The U.S. Department of Agriculture requires non-federal funds be used to cover operating losses. As a result, school districts must use state or local funds to make up for potential operating losses caused by their participation in CEP.

Examples of ISP and Claiming Percentages are included in Appendix B.

Limited Facilities

Breakfast and lunch participation regularly increase when a school moves to CEP, as both meals are free for all students. While this growth in participation is positive, schools with limited facilities may struggle with the increase in meals being prepared, served, and eaten. Facility capabilities should be assessed when considering program implementation.

Recommendations to Overcome Barriers

Collection of Poverty Data

OSPI has created resources to assist districts and schools with distributing, collecting, and processing the Family Income Survey to ensure accurate funding levels. With proper planning and engagement of all stakeholders, districts can successfully collect Family Income Surveys.

Assessing Financial Viability of CEP participation

OSPI also provides tools and assistance to districts to evaluate their ISP and the corresponding reimbursement rates of schools or groupings of schools.

Conclusion and Next Steps

OSPI's efforts to increase CEP participation include:

- Meeting with districts and schools that are excellent candidates for the program based on their enrollment data.
- Convening in-person CEP summits around the state to increase awareness and allow school districts to ask question about the program.
- Sending out surveys to CEP-eligible districts to gather concerns and barriers to implementation.
- Holding online webinars specifically focused on district business officials to share information on the relationship between CEP and state funding programs like LAP.
- Continuing to work with advocacy groups, including a monthly conference call that is comprised of stakeholders, state agencies, and school districts.

References

- OSPI Child Nutrition Services Community Eligibility webpage
- USDA Community Eligibility Provision Resource Center

APPENDICES

Appendix A: <u>CEP Eligible Local Education Agencies and</u> <u>Schools Report School Year 2019–20</u>

As required by United States Department of Agriculture (USDA), this report is compiled annually and posted to OSPI's Child Nutrition Services Reports webpage.

Appendix B: Examples of Identified Student Percentage (ISP) and Claiming Percentages

Students	Identified Students	ISP	X 1.6 Multiplier	% Meals claimed
400	160	40%	64	64% - Free; 36% Paid
400	200	50%	80	80% - Free; 20% Paid
400	250	62.5%	100	100% Free

Federal Reimbursement Rates per Meal				
	Free	Paid		
Breakfast	\$1.84	\$0.31		
Lunch	\$3.41	\$0.32		

Source: USDA FNS – Reimbursement Rates for 2019–20 School Year.

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Chris Reykdal • State Superintendent Office of Superintendent of Public Instruction Old Capitol Building • P.O. Box 47200 Olympia, WA 98504-7200