

CEP: Allocating State and Local Education Funding without School Meals Application Data

A Panel Discussion
May 20, 2015



Agenda

- Introduction
- Arkansas Department of Education
- District of Columbia Office of the State Superintendent for Education
- Oakland Unified School District (CA)
- Q&As



What is the Community Eligibility Provision? (CEP)

- Allows schools with a high percentage of needy children to serve healthy breakfasts and lunches to ALL enrolled students at no cost for up to four years.
- Eliminates the use of household income applications.
- School year (SY) 2014-2015 first year of nationwide availability.
 - Eleven pilot States participated in 3 year phased-in testing period.

States have made tremendous progress implementing CEP in its first year of nationwide availability. In SY 2014-2015:



Almost **14,000** schools



Over **2,000** school districts



Total enrollment of **6.4** million children



Schools participating in **49 States and DC**



Arkansas Department of Education

Dr. Eric Saunders,
Assistant Commissioner of Fiscal and
Administrative Services

Suzanne Davidson,
Child Nutrition Director

Preliminary Procedures for Community Eligibility Provision and National School Lunch State Categorical Funding



During the 2015 legislative session, changes to state law were passed to allow calculation of NSL state categorical funding for those districts and charters choosing to participate in CEP. Rule changes concerning NSL funding will follow. Subject to rule changes, the following procedures provide information regarding the proposed NSL state categorical funding calculation method for those school districts and open-enrollment public charter schools that participate in CEP. Although the following procedures are preliminary and non-binding, the information may be useful to school districts and open-enrollment public charter schools in making decisions regarding CEP.



CEP OVERVIEW

- Must have an Identified Student Percentage (ISP) of at least 40% for the year prior to implementing CEP;
- Agree to serve breakfast and lunch to all students at no cost to the student;
- Cannot collect free and reduced-price meal applications from families in participating schools;
- Must supplement the nonprofit food service account with non-federal funds to ensure the nonprofit food service account is fiscally solvent;



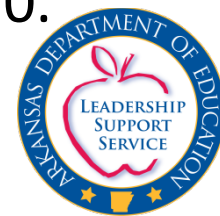
SCHOOLS, SCHOOL DISTRICTS, OPEN-ENROLLMENT PUBLIC CHARTER SCHOOLS IMPLEMENTING CEP AND NOT CURRENTLY PARTICIPATING IN PROVISION 2

The NSL state categorical funding percentage is based on October 1 enrollment and free and reduced-price meal data from the year prior to implementing CEP. The NSL state categorical funding percentage calculated using data from the year prior to implementing CEP will be called “the CEP base year percentage” for NSL state categorical funding purposes. For each year of the four-year CEP cycle and the year following the four-year CEP cycle, the CEP base year percentage is multiplied by the total October 1 enrollment of the prior year to determine the eligible count for NSL state categorical funding.



SCHOOLS, SCHOOL DISTRICTS, OPEN-ENROLLMENT PUBLIC CHARTER SCHOOLS IMPLEMENTING CEP AND NOT CURRENTLY PARTICIPATING IN PROVISION 2

Example: School District A implements CEP in FY16. The October 1, 2014, enrollment is 2,000 and the free and reduced-price meal count is 1,000. The free and reduced-price meal percentage is 50%, and thus the CEP base year percentage is 50%. For FY17 NSL state categorical funding, the October 1, 2015, enrollment of 2,100 is multiplied by the CEP base year percentage of 50% to arrive at the eligible count of 1,050.



SCHOOLS, SCHOOL DISTRICTS, OPEN-ENROLLMENT PUBLIC CHARTER SCHOOLS CURRENTLY PARTICIPATING IN PROVISION 2 AND CHANGING TO CEP

If a district, open-enrollment public charter school, or school within a district or charter is changing from Provision 2 to CEP, the NSL state categorical funding percentage used during the final year of Provision 2 will be the NSL state categorical funding percentage for the four-year CEP cycle and the year following the four-year CEP cycle.



Example: If in FY16 School District B, would have been in its second year of Provision 2 status, but instead implements CEP, its Provision 2 base year free and reduced-price meal percentages at the school level (assuming 85% for the elementary school and 75% for the high school) will become the school-level CEP base year percentages. To calculate the district-level CEP base-year percentage to use for FY16 NSL state categorical funding, multiply elementary school October 1, 2014, enrollment of 600 by the elementary school CEP base year percentage of 85% to arrive at an elementary school eligible count of 510. Multiply high school October 1, 2014, enrollment of 700 by the high school CEP base year percentage of 75% to arrive at the high school eligible count of 525. Add the eligible count of both schools together to arrive at the school district eligible count of 1,035 and divide by the total school district enrollment of 1,300 to arrive at the school district CEP base year percentage of 80% (rounded). This will be used as the rounded NSL state categorical funding percentage.



**OPEN-ENROLLMENT PUBLIC CHARTER SCHOOL IN FIRST YEAR OF OPERATION OR
FOR THE FIRST YEAR AN OPEN-ENROLLMENT PUBLIC CHARTER SCHOOL ADDS A NEW
GRADE IF PARTICIPATING IN CEP**

For an open-enrollment public charter school in its initial year of operation or any year in which an open-enrollment public charter school adds a new grade level, NSL state categorical funding is calculated using current school year enrollment as of October 1

(This does not apply to open-enrollment public charter schools opening another location under the initial charter or adding another grade to one location under the existing charter if that grade is already represented at another location. These charters are funded based on prior year data). If implementing CEP in a year that NSL funding is based on current year October 1 data, open-enrollment public charter schools will be required to accept and report Alternative Income Forms by October 1 from all students in the school to enable calculation of NSL state categorical funding. The number of students eligible for NSL state categorical funding as determined by the Alternative Income Forms is used to determine the CEP base year percentage. This percentage is used every year of the four-year CEP cycle and the year immediately following the four-year CEP cycle.



SCHOOL DISTRICTS ADDING A NEW SCHOOL IF NEW SCHOOL PARTICIPATING IN CEP

For a school district that opens a new school that participates in CEP in its first year of operation, district NSL state categorical funding is calculated using previous year data. For the second year in operation the school would need to collect Alternative Income Forms and report by October 1. This would establish the CEP base year percentage that would be in effect for the remainder of the four-year CEP cycle and the year immediately following the four-year CEP cycle.



SCHOOL DISTRICTS OR OPEN-ENROLLMENT PUBLIC CHARTER SCHOOLS THAT ARE NOT DISTRICT OR CHARTER-WIDE CEP BUT HAVE SCHOOLS PARTICIPATING IN CEP AND/OR PROVISION 2

The eligible count used for NSL state categorical funding at each school participating in CEP or Provision 2 is calculated by multiplying each school's prior year October 1 enrollment by the CEP or Provision 2 base year percentage. These amounts are added to the free and reduced-price meal counts for any remaining schools not participating in either program to arrive at the total district eligible count. The total district or charter-wide percentage is then calculated by adding all NSL state categorical funding eligibility counts within the district or charter and dividing by the district's or charter's total enrollment on October 1. These percentages are calculated using prior year October 1 data.



Example: School District B implements CEP in FY16 for the elementary school but not for the high school. To calculate the district-level FY16 NSL state categorical funding percentage, multiply the elementary school October 1, 2014, enrollment of 600 by the CEP base year percentage of 85% to arrive at a student eligibility count of 510. Add 510 to the high school free and reduced –price meal count of 400 and then divide by the October 1, 2014, total district enrollment of 1,300 to arrive at the NSL state categorical funding percentage of 70%.



NSL STATE CATEGORICAL FUNDING CALCULATION FOR SCHOOL DISTRICTS, OPEN-ENROLLMENT PUBLIC CHARTER SCHOOLS, OR SCHOOL(S) RENEWING CEP

For schools and districts wishing to renew the CEP cycle, during the fourth year of the four-year CEP cycle, if there is a difference of five percentage points or greater from the percentage of identified students during the April calculations of identified students multiplied by the CEP multiplier when compared to as reported by the ISP report enrollment and the current state NSL state categorical funding percentage multiplied by the three quarter ADM, then a new NSL state categorical funding percentage would need to be established. The new percentage would be established in the following year (year 5) by accepting Alternative Income Forms by October 1. The number of eligible students is divided by the October 1 enrollment. This new percentage would be applicable during year 6 and the duration of the four-year CEP cycle (years 6, 7, 8 and, if renewed, year 9).



NSL STATE CATEGORICAL FUNDING CALCULATION FOR SCHOOL DISTRICTS, OPEN-ENROLLMENT PUBLIC CHARTER SCHOOLS, OR SCHOOL(S) RENEWING CEP (Cont.)

If there is a difference of less than five percentage points from the percentage of identified students during the April calculations of identified students multiplied by the CEP multiplier when compared to the enrollment as reported by the ISP report and the current state NSL funding percentage, then the NSL state categorical funding percentage used during the fourth year of the CEP cycle would be used for the following four-year CEP cycle and the year immediately following that cycle.



SCHOOLS, SCHOOL DISTRICTS, OPEN-ENROLLMENT PUBLIC CHARTER SCHOOLS TRANSITIONING FROM CEP

If a school district, open-enrollment public charter school, or school(s) transitions from CEP, the NSL state categorical funding percentage used during the last full year the school district, open-enrollment public charter school, or school(s) participated in CEP will be used for the year following the year of discontinuance of CEP.



ALTERNATIVE INCOME FORMS VERIFICATION PROCEDURES

- Alternative Income Forms used for NSL state categorical funding must be verified as follows:
- The minimum standard sample size of three percent (3%) for all Alternative Income Forms approved by the open-enrollment public charter school or school district for the school year, as of October 1 of the school year.
- Aside from the sample size, income verification procedures must be consistent with federal law and procedures concerning income verification used for free and reduced-price meal applications.
- All privacy/security procedures and laws concerning free and reduced-price meals must be followed regarding Alternate Income Forms.



ACCOUNTABILITY

All students of schools, school districts, or open-enrollment public charter schools that participate in CEP will be considered Economically Disadvantaged for ESEA calculations. Therefore, all students will be members of the Targeted Achievement Gap Group (TAGG). The TAGG will be compared with the state median non-TAGG to calculate achievement gaps.



E-RATE

As stated by the Federal Communications Commission:

“Consistent with our goal of making the E-rate application process and other E-rate processes fast, simple and efficient, beginning with funding year 2015, we will allow schools and school districts that are participating in the NSLP CEP to use the same approach for determining their E-rate discount rate as they use for determining their NSLP reimbursement rate. Specifically, schools utilizing the CEP shall calculate their student eligibility for free or reduced priced lunches by multiplying the percentage of directly certified students by the CEP national multiplier. This number shall then be applied to the discount matrix to determine a school district’s discount for eligible E-rate services.”



Title 1



Title VI Part B (Special Education Funds)



RESOURCES

Commissioner's Memo FIN-15-101

Commissioner's Memo FIN-15-098

Commissioner's Memo FIN-15-058

FCC 14-99

USDA Memo SP 08-2015

CONTACTS

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The DC Office of the State Superintendent of Education

Jeff Noel, Assistant Superintendent

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Division of Data, Accountability,
and Research

Background

Prior to the implementation of the Community Eligibility Provision (CEP),

- OSSE's 2007 SLDS grant paved the way for OSSE to begin to collect direct certification data
- DCPS started using Provision 4 which acted similarly to CEP
 - Created discontinuity between reporting numbers and billing amounts
- For reporting, OSSE relied primarily on the self-reported Free and Reduced-price Meals (FARMS) data from LEAs as the proxy for measuring students' socioeconomic status

At-risk Funding

- In 2013, the DC Council approved an additional local funding supplement for students “at-risk of academic failure” through the Uniform per Student Funding Formula
- At-risk identification is based on existing proxy measures that includes students who are identified as
 - low-income,
 - homeless,
 - Part of the District’s foster care system, or
 - Overage high school students
- Because this indicator needs to be student-level, we use direct certification data to identify low-income students.
 - Direct Certification includes students who qualify for either Temporary Assistance for Needy Families (TANF) or the Supplemental Nutrition Assistance Program (SNAP)

Challenges and Looking Forward

- We are reliant on data that our agency doesn't own
 - We need to learn more about the students not present on the direct certification list
 - We are trying to audit of the paperwork to ensure quality
- Stakeholders are confused by different reports of low income (e.g. FARMS vs direct cert vs economically disadvantaged)
 - We need to improve clarity and ensure consistency in reporting rules
- We are trying to obtain Medicaid data
 - Overcoming the HIPAA concerns

Sources of Socioeconomic status data

Data source	Pro (+)	Con (-)
Self-reported FARMs status	<ul style="list-style-type: none">• Broadest reach	<ul style="list-style-type: none">• Limited confidence
TANF/SNAP participation rolls	<ul style="list-style-type: none">• Perceived as very reliable	<ul style="list-style-type: none">• May have bias against cross state/ internationally mobile and undocumented students
State Tax Records by Census Block	<ul style="list-style-type: none">• May speak to environmental SES concerns• Applicable to everyone	<ul style="list-style-type: none">• Relies on accurate addresses• Different meaning than typical SES
Medicaid	<ul style="list-style-type: none">• Speaks to access to immunization/health/dental with education impacts	<ul style="list-style-type: none">• high income threshold with CHP• HIPAA tracking• May have bias against mobile• Complex eligibility in some cases
Homeless/ McKinney Vento Act	<ul style="list-style-type: none">• Strong process and expectations for reporting this information	<ul style="list-style-type: none">• Limited reach• Still self-reported data
Children under the care of CFSA	<ul style="list-style-type: none">• Reliable data source	<ul style="list-style-type: none">• Limited reach



OAKLAND UNIFIED SCHOOL DISTRICT

Community Schools, Thriving Students

Jennifer Lebarre
Executive Director
Nutrition Services

Oakland Unified School District
Oakland, CA

[illegible]

READ INSTRUCTIONS. USE BLACK INK. PRINT NEATLY WITHIN BOXES. PLEASE USE CAPITAL LETTERS. COMPLETE ONE FORM PER HOUSEHOLD.

[illegible]

H M R

Student ID#

Student's Last Name

Student's First Name

If a foster child, put X in this box.

School Name[illegible]

IF NO
INCOME
put X in this
box.

Gross earnings before deductions; Include all jobs.
MONTHLY

[illegible]

The number you enter must equal the number of names from Part 3 and Part 4.

6 X SIGNATURE REQUIRED

PRINT your name in the boxes below

F	I	R	S	T		N	A	M	E						
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L	A	S	T	N	A	M	E								
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M	M	D	D	Y	Y
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DATE SIGNED



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Alternate Form (back): Oakland Unified SD

Fall 2014

Dear Parents and School Communities,

Thank you for helping to get the 2014-2015 school year off to a great start! We truly appreciate your support of your students and our schools.

Background

Under the new Local Control Funding Formula (LCFF), a portion of state funding will be determined based on the demographics of student population, with higher funding on a per student basis for districts like Oakland that have large concentrations of low-income, English Language Learner and foster student populations. Therefore, we are required to establish and confirm the number of students that represent these categories by having families complete the official LCFF form.

Goal

Our goal is to ensure that Oakland's students receive the maximum amount of funds that we are eligible to receive by encouraging our schools to complete the LCFF form. To receive the maximum amount, we must have 100% of eligible students/families complete the steps below.

All we will need from you is to:

- Complete all required sections of the LCFF form
- Sign the form with your signature
- Return it to your school site by **Monday, September 29, 2014** or sooner.

By completing the form and turning it in as soon as possible, you will help our schools reach the above stated goal and greatly contribute to enabling us to better serve our students.

Sincerely,

Antwan Wilson, Superintendent

Helpful CEP Resources

USDA Community Eligibility website:
[http://www.fns.usda.gov/school-meals/
community-eligibility-provision](http://www.fns.usda.gov/school-meals/community-eligibility-provision)

Includes:

- Policy guidance
- Program requirements/information
- Reimbursement estimator & grouping tool
- CEP guidance from other Federal agencies

Helpful CEP Resources

Center on Budget & Policy Priorities
Food Research & Action Center

◉ **Alternatives to School Meal Applications**

<http://www.cbpp.org/cms/?fa=view&id=4155>

Save the Dates: CEP Webinar Series

Wed, May 27, 1-2 pm EST

Administrative Reviews

Dial-in: (888) 221-9518

Log-on: <https://www.livemeeting.com/cc/usdafns/join?id=M3KHGN&role=attend&pw=P%29n6%2BZCmx>

Meeting ID (if prompted): M3KHGN

Attendee Entry Code (if prompted): P)n6+ZCmx

Wed, June 10, 1-2 pm EST

Successful Implementation Strategies

Register at:

<https://frac.peachnewmedia.com/store/seminar/seminar.php?seminar=40732>



Questions?

**Thank you for
participating!**