

Community Eligibility Provision (CEP) and Provisions 1, 2, and 3

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Community Eligibility Provision	P-1
Overview of CEP	P-1
Identified Students	P-1
CEP Meal Claiming.....	P-2
Determining How to Setup CEP Participation	P-4
CEP Evaluation Worksheet	P-5
Impact on Other Programs.....	P-6
Important Dates	P-7
Quick Reference Guide.....	P-8
Provisions 1, 2 & 3	P-9



Additional Resources

- ISBE’s Community Eligibility Provision Website – www.isbe.net/cep
- USDA’s Community Eligibility Provision Planning and Implementation Guide - <https://www.isbe.net/Documents/cep-plan-implement-guidance1601.pdf>
- Household and Income Form (ISBE 69-72)
 - English
https://www.isbe.net/Documents/69-72_hshld_income.pdf#search=69-72
 - Spanish
<https://www.isbe.net/Documents/69-72-hshld-income-sp.pdf#search=69-72>

Community Eligibility Provision (CEP)

Overview of CEP

The Community Eligibility Provision (CEP) is an optional alternative to using household eligibility applications in high poverty schools. To be eligible for CEP, schools must:

- Meet a minimum level (25%) of their students as *Identified Students* as of April 1 in the year prior to implementing CEP.
 - *Identified Students* are those students that are directly certified for free meal benefits based on SNAP/TANF/Medicaid/Foster, students that were extended benefits based on direct certification status of SNAP/TANF/Medicaid household member, and students that are certified for free meals based on homeless, migrant, runaway or Head Start without the use of a household eligibility application and not subject to verification. (Directly certified students based on Medicaid for reduced price benefits do NOT count as Identified students for the CEP application.)
- Agree to offer reimbursable lunch **AND** reimbursable breakfast at no cost to ALL enrolled students every school day.
- Agree to cover any costs of providing reimbursable meals (breakfast and lunch) above the amounts provided in federal assistance, with non-federal funds.

Schools that choose to participate in CEP must **NOT**:

- Collect household eligibility applications (HEA) for school meal benefits from households during the period in which they are participating in CEP.
- Be a Residential Child Care Institution (RCCI).

Reimbursement for CEP schools is based on a claiming percentage that is derived from the percentage of *Identified Students* as of April 1 the year prior to implementing CEP. The claiming percentage established for the first year of CEP is guaranteed for a period of four consecutive school years, unless the district withdraws and reapplies for CEP with updated enrollment and identified student numbers between April 1 and June 30th or due to compliance issues during an Administrative Review. If the district reapplies for CEP, then a new 4-year cycle begins.

Identified Students

To be eligible for CEP an LEA, school, or group of schools, must have a minimum *Identified Student* percentage of 25% as of April 1 the year prior to implementing CEP. *Identified Students* include the following:

- Directly certified for free meals based on their participation in the Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF),

income eligible free Medicaid and the extension of benefits to students within the same household. (Electronic Direct Certification System in Illinois)

- Directly certified foster child (Not through use of a household application). Directly certified foster children are NOT extended to other household students.
- Homeless (certified by homeless coordinator listing)
- Runaway (certified by runaway coordinator listing)
- Migrant youth (certified by the migrant coordinator listing)
- Head Start (certified by the Head Start coordinator listing)

Identified Students do **NOT** include the following:

- Directly Certified students based on Reduced Price Medicaid benefits
- SNAP/TANF number on an HEA application
- Foster child marked on a HEA
- Submission of a HEA based on income

To apply for CEP, a school must use the number of *Identified Students* as of April 1. LEAs can maximize *Identified Student* numbers by ensuring the annual AND monthly direct certification files are used and that students are provided an extension of benefits when appropriate.

An extension of benefits occurs when any member of a household is found in the Electronic Direct Certification system based on SNAP, TANF, or income eligible free Medicaid. Those free benefits can be extended to all other members in that household, therefore all students in that household would be directly certified for free meals and would count as *Identified Students* in schools applying to participate in CEP. Ensure that you maintain documentation of all *Identified Students* including all [extensions of benefits](#).

Claiming Meals in CEP

Schools that apply to participate in CEP will be provided an approved free and paid claiming percentage based on the number of *Identified Students*, multiplied by the USDA established *Claiming Factor*. The USDA established *Claiming Factor* can change annually, but a school is locked into the factor established in year one of CEP implementation for a 4-year cycle.

CEP schools will only need to track the total number of meals served each school day. CEP schools will no longer need to keep track of meals served by free, reduced, and paid categories, as these categories are not established for meal benefits. This same process is done for breakfast and lunch meals served each day. The total number of meals are reported each day and federal reimbursement will be provided based on the approved claiming percentage of FREE and PAID meals. Under CEP, there are no REDUCED-PRICED meals. CEP approved schools need to complete a [CEP meal count edit](#) prior to the submission of the monthly claim for reimbursement.

EXAMPLE of determining the approved claiming percentage:

- Number of *Identified Students* as of April 1: 241
- Enrollment as of April 1: 407

Step One:

Divide the number of identified students by enrollment.

$$241/407 = 0.5921376$$

Step Two:

Take that figure and multiple by the current approved USDA Claiming Factor (SY2023-2024, 1.6)

$$0.5921376 \times 1.6 = .94742016$$

Step Three:

This figure is the approved claiming percentages for FREE meals. If greater than 1.0, this figure is capped at 100%.

$$94.74\% \text{ of all meals served are reimbursed at the FREE rate}$$

Step Four:

If this number in step three is less than 1.0, take that number and subtract from 1.0 to determine the PAID claiming percentage.

$$1.0 - .9474 = .0526$$

$$5.26\% \text{ of all meals served are reimbursed at the PAID rate}$$

When completing the claim for reimbursement for CEP in the WINS system, only the total number of breakfasts and lunches served each day is reported. The system will apply the approved claiming percentage to that total number of meals and automatically determine how many FREE and PAID meals will be reimbursed each day.

If approved in CEP, complete CEP approval data is in WINS on the *Main Dashboard, Sponsor Tasks, CEP Group Information*. This area will also maintain inactive, withdrawn and pending CEP data as well.

2525-13041201017-A24

Approved

Student Counts		Rate Percent		Group Info	
Identified Students:	572	CEP Eligibility:	51.21 %	Number of Sites:	1
Enrollment:	1117	Free Claiming %:	81.93 %	Begin Date:	7/1/2023
Modified Students:	0	Paid Claiming %:	18.07 %	End Date:	6/30/2027

Rate Info

Average Breakfast Reimbursement: **\$2.34**

Average Lunch Reimbursement: **\$3.67**

Withdraw
Delete

SiteName	SiteNumber	Identified Students	Enrollment	Identified Students %	GroupName	Status
Mount Vernon High School	13064	572	1117	51.21	2525-13041201017-A24	Approved

The *CEP Approval Letter* may be found in the attachment (paperclip icon) area in WINS. Each year of approval, a notification is generated by WINS. The official approval letter is generated in the program year in which the CEP application was completed. You may need to toggle back to a prior program year to find the original approval letter, if needed for review or audit.

Determining How to Setup CEP Participation

Based on individual school, group of schools, or entire LEA

LEAs interested in CEP must determine how to best operate CEP for an individual school, a group of schools or an entire LEA given the expected level of Federal reimbursement and other available non-Federal funding sources. The 25 percent ISP threshold for participation may be determined based on an individual school, a group of schools, or an entire LEA. This allows for some participating schools to be below the 25 percent threshold if the aggregate ISP of the group of schools or entire LEA meets the threshold. Adopting CEP district-wide permits an LEA to reap the benefits of CEP at all schools. In other situations, electing CEP for an individual school or group of schools within the LEA may be a financially viable option, and allows an LEA to reap CEP's benefits at one or some schools. Partial election also gives LEAs an opportunity to become familiar with CEP and how it works, before expanding the provision to a larger number of schools.

CEP Evaluation Worksheet

To assist LEAs in determining if CEP is a financially feasible option for schools or districts then using the traditional meal counting and claiming procedures, ISBE has developed a [CEP evaluation worksheet](#). The worksheet compares meal reimbursement based on traditional meal counting and claiming as well as CEP. The worksheet does not take factor in other costs such as the cost of the annual eligibility process (printing, mailing, and processing HEA and direct certification) as well as the completion of the verification process.

In order to complete the worksheet, the following information will be needed:

- Determine if the worksheet will be completed by individual school, group of schools or entire LEA.
- Claim data (may be for any period of time):
 - Breakfast – FREE, REDUCED-PRICE, PAID meals
 - Lunch – FREE, REDUCED-PRICE, PAID meals
- Student prices:
 - Breakfast – REDUCED-PRICE and PAID
 - Lunch – REDUCED-PRICE and PAID
- Enrollment (individual school, group of schools or entire LEA)
- *Identified Students* (individual school, group of schools or entire LEA)
- Rate of Reimbursement (NSLP and SBP) This is found in the paper clip icon, on the NSL approval letter, annually generated by WINS.

Remember if sites are being grouped together or the whole district, combine claim data, enrollment, and *Identified Student* numbers.

LEAs enter data in the yellow highlighted boxes of the worksheet, and the results will be calculated and auto filled in at the bottom of the worksheet. There are four worksheet options to choose from based on approved claiming rates for both breakfast (severe need or non-severe need) and lunch (60% or greater or less than 60%). CEP evaluation worksheets are updated annually to reflect the current rates of reimbursement.

- 1) **NSLP 60% rate and non-severe need breakfast** – For a school/group/LEA that receives the higher reimbursement rate for the entire district being greater than 60% free and reduced eligible for lunch and is non-severe need breakfast reimbursement.
- 2) **NSLP 60% rate and severe need breakfast** – For a school/group/LEA that receives the higher reimbursement rate for the entire district being greater than 60% free and reduced eligible for lunch and severe need breakfast reimbursement.
- 3) **NSLP less than 60% rate and non-severe need breakfast** – For a school/group/LEA that receives the less than 60% free and reduced eligible lunch reimbursement and non-severe need breakfast reimbursement.

- 4) **NSLP less than 60% rate and severe need breakfast** – For a school/group/LEA that does not receive the less than 60% free and reduced eligible lunch reimbursement and ever need breakfast reimbursement.

Evaluation Worksheets 

- **School Year 2023-24 CEP Evaluation Worksheets (Based on SY 2023-24 Rates of Reimbursements)**
In order to determine which worksheet to use, the 60% rate refers to the district's National School Lunch Program rate of reimbursement. Those districts claiming 60% or greater F/R lunches two years prior receive the 60% or greater rate of reimbursement.

The Severe Need Breakfast, is higher rate of reimbursement provided to sites that claimed 40% or greater of their lunches as F/R two years prior. This information can be found on your most recent Approval Letter available in WINS under the attachment link (paper clip icon).
 - [NSLP 60% rate and Non Severe Need Breakfast](#) 
 - [NSLP 60% rate and Severe Need Breakfast](#) 
 - [NSLP less than 60% rate and Non Severe Need Breakfast](#) 
 - [NSLP less than 60% rate and Severe Need Breakfast](#) 

Impact on Other Programs

Participation in CEP may impact other areas of the LEA, areas outside of the meal programs, therefore, school staff are encouraged to involve administrators and business managers in the initial dialogue about options to elect CEP. Schools that elect CEP no longer collect eligibility data by individual student for the meal programs. Public schools and many nonpublic schools may still need to collect socioeconomic data for individual students. Such data may be used for a variety of grants, programs as well as the Student Information System for public schools.

To assist schools in collection of individual student socioeconomic data that may be needed, a sample form is available that is not tied to the School Nutrition Programs but will assist schools in gathering individual student socioeconomic data. The [Household and Income Form \(69-72\)](#) is housed on the Student Information System (SIS) webpage under Demographics/Enrollment.

All schools electing CEP should review all programs that could be impacted by their participation in CEP. Below is guidance regarding a few programs that have specific guidance regarding CEP implementation.

Title I, Part A (Title I) of the Elementary and Secondary Education Act of 1965, as amended (ESEA)

The United States Department of Education guidance related to CEP and Title I, Part A (Title I) of the Elementary and Secondary Education Act of 1965, as amended (ESEA) is available at <https://www.isbe.net/Documents/usde-guidance-cep.pdf>. School staff are encouraged to carefully review this guidance and consult a Title I consultant with specific questions. Contact

information for the Title I consultants is available online at https://www.isbe.net/Documents/pc_reg_asmt.pdf or at 217-782-3950.

Universal Service Program for Schools and Libraries (E-Rate)

The Federal Communications Commission has issued guidance related to E-rates and CEP participating schools and this guidance is available online at <https://www.isbe.net/Documents/usac-erate-ltr.pdf>. For questions specific to E-rate, please contact the ISBE State Coordinator for E-rate at 217-782-4322.

Fee-Waivers

Under Illinois law, school districts are required to waive charges for textbooks and other fees for children whose families are unable to afford them, including children eligible for the federal free lunch and breakfast program, and for any other extenuating circumstances for which the school board will waive fees as communicated in its adopted policy (e.g., reduced-price lunch or medical emergencies). [105 ILCS 5/10-20.13 and 34-21.6] More information about options for districts are outlined online at <https://www.isbe.net/Pages/School-Fee-Waivers.aspx>.

CEP participating schools will NOT have eligibility status by individual student. Schools in CEP must choose to

- Waive all fees; OR
- Collect socioeconomic data to determine fee waivers from households in another manner.

ISBE has a sample Household and Income Form (ISBE 69-72) that may be used by districts for this purpose.

- English - https://www.isbe.net/Documents/69-72_hshld_income.pdf#search=69-72
- Spanish - <https://www.isbe.net/Documents/69-72-hshld-income-sp.pdf#search=69-72>

Important Dates Related to CEP

- April 1: Date in which the Identified Students and Enrollment number is used to apply for CEP for the subsequent school year
- April 1 – June 30: CEP Application Time
- June 30: Deadline to apply for CEP for subsequent school year
- June 30: Deadline to withdraw from CEP for subsequent school year

QUICK REFERENCE GUIDE

CEP Evaluation & Application Module

The Community Eligibility Provision process is now in ISBE's Web-Based Illinois Nutrition System (WINS). School Nutrition Programs sponsors can use the Community Eligibility Provision Evaluation (CEP) and Application Module to evaluate if CEP will work for them. After uploading an enrollment file, districts will be able to make adjustments by modifying students and grouping sites. After any necessary modified student approvals by ISBE, sponsors can then submit their CEP application.

Accessing the Module

- Log into WINS through IWAS at www.isbe.net, under System Quick Links at the top of the screen.
- Select "Is Community Eligibility Provision (CEP) for you?" under the Sponsor Tasks tab.

Uploading an Enrollment File

- Create a complete list of your enrolled students in the template file format provided. Only CSV file extension is supported.
- Select Choose File and highlight your .csv file name, and then select Upload.
- After uploading your file, a red banner will identify errors in your enrollment file that need to be fixed in order to continue.
- A green banner will appear if the file is successfully uploaded. Select Continue to populate the results.

Submit the CEP Application

- You must have the authorized representative's permission to submit on behalf of the sponsor and agree to all the requirements of CEP.
- After careful review, submit the CEP application.

Grouping Sites

- WINS sites may be grouped to maximize claiming percentages. CEP would only be at these sites.
- There is a check box to group all of your sites (or if you are a single site district).
- If your site group selections meet the 25% identified student threshold, it will appear in green. If below 25%, a red banner appears with additional guidance.

Maximize Identified Students

- The students appearing on shaded green are enrolled and identified students.
- Students listed on shaded gray are unmatched but can be modified, such as those Direct Certified by Extension of Benefits.
- Modified students must be submitted with documentation to ISBE for approval.

Review and Evaluate Results

- After submitting an error-free enrollment file, the results of the matching process will display. This includes total enrollment, total identified students, and identified student percentage both with and without the USDA approved factor.
- If the numbers qualify and are satisfactory, sponsors can submit the CEP application, or they can edit individual students as identified and group WINS sites to maximize claiming percentages before submitting.

Additional USDA Allowed Provisions (Provision 1, 2, and 3)

In addition to the recently allowed CEP, USDA allows additional provisions to reduce paperwork for high need sponsors. Congress enacted three special assistance alternatives, more commonly known as "Provisions" for the National School Lunch and School Breakfast Programs that require approval prior to implementation by ISBE, Nutrition Division.

Provision 1

This Provision reduces application burdens by allowing free eligibility to be certified for a 2-year period. In schools where at least 80 percent of the children enrolled are eligible for free or reduced meals, annual notification of program availability and certification of children eligible for **free** meals may be reduced to once every 2 consecutive school years. All other households must be provided a meal application and are allowed to apply for meal benefits each school year. There is no requirement to serve meals at no charge to all students. Schools must continue to record daily meal counts of the number of meals served to children by type as the basis of calculating reimbursement claims.

Provision 2

This Provision reduces application burden and simplifies meal counting and claiming procedures. It allows schools to establish claiming percentages and to serve all meals at no charge for a 4-year period (base year plus three non-base years). It can be used for breakfast and/or lunch. During the base year, the school makes eligibility determinations and takes meal counts by type. During the next three years, the school makes no new eligibility determinations and only counts the total number of reimbursable meals served. Reimbursement during these years is determined by applying the percentages of free, reduced price and paid meals served during the corresponding month of the base year to the total meal count for the claiming month. Schools participating in this alternative must pay the difference between the Federal reimbursement and the cost of providing all meals at no charge. The money to pay for this difference must be from sources other than Federal funds. At the end of the 4 years, a 4-year extension may be approved if the income of the school's population remains stable or declines.

Provision 3

This Provision reduces application burdens and meal counting and claiming procedures. It allows schools to receive the same level of Federal reimbursement and commodity assistance each year, with some adjustments for a 4-year period. Schools must serve meals to all participating children at no charge for a period of 4 years. These schools do not make additional eligibility determinations. Instead, they receive the level of Federal reimbursement and commodity assistance paid to them the last year in which they made eligibility determinations and meal counts by type, this is the base year. For each of the 4 years, the level of Federal reimbursement

and commodity assistance is adjusted to reflect changes in enrollment and inflation. The base year is not included as part of the 4 years. Schools participating in this alternative must pay the difference between the Federal reimbursement and the cost of providing all meals at no charge. The money to pay for this difference must be from sources other than Federal funds. At the end of each 4-year period, Nutrition Services may approve a 4-year extension if the income level of the school's population remains stable or declines.