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PROPOSED UPDATE TO THE COMMUNITY ELIGIBILITY PROVISION (CEP)

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BACKGROUND

- CEP is a meal service option for schools participating in the National School Lunch Program and School Breakfast Program
- It provides all students with access to school meals at no cost
- Current CEP eligibility requirements:
 - Schools, groups of schools, or entire school divisions
 - Must have at least 40% of enrolled students categorically eligible for free meals. This value is referred to as the Identified Student Percentage (ISP).
 - Schools receive reimbursement for meals based on the ISP multiplied by 1.6. This determines the percentage of total meals served that will be reimbursed at the free federal reimbursement rate.

IMPORTANCE OF CEP

- Increases students' access to school meals
- Reduces administrative burden
- Increases operational efficiencies
- Combats household food insecurity

Proposed Update

- Published by USDA FNS on March 23, 2023
- Lowers the minimum identified student percentage (ISP) participation threshold from 40% to 25%
- The 1.6 CEP multiplier would not change

• Public comments are due by May 8, 2023

Table 1. Proposed Updates to the Community Eligibility Provision

Provision	Current ISP Threshold	Proposed ISP Threshold
Minimum ISP Threshold 7 CFR 245.9(f)(3)(i)	School districts, schools, and groups of schools must have ISPs ≥ 40% to elect CEP.	School districts, schools, and groups of schools would be required to have ISPs ≥ 25% to elect CEP.
Grace Year Eligibility 7 CFR 245.9(f)(4)(ix)	Schools participating in CEP must have 30% ≤ ISP < 40% in year 4 of the CEP cycle to elect CEP for a fifth year, or grace year.	Schools participating in CEP would be required to have 15% ≤ ISP < 25% in year 4 of the CEP cycle to elect CEP for a fifth year, or grace year.
Identification, Notification and Publication of Nearly Eligible LEAs and Schools 7 CFR 245.9(f)(5), (6), (7)	Nearly eligible schools have 30% ≤ ISP < 40%.	Nearly eligible schools would have 15% ≤ ISP < 25%.

Adapted from <u>Community Eligibility Provision - Summary of Proposed Rule | Food and Nutrition</u> <u>Service (usda.gov)</u>. POTENTIAL IMPACT ON VA SCHOOLS 1,082 out of 1,900 schools currently participating in CEP

With this proposed rule, 426 additional schools would become eligible for CEP

FINANCIAL IMPACT

- CEP must be financially viable for school food service
- Non-federal funds may be needed to support schools at the lower ISP
 - State funding
 - Local funding
 - Grants

THANK YOU!

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