

## **NYS Direct Certification and the Community Eligibility Provision**

*Direct Certification — Applicable to all schools providing free meals to eligible students:*

NYSED's Child Nutrition Program Administration released updated instructions in June 2013 on the [Online Direct Certification Matching Process](#) that should have a positive bearing on E-rate discount rates. It may also affect New York schools participating for the first time in the Community Eligibility Provision ("CEP") program, itself with E-rate filing implications.

Direct certification is a means by which students may be identified as eligible for free meals as a result of their families' enrollment in low income-based social services, primarily the Supplemental Nutrition Assistance Program ("SNAP" — a.k.a. Food Stamps) and Temporary Assistance to Needy Families ("TANF").

Schools participating in free meal programs are required to match direct certification data with their student databases three times a year. When matches are found, the schools are required to send letters to the families notifying them that their children are eligible for free meals (and milk) and will be automatically enrolled unless the families proactively opt out of the program. This should significantly improve reported student NSLP eligibility percentages, particularly in the higher grades that have been traditionally underrepresented. This should have a positive effect on E-rate discount levels.

The following additional information on the process is available from NYSED:

[Instructions for Accessing Direct Certification Data](#)  
[Instructions for Direct Certification Case Number Search Tools](#)  
[Instructions for Direct Certification Last Name Search Tools](#)  
[Checklist for the Direct Certification Matching Process](#)  
[Prototype Direct Certification Notification Letter](#)  
[Prototype Direct Certification Notification Letter - Spanish](#)  
[Questions and Answers](#)

*Community Eligibility Provision ("CEP") — Applicable to selected schools and districts:*

Closely aligned to the direct certification matching process is a new free meal program initiated by USDA entitled the Community Eligibility Provision ("CEP"). This program is being phased in nationally. Three states were first involved in 2011. For 2012, three more states, including New York, were added. In 2014, the program was extended to all states.

Individual schools, groups of schools, or entire districts may participate in CEP if the following two conditions are met:

1. The percentage of students identified as eligible for free meals by direct certification is 40% or more of the school or group; and
2. The school(s) is willing to provide free meals to all students.

Then:

1. The schools do not have to collect — indeed, are prohibited from collecting — NSLP applications; and
2. The schools will be reimbursed for free meals at a rate based on 1.6 times the percentage of direct certification students.

Relief from the NSLP application process is seen as a way to reduce the administrative burden of NSLP. Use of the direct certification multiplier is meant to compensate for students not identified by the direct certification method and accurately estimate the true percentage of eligible students.

For additional information on the CEP process in New York, see [2014-15 Community Eligibility Provision \(CEP\) Application and Instructions](#).

From an E-rate perspective, CEP participation raises some issues because there are no NSLP applications to support discount rate calculations. For E-rate purposes, the calculations of discount rates depend upon the funding year. In particular:

1. For FY 2014 (and earlier), the E-rate program did not recognize student eligibility based on the 1.6x multiplier. Instead, schools were advised to use the most recent year’s available NSLP data (i.e., from the year preceding CEP enrollment). For New York applicants, this data is provided in an online table of [New York CEO Schools and Discount Rate Data for FY 2014](#).
2. One important implication of this is that current school year NSLP data shown on the NYSED [Child Nutrition Management System \(“CNMS”\) database](#) cannot be used to support the discount rate calculations for CEP schools. The reason for this is that the CNMS database will reflect the NSLP reimbursement rate calculated using the 1.6x multiplier.

As an example, if a CEP school has a direct certification percentage of 65%, it would be entitled to 100% NSLP “Free” reimbursement. (Note:  $1.6 \times 65\% = 104\%$ , but the maximum is 100%.) The CNMS listing for such a school would show the following:

School Food Authority	LEA Code	Enrollment	Free Eligible	Free %	Free Eligible	Free %	Total
CEP School A	80000XXXX	300	300	100	0	0	100

3. Beginning with applications for FY 2015, CEP discount rates are to be calculated using the 1.6x multiplier. Note that districts with both CEP and non-CEP schools will have to calculate student eligibility separately for both groups in order to determine the discount rates for the districts as a whole using total students and total eligible students.