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SUBJECT: Community Eligibility Provision: Department of Education Title I Guidance

TO: Regional Directors
Special Nutrition Programs
All Regions

State Directors
Child Nutrition Programs
All States

Section 104(a) of the Healthy, Hunger Free Kids Act of 2010 (HHFKA) amended section 11(a)(1) of the Richard B. Russell National School Lunch Act (NSLA) (42 U.S.C. 1759a(a)(1)) to provide an alternative to household applications for free and reduced price meals in high poverty local educational agencies (LEAs) and schools. This alternative is called the Community Eligibility Provision (CEP).

Enclosed is the January 2014 U.S. Department of Education, Office of Elementary and Secondary Education guidance titled "The Community Eligibility Provision and Selected Requirements Under Title I, Part A of the Elementary and Secondary Education Act of 1965, as amended." This guidance will prove helpful as States, districts, and schools begin implementing CEP nationwide in the 2014-2015 school year.

State Agencies are reminded to distribute this memorandum and attachment to program operators immediately. School food authorities and other program operators should direct any questions concerning this guidance to their State agency. State agencies with questions should contact the appropriate FNS Regional office.

Original Signed

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Enclosure

GUIDANCE

THE COMMUNITY ELIGIBILITY PROVISION AND SELECTED REQUIREMENTS UNDER TITLE I, PART A OF THE ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965, AS AMENDED



January 2014
U.S. Department of Education
Office of Elementary and Secondary Education

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Introduction

With the passage of the Healthy, Hunger-Free Kids Act of 2010 (Act) [available at: www.gpo.gov/fdsys/pkg/PLAW-111publ296/pdf/PLAW-111publ296.pdf], the National School Lunch Program (NSLP) now includes a new universal meal program, the “Community Eligibility Provision” (Community Eligibility), which is being phased in over several years by the U.S. Department of Agriculture (USDA). Community Eligibility permits eligible schools to provide meal service to all students at no charge, regardless of economic status, while reducing burden at the household and local levels by eliminating the need to obtain eligibility data from families through a separate collection.

Community Eligibility schools use only “direct certification” data, such as data from the Supplemental Nutrition Assistance Program (SNAP) or Temporary Assistance for Needy Families (TANF) program to determine the Federal cash reimbursement for school lunches provided by USDA. They do not rely on annual household applications that are generally used to determine eligibility for free and reduced-price meals. A school is eligible for Community Eligibility if at least 40 percent of its students are “directly certified,” i.e., identified for free meals through means other than household applications (for example, students directly certified through SNAP). To account for low-income families not reflected in the direct certification data, USDA sets meal reimbursement levels for Community Eligibility schools by multiplying the percentage of students identified through the direct certification data by a multiplier established in the Act. (Initially, the multiplier is 1.6.¹) Under Community Eligibility, schools must renew their direct certification numbers once every four years to maintain eligibility. However, schools are encouraged to update their direct certification numbers annually to capture more current information. If the most current data show an increase in the percentage of enrolled students who are directly certified, the school may use that percentage for determining USDA reimbursement; if the data show a decrease, the school may continue to use the original percentage for the remainder of the four-year eligibility period.

Implementation of Community Eligibility began in the 2011–2012 school year in eligible local educational agencies (LEAs) and schools in Illinois, Kentucky, and Michigan. In the 2012–2013 school year, the USDA added the District of Columbia, New York, Ohio, and West Virginia to implement Community Eligibility. Community Eligibility became available in Maryland, Massachusetts, Florida, and Georgia in the 2013–2014 school year and will be available in all States in the 2014–2015 school year.

Although the USDA, and not the U.S. Department of Education (ED), administers the NSLP, there is a connection between Community Eligibility and programs operated under Title I, Part A (Title I) of the Elementary and Secondary Education Act of 1965, as amended (ESEA), because State educational agencies (SEAs) and LEAs often use NSLP data to carry out certain Title I requirements. Under section 1113 of the ESEA, an LEA must rank its school attendance areas or

¹ Section 104(a) of the Act establishes a multiplier of 1.6 and also provides USDA the authority to adjust this figure. If USDA were to adjust the multiplier, users of this guidance should replace references to the 1.6 with the adjusted multiplier.

schools based on the percentage of economically disadvantaged students to determine a school's eligibility to receive Title I funds, to allocate funds to selected schools, and to calculate the amount generated for Title I services to eligible private school students. In terms of accountability, each SEA and LEA that receives funding under Title I must assess and report annually on the extent to which economically disadvantaged students are making progress toward meeting State academic achievement standards in reading or language arts and mathematics. Moreover, an LEA must hold schools accountable for the achievement of student subgroups, whether under section 1116 of the ESEA or under ESEA flexibility for those States with an approved ESEA flexibility request. To meet these requirements, an LEA must have school-level data on individual economically disadvantaged students. For many LEAs, NSLP data are likely to be the best source to identify those students.

Given these connections between NSLP data and Title I, the purpose of this guidance is to show how SEAs and LEAs can successfully implement Title I requirements using NSLP data that incorporate Community Eligibility, just as they have prior to Community Eligibility's becoming part of the NSLP. Community Eligibility represents a means to both increase child nutrition and reduce burden at the LEA, school, and household levels. This guidance ensures that SEAs and LEAs can take advantage of these twin purposes while still operating Title I programs effectively and efficiently. To these ends, the guidance covers within-district allocations, equitable services to eligible private school students, within-State allocations, and accountability. This new guidance on Community Eligibility and Title I is intended to be used in conjunction with existing ED guidance documents on within-district allocations, equitable services, and within-State allocations that are referenced in this document, and users are advised to refer to them as needed.

This guidance provides ED's interpretation of various statutory provisions and does not impose any requirements beyond those included in the ESEA and other applicable laws and regulations. It replaces guidance provided on Title I and Community Eligibility, most recently in July 2012, and does not create or confer any rights for or on any person.

ED will provide additional guidance as necessary. If you are interested in commenting on this guidance, please send your comments to: OESEguidancedocument@ed.gov.

Community Eligibility Provision Description

1. What is the Community Eligibility Provision?

Section 104(a) of the Healthy, Hunger-Free Kids Act of 2010 (Act) amended section 11(a)(1) of the Richard B. Russell National School Lunch Act to provide an alternative that eliminates the need for household applications for free and reduced-price meals in high-poverty LEAs and schools. This alternative, which is now part of the NSLP, is referred to as the Community Eligibility Provision (Community Eligibility).

To be eligible, LEAs and/or schools must meet a minimum level of “identified students” for free meals in the year prior to implementing Community Eligibility; agree to serve free breakfasts and lunches to all students; and agree to cover with non-Federal funds any costs of providing free meals to students above the amounts provided by Federal assistance. Reimbursement for each LEA or school is based on claiming percentages derived from the percentage of identified students, i.e., students certified for free meals through means other than individual household applications. The claiming percentages established in the first year for an LEA or school may be used for four school years and may be increased if the percentage of identified students rises for the LEA or school.

2. What does the term “identified students” mean?

“Identified students” are students approved as eligible for free meals who are not subject to verification (i.e., in Community Eligibility schools, “directly certified” children). This definition includes students directly certified through SNAP, TANF, or the Food Distribution Program on Indian Reservations; children experiencing homelessness and on the local liaison’s list;² Head Start children; migrant youth; runaways; and non-applicants approved by local officials. Foster children who are certified through means other than a household application and students who are certified for free meals based on a letter provided by SNAP to the household are also included.

The practice of directly certifying students is not new to the NSLP, as direct certification data previously have been used in conjunction with household applications to determine the amount of Federal reimbursement a school receives. Under Community Eligibility, however, a primary difference is that a Community Eligibility school uses only direct certification data on identified students and no longer collects any household applications to determine the amount of Federal reimbursement.

For Title I purposes, the relevant Community Eligibility percentage of identified students and direct certification data combined with household applications in non-Community Eligibility schools are all considered NSLP data under the Richard B. Russell National School Lunch Act. That is, these forms of NSLP data qualify as eligible poverty data for Title I purposes under

² The local liaison serves as one of the primary contacts between homeless families and school staff, LEA personnel, shelter workers, and other service providers. The local liaison coordinates services to ensure that homeless children and youth enroll in school and have the opportunity to succeed academically.

section 1113(a)(5) of the ESEA, which lists the poverty measures that an LEA may use for Title I within-district allocations.

3. What is the eligibility threshold for participation in Community Eligibility?

Eligibility is determined for an entire LEA, a group of schools within an LEA, or a single school within an LEA. To be eligible to participate in Community Eligibility, the percentage of identified students must be at least 40 percent of enrollment. An LEA may have some schools that participate in Community Eligibility and others that do not.

4. How is the percentage of identified students calculated for Community Eligibility?

The percentage of identified students is calculated by dividing the number of identified students by the student enrollment as of April 1 of the previous school year.

5. How are school meals reimbursed through Community Eligibility?

The percentage of identified students is multiplied by the 1.6 multiplier. This percentage is then applied to the total school breakfast and lunch counts to determine USDA reimbursement rates. For example, if the percentage of identified students in a school is 62.5 percent (or more), the school's reimbursement rate would be 100 percent ($62.5 \text{ percent} \times 1.6 \text{ multiplier} = 100 \text{ percent}$), and it would be reimbursed at the Federal "free" rate for each breakfast and lunch served. Similarly, a school with 56.3 percent identified students would be reimbursed for 90 percent ($56.3 \text{ percent} \times 1.6 \text{ multiplier} = 90 \text{ percent}$) of the breakfasts and lunches served at the Federal "free" reimbursement rate; the remaining 10 percent would be reimbursed at the Federal "paid" reimbursement rate.³

6. What is the function of the 1.6 multiplier?

The function of the 1.6 multiplier is to provide an estimate of the percentage of students eligible for free and reduced-price meals in participating Community Eligibility schools, groups of schools, or LEAs that is comparable to the poverty percentage that would be obtained in a non-Community Eligibility school. The number of students directly certified is a subset of the total number of students eligible for free and reduced-price meals. Using only the number of directly certified students would result in lower poverty percentages for Community Eligibility schools or LEAs.

7. Will the 1.6 multiplier change?

The Act requires that the multiplier remain at 1.6 through June 30, 2014. After this date, USDA has the authority to change the multiplier to a number between 1.3 and 1.6. Any change to the multiplier would be communicated by USDA well in advance of the effective date of the change.

³ Current year reimbursement rates are available at: www.fns.usda.gov/cnd/Governance/notices/naps/NAPs.htm.

Schools and LEAs that elect Community Eligibility keep the same multiplier throughout the four-year Community Eligibility cycle.

8. May a private school that participates in the NSLP or School Breakfast Program elect Community Eligibility?

Yes, if the private school meets the eligibility criteria for Community Eligibility.

9. What are the areas of intersection between Community Eligibility and Title I?

There are several aspects of Title I that require the use of poverty data at the school or individual student level: within-district allocations, equitable services for eligible private school students, within-State allocations, and accountability. NSLP data are often used as an indicator of poverty to help carry out Title I programs; therefore, the decision to participate in Community Eligibility could also affect an LEA's poverty data for Title I purposes.

10. When using NSLP data as a poverty measure for Title I, which types of NSLP data may be included?

Different combinations of available NSLP data may be used as a poverty measure for Title I purposes. For example, NSLP data might include a combination of data from household applications in addition to direct certification data. NSLP data might also include only free meals data identified through household applications and direct certification data. Finally, NSLP data might only encompass direct certification data for all schools, even non-Community Eligibility schools (see Question 12). This option would provide a consistent poverty measure for all schools in the LEA.

11. If an LEA includes a Community Eligibility school for the purpose of NSLP, must the LEA use NSLP data (including Community Eligibility) for Title I purposes?

No. An LEA may use another poverty data source for Title I purposes as long as that source is permitted by section 1113(a)(5) of the ESEA (see Question 14). Community Eligibility, however, represents a means to both increase child nutrition and reduce burden at the LEA, school, and household levels. As such, an important purpose of this guidance is to ensure that SEAs and LEAs can take advantage of these twin purposes while still operating Title I programs effectively and efficiently.

12. Are updated direct certification data available to an LEA every year?

Direct certification data are typically available to all LEAs that participate in the NSLP on at least an annual basis. LEAs with schools not operating a special provision (e.g., Community

Eligibility, Provision 2, or Provision 3⁴) are required to run direct certification with SNAP at least three times a year. For LEAs with schools operating under a special provision, running direct certification with SNAP data annually is not mandatory. However, annual direct certification matches with SNAP or other programs are typically readily available for these schools due to Statewide and district-level direct certification systems. USDA requires State agencies to meet annual SNAP direct certification performance benchmarks, and all LEAs with special provision schools are strongly encouraged to access these data on an annual basis. It is also in the best interest of Community Eligibility schools to run direct certification matches annually to potentially increase their claiming percentages.

13. How might the availability of updated direct certification data affect Title I implementation?

An LEA needs school-level data on individual economically disadvantaged students for certain Title I activities. Therefore, even though for NSLP purposes a Community Eligibility school that has 100 percent reimbursement at the Federal “free” rate would likely not use updated data over the four-year period allowed by the Act because its reimbursement is at its maximum, the school (and its LEA) may want to use updated direct certification data for Title I purposes. (The guidance expands on this point in discussing specific Title I requirements below.)

Within-district Allocations

14. May an LEA use Community Eligibility data to allocate Title I funds to school attendance areas and schools?

Yes. To allocate Title I funds to school attendance areas and schools, section 1113(a)(5) of the ESEA requires an LEA to select a poverty measure from the following options:

- Children ages 5-17 in poverty as counted in the most recent Census data approved by the Secretary.
- Children eligible for free and reduced-price lunches under the Richard B. Russell National School Lunch Act.
- Children in families receiving assistance under the State program funded under Title IV, Part A of the Social Security Act (TANF).
- Children eligible to receive medical assistance under the Medicaid program.
- A composite of any of the above measures.

⁴ The NSLP allows Provision 2 and Provision 3 schools to certify students as eligible for free and reduced-price meals once every four years and to extend the certification period under certain conditions. The school lunch regulations prohibit schools that make use of these alternatives from collecting eligibility data and certifying students based on household applications on an annual basis. Likewise, these schools are not required to directly certify with SNAP data three times a year. However, direct certification data nonetheless are generally available to a school from the LEA or State agency.

Identified students under Community Eligibility are eligible under the Richard B. Russell National School Lunch Act. If an LEA selects NSLP data as its poverty measure (or uses the data in a composite) and has a Community Eligibility school, the Community Eligibility data will be part of the NSLP data that the LEA uses for within-district allocations. (Unless noted otherwise, this guidance assumes that an LEA has chosen to rank its schools and allocate Title I, Part A funds on the basis of NSLP data.)

15. Has ED previously provided information on within-district Title I allocations?

Yes. This guidance entitled *Local Educational Agency Identification and Selection of School Attendance Areas and Schools and Allocation of Title I Funds to Those Areas and Schools* (August 2003) is available at: www.ed.gov/programs/titleiparta/wdag.doc.

16. Does Community Eligibility change that guidance?

No. The statutory requirements described in that guidance, including those related to ranking school attendance areas, determining eligibility of schools to participate in Title I, and allocating Title I funds to participating schools, remain the same. This guidance shows how the correct percentages are determined when NSLP data are comprised in whole or in part of Community Eligibility data. See Question 18.

17. If an LEA wishes to use Community Eligibility data to allocate Title I funds to schools, when would Community Eligibility data first be used to determine a school's eligibility and allocation?

Generally, with the exception of new or expanding charter schools, an LEA uses data from the prior year to determine its within-district allocations. As a result, with respect to a school that is a Community Eligibility school for the first time, the NSLP data available to its LEA would probably be from the previous year. Therefore, with respect to within-district Title I allocations, an LEA would likely first use Community Eligibility data for a school that is a second-year Community Eligibility school.

18. How does an LEA allocate Title I funds to schools when it has Community Eligibility and non-Community Eligibility schools?

The number of students directly certified is a subset of the total number of students eligible for free and reduced-price meals because the poverty eligibility threshold for directly certified students is lower than the poverty eligibility threshold for free and reduced-price meals determined through the annual household application. Thus, if an LEA has non-Community Eligibility schools with a poverty count based on the number of students approved for free and reduced-price meals and Community Eligibility schools with a poverty count based on, for

example, SNAP data, the LEA must use a common poverty metric in order to rank order its schools and allocate Title I funds on an equitable basis.⁵

An LEA has options in how it derives this metric. One approach is for the LEA to multiply the number of students identified by direct certification in a school by the 1.6 multiplier and divide by the enrollment in the school. As noted in Question 6, to account for the difference in poverty rates when using free and reduced-price meals data for some schools and direct certification data for others, the multiplier of 1.6 is intended to approximate the free and reduced-price meals count for a Community Eligibility school. A second approach is for the LEA to rank all of its schools solely on the basis of the percentage of students directly certified through SNAP (or another direct certification measure available annually) in both Community Eligibility and non-Community Eligibility schools. (As noted in Question 12, because all schools, not just Community Eligibility schools, must directly certify students through SNAP, an LEA should have direct certification data for each of its schools.)

Example A below shows how the first approach would work, using the 1.6 multiplier, for a hypothetical LEA with \$1,000,000 to distribute to its Title I schools, which consist of three Community Eligibility schools and three non-Community Eligibility schools. Example B illustrates how the second approach would operate, using direct certification data from SNAP for all schools in an LEA with two Community Eligibility schools and four non-Community Eligibility schools.

⁵ For the purpose of making comparability determinations under section 1120A(c) of the ESEA, although most methods for determining comparability do not require the use of poverty data, ED's Title I fiscal guidance [available at: www.ed.gov/programs/titleiparta/fiscalguid.doc] provides two examples for calculating comparability in an LEA with all Title I schools that involve the identification of high-poverty schools and low-poverty schools (Examples 5 and 6). An LEA with all Title I schools that chooses to use one of these measures would use the same poverty percentage that it uses to rank schools for determining within-district allocations in order to classify a Community Eligibility school as a high-poverty or low-poverty school.

Example A

**Within-District Title I Allocations in an LEA with a
Combination of Community Eligibility Schools and Non-Community Eligibility Schools**

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7	Column 8	Column 9	Column 10
School	Community Eligibility School (Y/N)	Enrollment	Community Eligibility Schools: Identified Students Data ¹	Non-Community Eligibility Schools: Economically Disadvantaged Students Identified by Free and Reduced-Price Meals Data	1.6 Multiplier ²	NSLP Count Used to Allocate Title I Funds ³	Percentage of Economically Disadvantaged Students for Title I Allocations ⁴	Per-Pupil Amount Used by LEA	Title I Allocation ⁵
Lincoln	Y	425	400	N/A	1.6	425	100%	\$500	\$212,500
Washington	Y	500	297	N/A	1.6	475	95%	500	237,500
Adams	Y	600	350	N/A	1.6	560	93%	500	280,000
Jefferson	N	450	N/A	400	N/A	400	89%	450	180,000
Madison	N	400	N/A	200	N/A	200	50%	450	90,000
Monroe	N	500	N/A	100	N/A	100	20%	N/A	0
Total	N/A	2,875	N/A	N/A	N/A	2,160	75%	N/A	\$1,000,000

¹ The number of students may be determined once every four years for Community Eligibility schools. Moreover, the poverty data used will likely differ from other schools. For the Community Eligibility schools, the poverty data will be, for example, direct certification (Identified Students) data (e.g., SNAP or TANF) collected at least every four years times the multiplier. For other schools, the poverty data will be from household applications and direct certification data.

² The 1.6 multiplier applies only to a Community Eligibility school.

³ For a Community Eligibility school, the Column 7 figure is equal to the lesser of (a) Column 4 x Column 6 or (b) Column 3. In other words, this number may not exceed the school's total enrollment. For the non-Community Eligibility schools, the Column 7 figure is equal to Column 5.

⁴ Column 7 / Column 3.

⁵ Column 9 x Column 7 (Note: Monroe is ineligible for Title I funds because its poverty percentage is below both the LEA's average and 35 percent.)

Example B

**Using Direct Certification Data Only
Within-District Title I Allocations in an LEA with a
Combination of Community Eligibility Schools and Non-Community Eligibility Schools**

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7
School	Community Eligibility School (Y/N)	Enrollment	All Schools: Direct Certification Data Through SNAP¹	Percentage of Economically Disadvantaged Students for Title I Allocations²	Per-Pupil Amount Used by LEA	Title I Allocation³
McKinley	Y	750	500	67%	\$500	\$250,000
Roosevelt	N	640	400	63%	500	200,000
Taft	Y	900	560	62%	500	280,000
Wilson	N	675	400	59%	450	180,000
Harding	N	500	200	40%	450	90,000
Coolidge	N	750	100	13%	N/A	0
Total	N/A	4,215	2,160	51%	N/A	\$1,000,000

¹The figures in Column 4 exclude, for the purposes of Title I ranking and serving of schools, household application data for the non-Community Eligibility schools and direct certification from programs other than SNAP for all schools. (Community Eligibility schools are prohibited from collecting household applications.)

²Column 4 / Column 3.

³Column 4 x Column 6. (Note: Coolidge is ineligible for Title I funds because its poverty percentage is below both the LEA's average and 35 percent.)

19. If an LEA has all Community Eligibility schools, does it need to apply the 1.6 multiplier for Title I ranking and allocation purposes?

No. If an LEA has all Community Eligibility schools, the LEA may rank its schools by the percentage of directly certified students in each school, even though the multiplier is used to determine the USDA reimbursement amount.

20. If the application of the 1.6 multiplier results in more than one school at 100 percent poverty, must an LEA allocate the same per-pupil amount to each of these schools?

Not necessarily. At its discretion, an LEA may take into consideration the direct certification poverty percentage of each of these schools.

Generally, an LEA determines each Title I school's allocation by multiplying the number of low-income students in the school by a per-student amount established by the LEA. Under 34 C.F.R. § 200.78(c), an LEA is not required to allocate the same per-pupil amount to each participating school, as long as it allocates higher per-pupil amounts for schools with higher concentrations of poverty than to schools with lower concentrations of poverty. In the case of an LEA that has more than one Community Eligibility school at 100 percent poverty by virtue of the 1.6 multiplier but the schools have different direct certification percentages, the LEA may allocate a greater per-pupil amount for the 100 percent school with the higher percentage of directly certified students because the direct certification data indicate that the school has a higher concentration of poverty than the other 100 percent schools. In other words, the direct certification data may be used to differentiate among multiple Community Eligibility schools with a 100 percent poverty rate. In order to differentiate among these schools based on the most current data, an LEA may wish to use annual direct certification data and update the rankings as appropriate even if the data are not updated during the four-year period for Community Eligibility purposes.

To ensure that it complies with 34 C.F.R. § 200.78(c), an LEA must make sure that the 100 percent Community Eligibility schools receive at least as much per pupil as Community Eligibility and non-Community Eligibility schools with poverty rates below 100 percent. For instance, a non-Community Eligibility school with a 95 percent poverty rate may not receive more per-pupil funding than a Community Eligibility school with a 100 percent poverty rate by virtue of the 1.6 multiplier. If two Community Eligibility schools have the same direct certification rate, they must be provided the same per-pupil allocation.

The following table provides an example of an LEA with Community Eligibility and non-Community Eligibility schools in which the LEA is able to establish a different per-pupil allocation for two Community Eligibility schools with a 100 percent poverty rate by virtue of the 1.6 multiplier:

- School 1 and School 2 are Community Eligibility schools with percentages of low-income students of 100 percent by virtue of the 1.6 multiplier. As a result, they are ranked at the top of the LEA's poverty rankings.
- The LEA allocates a higher per-pupil amount to School 1 than School 2 on the basis of School 1's greater direct certification poverty percentage based on SNAP data (Column 5).
- The LEA ensures that School 2 receives at least as much per pupil as School 3 and School 4 because School 2's poverty percentage in Column 7, after application of the 1.6 multiplier, is larger than that of School 3 or School 4.

Example

Providing a Different Title I Per-Pupil Allocation to Two Community Eligibility Schools that Have a 100 Percent USDA Reimbursement Rate

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7	Column 8	Column 9
School	Community Eligibility School (Y/N)	Enrollment	Number of Students Directly Certified	Percentage of Identified Students in Community Eligibility School	Number of Low-Income Students for Title I School Allocation Calculation ¹	Percentage of Low-Income Students for Ranking Title I Schools	Per-Pupil Amount Used by LEA	Title I Allocation
1	Y	500	400	80%	500	100%	\$750	\$375,000
2	Y	1500	1050	70%	1500	100%	\$650	\$975,000
3	N	500	10	N/A	450 ²	90%	\$625	\$281,250
4	Y	500	250	50%	400	80%	\$625	\$250,000

¹ For a Community Eligibility school, this figure is equal to the lesser of: (a) Column 3 or (b) Column 4 multiplied by 1.6.

² Poverty data are based on household applications and direct certification data.

21. If an LEA chooses to group Community Eligibility schools to determine the reimbursement rate from USDA, does each school in a group then have the same poverty percentage for Title I ranking and allocation purposes?

No. As noted in Question 3, schools may be grouped to determine the USDA reimbursement rate. Under section 1113 of the ESEA, however, an LEA with an enrollment of at least 1,000 students must rank schools individually for ranking and allocation purposes. Thus, if an LEA groups schools in order for them to be eligible for Community Eligibility or to maximize Community Eligibility reimbursement, the LEA must still use the Community Eligibility data, either alone or multiplied by the 1.6 multiplier, for each individual school for Title I ranking and allocation purposes. For example:

- School 1 has 425 enrolled students, of whom 400 are directly certified. By virtue of the 1.6 multiplier, the school's poverty rate is 100 percent (400 directly certified students x the 1.6 multiplier = 640 (greater than the school's enrollment of 425 students)).
- School 2 has 600 students, of whom 350 are directly certified. By virtue of the 1.6 multiplier, the school's poverty rate is 93 percent (350 directly certified students x the 1.6 multiplier = 560 divided by the enrollment of 600 = 93 percent).
- For USDA reimbursement, the LEA may combine the data for School 1 and School 2, resulting in a reimbursement rate of 100 percent for the schools as a group. (The reimbursement rate is 100 percent because: 750 directly certified students divided by the enrollment of 1,025 = 73.1 percent x 1.6 = 100 percent reimbursement.)
- For Title I ranking and allocation purposes, however, the LEA must use the individual school percentages (School 1 = 100 percent; School 2 = 93 percent).

22. If an LEA has traditionally established a cutoff above which Title I-eligible schools are served, does the LEA have any options if the use of Community Eligibility data increases the number of schools above the cutoff?

Yes, an LEA has several options. One option, and perhaps the most straightforward option, is for an LEA to raise its cutoff point. For example, if an LEA's policy was to serve all schools above 60 percent poverty, the LEA could choose to serve schools above a higher poverty percentage (e.g., 67 percent).

For the sole purpose of within-district Title I allocations, a second option would be for an LEA to use, as authorized by section 1113(a)(5) of the ESEA, another allowable poverty measure or combination of measures to rank its schools that might result in fewer schools above its cutoff.⁶

⁶ The composite option in section 1113(a)(5) of the ESEA to establish a poverty percentage for a school applies only to the within-district Title I allocation process. For other Federal or non-Federal purposes, an LEA that uses a composite for within-district Title I allocations may be asked to report poverty figures for its schools that are determined differently (i.e., as defined by the specific data collection) than the method used in the composite.

23. May an LEA with one or more Community Eligibility schools conduct its own survey to collect the equivalent of NSLP data from the Community Eligibility schools for Title I within-district allocations?

Yes; however, ED urges an LEA to give careful consideration to this decision. As noted earlier, one of the purposes of Community Eligibility is to reduce burden. Conducting a survey just for Title I would add burden that may not be necessary because, in the case of an LEA that has one or more Community Eligibility schools, the LEA by definition already has poverty data for one of the permitted sources under section 1113(a)(5) of the ESEA (NSLP data).

Should an LEA decide to carry out such a survey, the LEA may use the results for Title I within-district allocations as long as it is confident that the survey data are accurate and used consistently with the ranking and serving criteria in section 1113 of the ESEA, including the income cutoff for one or more of the programs listed in section 1113(a)(5). If an LEA carries out this type of survey, the LEA must ensure that it does not in any way indicate that the survey is required by ED or USDA.⁷

24. USDA guidance indicates that the identified students' count and reimbursement rate for Community Eligibility purposes should be determined based on data from April 1 of the previous school year. How should an LEA with Community Eligibility and non-Community Eligibility schools that collects NSLP household applications for non-Community Eligibility schools at a different point during the year take into account this difference in timing?

An LEA in this situation has three options.

First, the LEA might use Community Eligibility data from April 1 for the Community Eligibility schools and NSLP data for the non-Community Eligibility schools from another time as long as both periods occur in the same school year. (As referenced in Questions 2 and 12, the non-Community Eligibility school's data generally include a combination of directly certified students and students who are eligible through the household application.)

Second, if compatible with the implementation of NSLP and the timing of submitting a Title I plan to its SEA for the following school year, an LEA might use its count of household applications and access direct certification data for a non-Community Eligibility school on approximately April 1.

Third, for Title I purposes only, an LEA might access direct certification data for Community Eligibility schools on approximately the same date during the school year as it accesses these data for, and collects household applications from, non-Community Eligibility schools (while also still accessing the direct certification on April 1 for Community Eligibility schools). Thus, under this third option, the LEA would still use April 1 as the date for calculating a Community

⁷ USDA regulations do not allow school meal program funds to support an alternate application process.

Eligibility school's USDA reimbursement rate but would use the date when the data were accessed for Title I to establish the school's poverty percentage and number of low-income students for Title I purposes. For example, if on October 31, 2012 (the date the school's LEA collects NSLP data for non-Community Eligibility schools), 60 percent of a Community Eligibility school's students are directly certified and then on April 1, 2013, 62.5 percent of a Community Eligibility school's students are directly certified, the school's poverty percentage for Title I within-district allocations would be 96 percent (60.0 percent x the 1.6 multiplier) whereas its USDA NSLP reimbursement at the free rate would be 100 percent (62.5 percent x the 1.6 multiplier).

25. If an LEA uses NSLP data to allocate Title I funds to schools and is concerned about Community Eligibility's effect on these data, may the LEA use older data (i.e., data collected prior to Community Eligibility) to allocate Title I funds to schools?

No. An LEA must allocate Title I funds based on data from the most recent school year (e.g., for 2013–2014 school year allocations, the data, with the exception of newly opened or significantly expanded charter schools, would be from the 2012–2013 school year). As noted in Question 17, the first year in which Community Eligibility data would most likely be used for Title I allocations would be in the school's second year of electing Community Eligibility. This provides LEAs and schools time to review this guidance and determine the best method among allowable options for future Title I allocations.

Equitable Services

26. Has ED previously provided guidance on how an LEA allocates Title I funds to provide equitable services to eligible private school students?

Yes. This information is available in Section A (Consultation) and Section B (Allocating Funds) of the following guidance: *Title I Services to Eligible Private School Children* (Oct. 17, 2003) (Title I Equitable Services Guidance). The document is available at: www.ed.gov/programs/titleiparta/psguidance.doc.

27. Does Community Eligibility change that guidance?

No. The requirements described in that guidance have not changed. This guidance describes how the requirements can be met when NSLP data are comprised in whole or in part of Community Eligibility data.

28. Is an LEA's collection of poverty data on private school students affected by Community Eligibility data?

Possibly. After consultation and considering the views of private school officials, an LEA must identify the method it will use to determine the number of private school children from low-income families who reside in participating public school attendance areas. These methods include: (1) using the same poverty measure used by the LEA to count public school students

(e.g., NSLP data); (2) using comparable poverty data from a survey of private school families and extrapolating the results from a representative sample if complete actual data are unavailable; (3) using comparable poverty data from a different source; (4) applying the low-income percentage of each participating public school attendance area to the number of private school students who reside in each area (i.e., proportionality); and (5) using an equated measure of low income correlated with the measure of low income used to count public school students. (See section 1120(c)(1) of the ESEA; 34 C.F.R. § 200.78(a)(2).) The method an LEA selects, after consultation with private school officials, will determine whether Community Eligibility data are relevant. For example, if an LEA uses NSLP data that include a mix of Community Eligibility data and free and reduced-price meals data to allocate Title I funds to public school attendance areas and schools, and such data are also available for private school students, after consultation with private school officials, the LEA would most likely use the NSLP data as the poverty measure it uses when calculating the amount of funds available for equitable services because the same data source is available for public and private school students. (If a private school is a Community Eligibility school, see Question 29.) If the same measures (e.g., Community Eligibility data and free and reduced-price meals data) are not available for private school students, the LEA might use a survey or comparable data from a different source, such as a scholarship application, that uses the poverty cutoff for free and reduced-price meals, because that poverty threshold is higher than those that qualify a student for Community Eligibility. Similarly, the LEA might use “proportionality” and apply the low-income percentage of each participating public school attendance area to the number of private school students who reside in each area. Whatever measure is used, an LEA should not require that the private school officials give the names of students or their families. (See Question B-4 in the Title I Equitable Services Guidance.)

29. If a private school is a Community Eligibility school, does every child in the private school automatically generate Title I funds for equitable services?

No. As indicated in Section B of the Title I Equitable Services Guidance, Title I funds are generated to provide equitable services to eligible private school students on the basis of private school students from low-income families who reside in participating public school attendance areas and not on the basis of all students in a private school. Accordingly, even if a private school is a Community Eligibility school and all students in the school qualify for free meals, only those students who reside in a participating public school attendance area would generate funds with which an LEA would provide equitable services. If an LEA counts only directly certified students in participating public school attendance areas for Title I allocations to public schools, then only directly certified students in a Community Eligibility private school who reside in those areas would generate funds for equitable services.

The following scenarios describe how an LEA would determine the amount of funds generated to provide equitable services for eligible private school students if an LEA uses NSLP data for within-district allocations and there are public and private Community Eligibility schools.

Scenario 1: An LEA has no public Community Eligibility schools, uses NSLP data to allocate Title I funds to school attendance areas and schools, and has private school students who reside in a participating Title I attendance area and attend a Community Eligibility private school that chooses to have its eligible students participate in Title I.

To determine the number of private school students enrolled in a Community Eligibility school who would generate Title I funds for equitable services, the LEA would multiply the number of directly certified private school students enrolled in the school who live in any participating public school attendance area by the 1.6 multiplier. The following example shows how this scenario would operate.

Scenario 1 Table

(LEA has \$701,200 to allocate to school attendance areas: Column 7 + Column 8)

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7	Column 8
Public School Attendance Area	Per-Pupil Allocation by Attendance Area	Number of NSLP Public School Students by Attendance Area	Number of Private School Students by Attendance Area	Number of Identified Students (IS) in Private School by Attendance Area Multiplied by 1.6	Derived Number of Low-Income Private School Students by Attendance Area (lesser of Column 4 and Column 5)¹	Total Allocation for Each Public School (Column 2 x Column 3)	Amount Available to Provide Title I Services to Private School Students (Column 2 x Column 6)
A	\$800	500	100	80 x 1.6 = 128	100	\$400,000	\$80,000
B	\$700	300	30	10 x 1.6 = 16	16	\$210,000	\$11,200
C	\$0 (public school does not receive a Title I allocation)	50	15	5 x 1.6 = 8	8	\$0	\$0 (The 8 students in Column 5 reside in a non-participating Title I public school attendance area and therefore generate \$0.)

¹The figure in Column 6 may not exceed the number of private school students who reside in the attendance area (Column 4).

Scenario 2: An LEA uses NSLP data to allocate Title I funds to school attendance areas and schools, has public Community Eligibility schools, and has private school students who reside in a participating Title I attendance area and attend a Community Eligibility private school that chooses to have its eligible students participate in Title I.

To determine the number of students from low-income families for a public school and private school that participate in Community Eligibility, the LEA would multiply the number of directly certified public and private school students who live in a participating public school attendance area by the 1.6 multiplier to derive the number of low-income students. In the following example, School A is a Community Eligibility school and has private school students that reside in its attendance area that attend a Community Eligibility private school. Because School B is not a Community Eligibility school, the determination of the number of low-income students functions the same as in Scenario 1. School C remains a non-Title I school and therefore the private school students who reside in its attendance area do not generate any funds for Title I equitable services.

Scenario 2 Table

(LEA has \$661,200 to allocate to school attendance areas: Column 9 + Column 10)

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7	Column 8	Column 9	Column 10
Public School Attendance Area	Per Pupil Allocation by Attendance Area	NSLP Count¹	Number of Public School Identified Students (IS) Multiplied by 1.6	Number of Public School Low-Income Students by Attendance Area for Title I Allocation Purpose (for Community Eligibility schools, lesser of Column 3 and Column 4)²	Number of Private School Students by Attendance Area	Number of Private School IS by Attendance Area Multiplied by 1.6	Derived Number of Low-Income Private School Students by Attendance Area (lesser of Column 6 and Column 7)²	Total Allocation for Each Public School (Column 2 x Column 5)	Amount Available for Title I Services to Private School Students (Column 2 x Column 8)
A (Community Eligibility school)	\$800	Enrollment: 450 IS: 300	300 x 1.6 = 480	450	100	80 x 1.6 = 128	100	\$360,000	\$80,000
B (non-Community Eligibility school)	\$700	Enrollment: 450 ES: 300	N/A	300	30	10 x 1.6 = 16	16	\$210,000	\$11,200
C (Community Eligibility school)	\$0 (public school does not receive a Title I allocation)	Enrollment: 300 IS: 120	120 x 1.6 = 192	192	15	5 x 1.6 = 8	8	\$0	\$0 (The 8 students in Column 5 reside in a non-participating Title I public school attendance area and therefore generate \$0.)

¹ NSLP count refers to identified students (IS) in a Community Eligibility school and school lunch eligible students (ES) in a non-Community Eligibility school.

² The figure in Column 5 may not exceed the public school's enrollment (Column 3) and the figure in Column 8 may not exceed the number of private school students who reside in the attendance area (Column 6).

Scenario 3: An LEA uses NSLP data to allocate Title I funds to school attendance areas and schools, has public Community Eligibility schools, and has private school students who reside in a participating Title I attendance area and attend a non-Community Eligibility private school that chooses to have its eligible students participate in Title I.

To determine the number of students from low-income families for a public school that participates in Community Eligibility, the LEA would multiply the number of directly certified public school students who live in a participating public school attendance area by the 1.6 multiplier to derive the number of low-income students. To determine the number of low-income students in non-Community Eligibility private schools who reside in participating public school attendance areas, an LEA would use one of the methods described in Question B-4 of the Title I Equitable Services Guidance without regard to the Community Eligibility data. (An LEA need only to take into account Community Eligibility data for a private school if the private school is a Community Eligibility school, the same as it only takes into account Community Eligibility data for its public schools that are Community Eligibility schools.)

The following example, in which School A is a Community Eligibility school and has private school students that reside in its attendance area and attend a non-Community Eligibility private school, shows how this scenario operates. As School B is not a Community Eligibility school, the 1.6 multiplier is not applicable. School C remains a non-Title I school and therefore the private school students who reside in its attendance area do not generate any funds for Title I equitable services.

Scenario 3 Table

(LEA has \$661,200 to allocate to school attendance areas: Column 7 + Column 8)

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7	Column 8
Public School Attendance Area	Per Pupil Allocation by Attendance Area	NSLP Count ¹	Number of Public School Identified Students (IS) Multiplied by 1.6	Number of Public School Low-Income Students by Attendance Area for Title I Allocation Purpose (lesser of Column 3 and Column 4) ²	Number of Low-Income Private School Students by Attendance Area ³	Total Allocation for Each Public School (Column 2 x Column 5)	Amount Available for Title I Services to Private School Students (Column 2 x Column 6)
A (Community Eligibility school)	\$800	Enrollment: 450 IS: 300	300 x 1.6 = 480	450	100	\$360,000	\$80,000
B (non-Community Eligibility school)	\$700	Enrollment: 450 ES: 300	N/A	300	16	\$210,000	\$11,200
C (Community Eligibility school)	\$0 (public school does not receive a Title I allocation)	Enrollment: 300 IS: 120	120 x 1.6 = 192	192	8	\$0	\$0 (The 8 students in Column 5 reside in a non-participating Title I public school attendance area and therefore generate \$0.)

¹ NSLP count refers to identified students (IS) in a Community Eligibility school and school lunch eligible students (ES) in a non-Community Eligibility school.

² The figure in Column 5 may not exceed the number of enrolled public school students (Column 3).

³ After consultation, the LEA determines the figures by using one of the methods described in B-4 of the Title I Equitable Services Guidance.

30. After consultation with private school officials, if an LEA chooses to use proportionality to calculate the amount generated for equitable services and a Community Eligibility public school's poverty percentage for within-district Title I allocations is 100 percent, will every student in the private school that resides within the school's attendance area generate funds for equitable services?

Yes.

Within-State Allocations

31. When might an SEA need to use Community Eligibility data to help calculate final LEA Title I allocations?

ED calculates Title I allocations using a list of LEAs provided by the Census Bureau, which includes poverty and population data for the LEAs. ED determines the eligibility of each LEA for Basic, Concentration, Targeted, and Education Finance Incentive Grants and calculates allocations (ED-determined LEA allocations) using the number of "formula children" ages 5 through 17 years counted under section 1124(c) of the ESEA.⁸

ED's list of LEAs, however, does not match the current universe of LEAs for many States. Consequently, an SEA must adjust ED's Title I allocations to account for, among other things, LEA boundary changes and eligible LEAs, such as charter schools, that are not included on ED's list of LEAs provided by the Census Bureau (special LEAs). Specific ESEA regulations (34 C.F.R. §§ 200.70 through 200.75 and § 200.100) address the basic rules that an SEA must follow in adjusting ED-determined LEA allocations. In addition, ED has issued guidance (*State Educational Agency Procedures for Adjusting Basic, Concentration, Targeted, and Education Finance Incentive Grant Allocations Determined by the U.S. Department of Education* (May 23, 2003) (Adjusting Allocations Guidance)) that elaborates on the regulations by providing examples of how an SEA adjusts its Title I allocations to account for the existence of eligible LEAs that were not included in the ED-determined LEA allocations [available at: www2.ed.gov/programs/titleiparta/seaguidanceforadjustingallocations.doc].

In the case of an LEA that is not on the Census list of LEAs, an SEA must determine the number of formula children and children ages 5 through 17 for each special LEA and subtract these counts from each sending LEA (i.e., the LEA in which the student who attends a special LEA lives). As Census poverty data are not available for special LEAs, an SEA must derive an estimate of Census poverty children for each special LEA by using alternative poverty data that is available for both the sending and special LEAs to determine the proportion of poverty in each LEA.

⁸ Formula children consist of the Census LEA poverty estimates and annually collected counts of children ages 5 through 17 years who: (1) are in families above poverty receiving TANF, (2) are living in foster homes, or (3) are living in locally-operated institutions for neglected or delinquent children.

In many cases NSLP data may be the most commonly available alternate poverty data for this purpose. If a special LEA participates in Community Eligibility and an SEA derives the LEA's Census poverty count by using NSLP data as alternate poverty data, then the SEA would by necessity be using Community Eligibility data.

32. In using NSLP data that incorporate Community Eligibility data to derive a Census poverty count, does an SEA need to apply the 1.6 multiplier to the number of identified students through SNAP?

Generally, no. As shown in Example 5 of the Adjusting Allocations Guidance (link provided in Question 31), an SEA needs to have the same alternate poverty data from special LEAs and the LEAs on ED's list of LEAs from the Census Bureau (sending LEAs) to derive an accurate Census poverty count for children that transferred from a regular LEA to a special LEA.

Because all LEAs that participate in the NSLP have access to SNAP data regardless of whether their schools elect Community Eligibility, an SEA should at least be able to use SNAP direct certification data to derive the Census poverty count for all special LEAs and regular LEAs that participate in the NSLP. Therefore, the 1.6 multiplier is not required in this calculation. If a special LEA does not participate in the NSLP, the SEA could use a survey to collect the equivalent of SNAP eligibility data from that special LEA or use another poverty data source that could be equated to SNAP data, before deriving the Census poverty count for the special LEAs based on SNAP data.

Title I Accountability

33. How does Community Eligibility affect Title I accountability?

To meet some reporting and accountability requirements, an SEA or LEA must have data on individual economically disadvantaged students. For example, each SEA and LEA that receives funding under Title I must assess and report annually on the extent to which the subgroup of economically disadvantaged students is making progress toward meeting the State's academic achievement standards in reading/language arts, mathematics, and science. Moreover, an LEA must hold schools accountable for the achievement of this subgroup, whether under section 1116 of the ESEA or under ESEA flexibility for those States with an approved ESEA flexibility request. Finally, under section 1116 of the ESEA, an LEA must offer priority for public school choice to economically disadvantaged students in any school identified for improvement, corrective action, or restructuring and supplemental educational services to any economically disadvantaged student who attends a school that is in the second year of school improvement, in corrective action, or in restructuring (these requirements have been waived under ESEA flexibility). For most LEAs, NSLP data, including Community Eligibility data, may be the best source to identify individual economically disadvantaged students.

34. How may economically disadvantaged students in a Community Eligibility school be identified for accountability?

Although for NSLP purposes a Community Eligibility school may maintain the same reimbursement rate over four years and therefore would not need to update its direct certification count, an SEA may wish its LEAs to use the most recently available direct certification data for other purposes, such as Title I. One such Title I purpose is the disaggregation of assessment data by the economically disadvantaged subgroup for reporting and accountability.

With respect to this purpose, an SEA may prefer to include only identified students to ensure that the subgroup includes only students who are economically disadvantaged. Accordingly, an SEA may decide that only directly certified students would be eligible for any services for which eligibility is based on poverty (such as SES under section 1116 of the ESEA). To the extent that survey data are available (see Question 23), the SEA may also use those data to identify students in the economically disadvantaged subgroup. Finally, because Community Eligibility schools generally have higher poverty levels than other schools and consequently have a smaller number of students who would not be deemed economically disadvantaged if poverty data were available for each student in the school, an SEA may elect to base reporting and accountability on all students in a Community Eligibility school. In this case, the economically disadvantaged subgroup would be the same as the “all students” group and all students in the school would then be eligible for any services for which eligibility is based on poverty.