

Community Eligibility: Making It Work With Lower ISPs



Community eligibility has become a popular option among eligible schools due to the many benefits it brings to the school nutrition program and the entire school community. In the 2022–2023 school year, more than 40,000 high-needs schools with an enrollment of nearly 20 million students had adopted community eligibility. The provision remains popular because it allows high-poverty schools and districts to offer school breakfast and lunch to all students at no charge, while eliminating the need to collect school meal applications. As a result, schools that participate in the program often see increased participation in school meals programs and reduced paperwork burdens, allowing school nutrition staff to focus more directly on offering healthy, appealing meals. Offering meals at no charge to all students also eliminates stigma that school meals programs are only for low-income children.

Community eligibility schools do not collect school meal applications; instead, federal reimbursements are based on the percentage of students participating in specific means-tested programs, such as the Supplemental Nutrition Assistance Program (SNAP). This percentage, known as the identified student percentage (ISP) is then multiplied by 1.6 to calculate the percentage of meals reimbursed at the federal free rate. Any school district, group(s) of schools in a district, or school with an ISP of 25 percent or more can choose to **participate**.¹ Schools with an ISP of 62.5 percent or higher are reimbursed at the free rate for all of their meals, making the decision to participate in community eligibility relatively easy.

This does not mean that schools with ISPs under 62.5 percent cannot implement community eligibility. In fact, many schools with ISPs well below 62.5 percent are implementing community eligibility and finding that it can help improve their school nutrition finances, while increasing the number of students experiencing the educational and health benefits linked to eating school meals. Of the schools that adopted community eligibility in the **2022–2023 school year**, 27 percent (10,871 schools) had ISPs between 50 and 60 percent, and 23 percent (9,399 schools) had ISPs between 40 and 50 percent. Electing community eligibility at lower

ISPs requires careful consideration, but there are now thousands of schools across the country — and this number continues to grow each year — that are demonstrating the viability of community eligibility for schools with lower ISPs.

This guide is designed to help schools with lower ISPs determine if community eligibility is a viable option. School districts that have implemented community eligibility in some of their schools under a high ISP can use this guide to explore operating at a lower ISP that allows them to implement community eligibility in more schools.

Calculating the Claiming Percentage

One of the many administrative benefits of community eligibility is no longer collecting and processing school meal applications.² Instead, community eligibility schools are reimbursed based upon the percentage of students certified to receive free school meals without submitting an application. This group of students, known as the school's percentage of "identified students" (i.e., ISP), is a subset of the low-income students in the school, as many additional children would be certified to receive free or reduced-price school meals if their families completed a school meal application.

¹ In September 2023, the U.S. Department of Agriculture released the final rule, Community Eligibility Provision – Increasing Options for Schools, which lowered the CEP participation threshold from 40 percent to 25 percent. This rule went into effect in select states on October 26, 2023, and becomes available nationwide in the 2024–2025 school year. Available at: <https://www.govinfo.gov/content/pkg/FR-2023-09-26/pdf/2023-20294.pdf>.

² While one of the benefits of community eligibility is the reduced administrative burden resulting from the elimination of school meal applications, it should be noted that some states still require the collection of alternative income forms most often for state education funding and other program purposes. See FRAC's [Alternative Approaches to Using School Meals Data in Community Eligibility \(CEP\) Schools](#) for more information.

Identified students include students living in households participating in SNAP, Temporary Assistance for Needy Families (TANF), Food Distribution Program on Indian Reservations (FDPIR), and, in some states, Medicaid³ who are directly certified through data matching at the state or local level. It also includes students who are homeless or migrant, in foster care, or enrolled in Head Start.

In order to calculate a school, group of schools, or school district’s claiming percentage, the ISP is multiplied by 1.6 to determine the percentage of meals that will be reimbursed at the free rate. The 1.6 multiplier is based on an analysis showing that, on average, for every 10 identified students, six more students would have been certified if school meal applications were collected by the school. The remaining percentage is reimbursed at the paid rate — there is no reduced-price reimbursement rate under community eligibility.

Examples of the percentage of meals reimbursed at the free and paid rates based on the Identified Student Percentage (ISP)

ISP	Free	Paid
25%	40%	60%
30%	48%	52%
35%	56%	44%
40%	64%	36%
45%	72%	28%
50%	80%	20%
55%	88%	12%
60%	96%	4%
65%	100%	0%

Conducting a Financial Analysis

For many eligible school districts, community eligibility is beneficial to student achievement and health as well as the school nutrition program’s bottom line. Every school district is different and should do the necessary calculations to determine if community eligibility is a financially viable option.

The financial analysis should determine if meals can be provided at no charge to all students while maintaining the financial integrity of the school nutrition department’s budget. Effectively approaching this task requires school nutrition directors to forecast anticipated reimbursement based on the level of poverty in the school(s); current participation rates; projected increases in student participation; and any potential cost savings. School nutrition directors can evaluate expected revenues by running multiple financial scenarios for both school breakfast and lunch based on the previous year’s free and reduced-price percentages to see what the reimbursements would have looked like based on possible reimbursements under community eligibility. School districts should calculate the revenue expected if participation were to remain on trend, as well as if it were to increase. When comparing revenue under traditional claiming processes versus through community eligibility, make sure to calculate the money generated from students in the paid category and the impact of this loss under community eligibility. Many school districts have used an [online federal reimbursement estimator tool](#), which is a good starting tool to estimate the monthly federal reimbursement that would be provided to a school, group of schools, or a district that implements community eligibility.

Schools implementing community eligibility have been able to derive savings from the costs associated with school meal applications. This includes the staff time dedicated to collecting, processing and verifying school meal applications, as well as the mailing and printing costs. It also includes staff time that is used to collect school meal fees. Schools also can benefit from economies of scale from increased breakfast and lunch participation. The school nutrition department should consider any other outside factors that may affect the program as well. While not usually the case, some districts do need to factor in additional costs, such as equipment upgrades or changes to labor contracts that may increase labor costs. Many school districts, however, have found ways to reallocate staff time to accommodate increases in participation. Some are able to recognize savings and use the generated revenue from increased student participation to cover additional costs of new equipment or staffing changes.

³As part of a [pilot program administered by the U.S. Department of Agriculture](#), eligible children in certain states can be directly certified for free school meals based on income and participation information received from Medicaid agencies through automated data matching processes, with no further action required of the household. Thirty-eight states were approved to participate in the Medicaid Demonstration Project for the 2023–2024 school year.

Accounting for all cost savings can significantly affect the forecasted budget and consequently the decision to implement community eligibility in all or some schools. If a district does not have a districtwide ISP of 25 percent or higher, but has some individual schools that meet this threshold, the district can bundle schools together in one or multiple groupings to implement community eligibility as long as the grouping's ISP hits 25 percent. The school district should continue to monitor its ISP and revisit any groupings to see if it is able to expand community eligibility to additional schools within the district to maximize reimbursement. The Hunger Task Force in Milwaukee uses a community eligibility "[Bundle Calculator](#)" that allows districts to input groups of schools by their individual ISPs and total enrollment to determine the best ways to group schools together.

The issue of school meal debt is common across the country and has been increasing with the loss of federal waivers that allowed all schools to serve all students school meals at no charge during the COVID-19 pandemic. The School Nutrition Association found that 96.3 percent of districts surveyed reported an increase in student meal debt during the 2022–2023 school year.⁴ Depending on the extent that a school district implements community eligibility, this provision can help eliminate or significantly reduce unpaid meal debt for those that are struggling with this challenge.

It is important that calculations are shared with all applicable school district staff, including school business officials, administrators, and the school officials responsible for Title I and/or other federal funding to develop a more accurate financial model.

Six Strategies for “Making It Work”

Interviews with school nutrition directors highlighted these common strategies for making community eligibility work at a lower ISP:

- **Implement breakfast in the classroom or another alternative school breakfast model to increase participation.** Strong school breakfast participation is critical to the financial success of community eligibility. Check out FRAC's [How to Start A Breakfast After the Bell Program](#) for tips on implementing your program.

Grouping

Grouping schools allows school districts to maximize federal reimbursement and increases the number of schools adopting community eligibility and supports the financial success of community eligibility. Its importance cannot be overstated. For example, three schools could be grouped together: one with an ISP of 64 percent (500 students in the school), one with an ISP of 58 percent (400 students enrolled in the school), and one with an ISP of 38 percent (300 students enrolled in the school). The group is weighted based on the size of each school. Grouping these three schools together would result in a group ISP of 55.5 (a percentage that is on the high end of the school districts profiled in this report).

- **Offer meals after school.** The Afterschool Meal and Snack Program through the Child and Adult Care Food Program can help generate additional revenue to support the school district's nonprofit food service account. All meals and snacks are reimbursed at the free rate, with suppers and lunches also receiving commodities or cash in lieu of commodities. Check out [FRAC Facts: The Afterschool Meal Program](#) for more information.
- **Track daily participation.** This allows districts to identify unpopular items and to avoid menu fatigue, giving districts the ability to adjust menus quickly to ensure strong participation.
- **Engage students to determine their preferences and get them excited to participate.** Student taste-tests, student surveys, and student-run school gardens are all great strategies.
- **Provide appealing high-quality meals.** Successful menus often have a variety of options, include items prepared in-house, reflect students' cultural tastes, and incorporate locally sourced products.
- **Promote your program to students, parents, and the community-at-large.** Strategies can include: distributing information about the availability of school meals at no

⁴School Nutrition Association. (2023). *2023 School Nutrition Trends Report*. Available at: <https://schoolnutrition.org/wp-content/uploads/2023/01/2023-School-Nutrition-Trends-Report.pdf>. Accessed October 26, 2023.

charge broadly and through social media; placing banners about the program throughout the school; running contests; and working with local media to highlight your program. Check out USDA's [list of marketing ideas](#).

There also are longer-term strategies that can result in easier implementation of community eligibility, such as improving direct certification. By improving direct certification systems, school districts may newly qualify for community eligibility or may increase their ISPs enough to make it a financially viable option.

Under current federal law, school districts are required to directly certify students in SNAP households at least three times per year, and states must achieve a benchmark of directly certifying for school meals 95 percent of students in SNAP households. States that have expanded their direct certification systems to include a variety of other data sources help school districts maximize their ISP, making community eligibility possible for more school districts and schools. This includes programs with state or countywide enrollment such as TANF, FDPIR, and foster care, as well as other groups of categorically eligible students who can be certified based on a list provided to school nutrition staff by an appropriate official. In states and school districts where direct certification rates are low and data sources are not robust, a school's level of poverty can be underrepresented in its ISP.

More information on ways to improve direct certification rates can be found in FRAC's resource, [Direct Certification Improves Low-Income Student Access to School Meals: An Updated Guide to Direct Certification](#).

School districts also can support SNAP education efforts to ensure that eligible students and families are participating, which will then increase ISPs. School districts can partner with local organizations that conduct SNAP education; share information about SNAP at back-to-school nights and other school events and meetings; and provide information on their website.

Making It Work: Case Studies

CASE STUDY 1:

Lockport City School District, New York

At a Glance:

- Approximately 4,500 students in eight schools
- 43 percent ISP
- Districtwide community eligibility implementation
- Implemented breakfast after the bell models in all of its schools and began using scratch-cooking to increase student participation

In Depth: When Lockport City School District first began considering community eligibility, its ISP at 39 percent was too low to qualify.⁵ Tom Heagerty, Lockport's Food Service Director, kept an eye on the direct certification rates because he knew the need to feed kids existed — and that students would eat if meals were offered at no charge. Tom engaged his administrators and provided information to his assistant superintendent of finance and management services while monitoring the district's ISP.

When the school district qualified for community eligibility in the 2016–2017 school year, Tom knew that school breakfast participation needed to increase and advocated for expanding breakfast in the classroom. Prior to community eligibility, only Lockport's middle school had implemented breakfast in the classroom, which had expanded participation. The district adopted the following models: breakfast in the classroom in kindergarten through eighth grades; “grab and go” for ninth through 12th grades; and second chance breakfast in seventh through 12th grades (the junior high and high schools).

After moving to community eligibility, the school district was able to operate a “full-service kitchen” at each of the schools, which allowed it to bake fresh bread at the high school and other items from scratch daily. The use of fresh ingredients has made the program one that the whole community is really proud of. Tom emphasizes that it is important to “think outside the box and adjust your menu to ensure students will eat the meals offered.” The district accomplishes this by bringing in vendors monthly

⁵The U.S. Department of Agriculture decreased the community eligibility participation threshold from 40 percent to 25 percent on October 26, 2023. Prior to then, schools, groups of schools, or districts had to have at least 40 percent of their enrollment directly certified for free school meals in order to participate in CEP.

so students can sample and provide feedback on new products. It also gets creative with menu planning by offering items such as hot omelet bars for breakfast.

Calculations: A robust approach to budget analysis can allow more schools to successfully adopt community eligibility. With an initial ISP of 43 percent, Tom calculated best and worst-case scenarios for the school district and projected that Lockport needed a 6 percent increase in school breakfast participation to break even under community eligibility. Tom also left room in his calculations to take into consideration any sudden situations that might necessitate pulling from the nutrition department's general fund. Tom credits the breakfast after the bell models for driving large increases in participation. Since breakfast and lunch participation increased significantly under community eligibility, the district was able generate revenue to upgrade its cafeteria equipment.

Results: Prior to implementing community eligibility, the school district served 173,668 breakfasts. In the 2016–2017 school year — the first year of community eligibility — it served 314,058 breakfasts, an 81 percent increase in annual breakfast participation. The district also saw a 26 percent increase with lunch. These increases were well above what the district predicted. As a result of moving to community eligibility, Tom says the district has seen fewer visits to the school nurse. Implementing community eligibility “was a win for the district and a win for the community,” says Tom.

Case Study 2: **Regional School Unit #3 School District, Maine**

At a Glance:

- Approximately 1,300 students in eight schools
- 48 percent ISP
- Districtwide community eligibility implementation
- Operates “grab and go” and breakfast in the classroom programs, provides afterschool meals, and offers locally sourced foods

In Depth: Regional School Unit (RSU) #3 serves 11 neighboring towns that have high food insecurity rates.

This drove the rural school district to consider community eligibility. With an ISP of 48.25 percent, the district knew it had to maintain high participation rates in order to ensure a successful program. Implementing breakfast in the classroom and “grab and go” were the initial strategies RSU #3 adopted to increase school breakfast participation.

Tina Fabian, school nutrition program director, also started the Afterschool Meal Program without hiring any additional staff; instead, she adjusted the schedule of three existing staff by 30 minutes. By doing this, RSU #3 generated additional federal revenue to support the school nutrition account, and it also became the first school district in Maine to offer afterschool meals.

The school district recently made changes to its menu and implemented Offer Versus Serve (OVS) by placing food in baskets for students to choose from. Tina says that the students at the high school love anything made from scratch and picking food for themselves from the baskets. RSU #3 frequently uses social media to promote its menu items and any upcoming special-themed lunch days, such as Beach Day, which gets students excited about participating in the school meals programs.

Calculations: Tina notes that afterschool supper funding can add up and help support community eligibility. All the suppers are reimbursed at the free rate, which was \$3.46, including cash-in-lieu of commodities, compared to \$0.88 per snack for the 2017–2018 school year. The move to afterschool meals allowed the school district to cut down on waste by repurposing food items left over from lunch. The district also is able to bring in additional revenue to its program by catering for meetings held during the school day, afterschool, and for groups that use their facilities for events.

Results: RSU #3 school district has been able to maintain a healthy bottom line for its child nutrition department by implementing breakfast after the bell programs and offering afterschool meals to its students. This has allowed the district to continue to expand its farm to school offerings. During the 2017–2018 school year, the district partnered with 13 area farms that produced 40 percent of the fresh food available in the cafeteria.

CASE STUDY 3: **Dorchester County Public Schools, Maryland**

At a Glance:

- Approximately 4,800 students in 12 schools
- 51 percent ISP
- Districtwide community eligibility implementation
- Monitors daily participation and uses student surveys and focus taste groups to maintain strong participation

In Depth: Dorchester County Public Schools began discussing implementing community eligibility with its school administrators, financial staff, and community stakeholders in 2015. The school district already had offered breakfast at no charge in eight of its 12 schools, “grab and go” breakfast in its two high schools, and afterschool meals in six of its schools prior to community eligibility implementation, and wanted to expand to offer all students a nutritious breakfast and lunch at no cost. In order to create districtwide buy-in from staff, Ingrid Ramos, food service manager for Dorchester County Public Schools, developed a work and communications plan to ensure all staff knew about the move to the new program. Dorchester set a start date and determined its equipment needs, food purchases and staffing requirements based on its forecasted increases in meal participation. The district let the community know about community eligibility by placing information in local newspapers, television stations, on social media, and in handouts sent home on the first day of school.

Calculations: The school district first ran several groupings using USDA’s financial calculator to assess and compare financial reimbursements. Ingrid notes that while some of Dorchester County’s schools would be eligible for 100 percent reimbursement, it was important to the district to keep services uniform and implement community eligibility districtwide. It calculated that if it maintained high participation rates, it would be financially viable to implement community eligibility districtwide at 51 percent (82 percent of meals reimbursed at the free rate). In order to maintain the financial integrity of its program, Ingrid emphasizes

the importance of setting a department goal for breakfast and lunch participation — Dorchester County’s monthly goal is 70 percent for both meals — and collecting menu data based on the number of meals served on a daily, weekly, and monthly basis. To monitor its meal service, the district keeps a detailed spreadsheet that includes daily participation rates, the most popular entrée items for each meal, and current monthly participation rates broken down by individual school, which is compared to monthly participation rates from the year prior. Dorchester also uses student surveys and focus groups that participate in taste-tests to learn about students’ meal preferences. Ingrid has observed that, for example, when hot food is served in its high schools, breakfast participation increases. Based on monitoring and recording detailed data, the district’s nutrition departments makes menu adjustments as needed to increase participation.

In order to maintain the financial integrity of its program, Ingrid emphasizes the importance of setting a departmental goal for breakfast and lunch participation.

Results: Since implementing community eligibility, the district has seen increases in both breakfast and lunch participation, with increases as high as 24 percent in breakfast participation over the prior school year within the first few months of implementation, and reduced costs on paper applications, approval letters, envelopes and postage. Ingrid says that community eligibility “allows us to concentrate on increasing meal participation, minimize the stigma associated with receiving free meals, and eliminate the administration work of processing school meal applications. And the district no longer has to worry about unpaid school lunch fees. Community eligibility is helping Dorchester County Public Schools’ students be ready to learn and well-nourished.”

CASE STUDY 4: Newport News Public Schools, Virginia

At a Glance:

- Approximately 29,400 students in 43 schools
- 52 percent ISP
- Partial community eligibility implementation in 26 of the district's 43 school sites
- Implemented “grab and go” and second chance breakfast and provides afterschool meals

In Depth: Newport News Public Schools first implemented community eligibility in just seven schools with high ISPs, but has since strategically grouped its schools to maximize reimbursement and pull in additional schools with lower ISPs. The school district's initial grouping of six elementary schools and one middle school had an ISP of 77 percent, resulting in 100 percent of its meals being reimbursed at the free rate. After the first year of implementation, Executive Director of Child Nutrition Services Cathy Alexander noticed that while school meals participation increased for these seven schools, the increase was not significant because the elementary schools already offered school breakfast at no charge for all students under Provision 2. As a result, the district explored expanding its grouping to include schools with lower ISPs that were not already offering free breakfast to all students in its second year of implementation.

Cathy calculated a new grouping in year two using USDA's estimator tool that included 19 schools, with a grouped ISP of 53 percent. The group included more of the district's middle schools, some of which had between \$10,000 and \$12,000 in unpaid school meal debt at the end of the school year. The new claiming percentage of 85.5 percent was below the 100 percent reimbursement the district received in year one. Cathy notes that while the district was initially nervous to go below the 100 percent reimbursement, the gains ultimately were significant as participation and revenue both increased greatly in year two for breakfast and lunch. To increase school breakfast participation, the district offered breakfast at kiosks in the halls of its middle schools.

With such significant increases in participation in year two, the school district recognized substantial savings and felt comfortable in year three to operate community eligibility in 26 schools, including three more middle schools, at a slightly lower ISP of 52 percent.

Calculations: Cathy used USDA's reimbursement estimator tool each year, which helped her determine that the school district would be able to break even with an ISP of 53 percent and then an ISP of 52 percent if its participation rates remained the same. The district was certain its participation rates would increase in the schools that were not previously operating under Provision 2, especially in breakfast since these schools also would be adopting breakfast after the bell models. Breakfast participation tripled in the third of year of participation at three middle schools as students were able to grab breakfast from a kiosk, and take it into the classroom: for example, one middle school, with an enrollment of 1,200 students, went from 200 students to approximately 800 students participating in “grab and go” breakfast. The district also offers afterschool suppers and snacks at 42 serving sites, and knowing that the need for afterschool meals exists, has focused on expanding the program to its middle and high schools that have afterschool programming to help further support the nutrition department's bottom line.

Results: While the school district initially adopted community eligibility with an ISP of 77 percent, it has been able to add more schools and successfully operate community eligibility at 53 percent, and now 52 percent. The move to community eligibility in the majority of its schools also freed up more than half the staff time dedicated to processing school meal applications and trying to collect unpaid meal charges. In the eyes of students, parents, and school staff, Cathy says “You are a rock star when you implement CEP. The principals are ecstatic for not having to worry about collecting unpaid meal charges. The parents are ecstatic because they don't have to pay for meals, so it is really a win win.”

CASE STUDY 5: **Wareham Public Schools, Massachusetts**

At a Glance:

- Approximately 2,400 students in four schools
- 53 percent ISP (initially 47 percent ISP)
- Districtwide community eligibility implementation
- Began breakfast in the classroom as a pilot program before expanding to all classrooms

In Depth: Robert Shaheen, former Director of Food and Nutrition Services at Wareham Public Schools, understood that breakfast in the classroom would be a successful strategy to boost participation rates when the school district began community eligibility with an initial ISP of 47 percent, but there had been initial resistance. Before breakfast in the classroom was adopted, the district averaged 50 percent of its students participating in school breakfast.

To ensure the success of breakfast in the classroom and address any teacher's concerns, Wareham piloted breakfast in the classroom with five supportive teachers in one of its elementary schools. After six weeks of the pilot, Robert conducted a meeting with all the teachers in the school to discuss logistics and the benefits teachers saw during the pilot's implementation thus far. Having an open dialogue between teachers and child nutrition staff helped to expand the pilot into other classrooms. By starting slowly and piloting the program with supportive teachers before moving to schoolwide implementation, Robert and his

child nutrition team were able to get buy-in from all of the school's teachers, a crucial step toward program success. After breakfast in the classroom was expanded to the entire elementary school, Robert began another six-week pilot with the district's other elementary school, and the following school year in the middle school.

Calculations: Robert notes that it is important to determine per plate costs and revenue, along with labor costs, when calculating the reimbursement. In Wareham, Robert implemented the Offer Versus Serve model (OVS) to decrease plate waste and food costs. Robert calculates the per plate cost based on a student taking all five offered items, even though in reality not all students took five items and compared this number to the reimbursement. He then runs these numbers based on current participation rates to calculate a "worst-case" scenario if participation does not increase.

Results: In 2018, all classrooms in Wareham's two elementary schools participated in breakfast in the classroom, along with 85 percent of the classrooms in the middle school. Participation in the two elementary schools increased to 80 percent. Middle school participation increased by 11 percent, and plans were made to expand breakfast after the bell to the high school as well. The district's school nutrition finances have remained healthy under community eligibility with ISPs of 47 and then 53 percent, and the district has been able to invest in its child nutrition program by purchasing new high-top tables and ovens and repainting the cafeteria with funds generated.

Additional Resources to Support Adopting Community Eligibility:

- FRAC's [Community Eligibility page](#)
- USDA's [Community Eligibility Provision Resource Center](#)
- FRAC and Center on Budget and Policy Priorities' [Community Eligibility advocacy guide](#)
- FRAC's [Breakfast After the Bell Implementation Guide Template](#)
- FRAC's [How It Works: Eight Ways to Increase Participation in Afterschool Suppers](#)