



## FREE SCHOOL MEAL OPTIONS IN MICHIGAN: COMPARING FUNDING OPTIONS TO CREATE HUNGER-FREE SCHOOLS AROUND THE STATE

Every student deserves access to healthy food every day, and continuing to offer students meals at no cost to them, is a great way to ensure continued access. Many of the benefits of offering universal free meals are:

- Reduced or eliminated stigma, as the financial barrier of paying for school meals is eliminated;
- Less paperwork for school nutrition staff;
- More streamlined meal service operations;
- Less unpaid meal debt; and
- Fewer students turned away due to inability to pay.

Increased meal participation often translates to more revenue coming into the LEA because each additional meal served increases the amount of federal reimbursements the LEA receives. The more kids that eat school breakfast and lunch, the more revenue the LEA has to reinvest in the school meals program and make it a success.

LEA's in Michigan have several school meal funding options for implementing universal free school meals, including the Community Eligibility Provision (CEP), elimination of reduced price meal category, and locally funded universal free **breakfast** meals (“non-pricing”). The chart below highlights the differences between each option:

	Community Eligibility Provision	Elimination of Reduced-Price Meal Category	Universal Breakfast (Non-Pricing)
Which Meals Are Offered at No Cost to Students?	All students are offered both school breakfast and lunch at no cost to them.	Schools can eliminate the reduced-price category and offer school breakfast <b>and/or</b> lunch to <b>all reduced students</b> at no cost to them.	School(s) may offer school breakfast for <b>all students</b> at no cost to families or students.
Which Schools Are Eligible?	<b>High-poverty schools</b> are eligible when the identified student percentage is at least 40%. Identified students are eligible for free meals through a data matching process (direct certification) if they live in households that participate in SNAP, TANF, and/or FDPIR, or are homeless, migrant, in foster care, or enrolled in Head Start and Medicaid.	<b>All schools</b> are eligible to participate.	<b>All schools</b> are eligible to participate.

	Community Eligibility Provision	Elimination of Reduced-Price Meal Category	Universal Breakfast (Non-Pricing)
<b>When Is the Deadline?</b>	Schools must declare their intent to elect CEP before <b>June 30</b> .	n/a	n/a
<b>What Are the Benefits for Schools?</b>	<b>Significantly reduces administrative burdens</b> by eliminating free and reduced-price school meal applications. (Household Information Surveys need to continue to be collected each year by the district.) Counting and claiming meals is also easier for the cafeteria staff. CEP runs on a four-year cycle and schools can opt-out of CEP at any time.	<b>Reduces need to collect debt incurred</b> from reduced eligible students and can aid in increased participation for students in the reduced-price category.	Helps schools by eliminating the paperwork and labor related to tracking breakfast account income and also helps <b>reduce the stigma associated with school breakfast. This also makes breakfast in the classroom programs much easier to sustain.</b>
<b>How Are Schools Reimbursed for Meals?</b>	Schools are federally reimbursed based on the Identified Student Percentage (ISP). The ISP is multiplied by 1.6 to determine the percentage of meals served that will be reimbursed at the federal free meal rate. The remainder of meals served will be reimbursed at the federal paid meal rate. A group of schools using CEP receives school meal reimbursements based on the total enrollment and total ISPs of all schools in the group. For example, a group of schools with a total ISP of 50% will have 80% of their served meals reimbursed at the free meal reimbursement rate ( $50\% \times 1.6 = 80\%$ ), and the remaining 20% of meals served will be reimbursed at federal paid rate.	Schools are federally reimbursed based on the number of meals served in each of the fee categories (free, reduced-price, and paid). No fees are collected from reduced families or students.	Schools are federally reimbursed based on the number of meals served in each of the fee categories (free, reduced-price, and paid). No fees are collected from families or students for breakfast.
<b>Can Schools Use Grouping or Bundling?</b>	Yes, schools can group together within an LEA to increase the number of schools that participate in CEP and/or to improve reimbursement rates. A school that is not individually CEP-eligible can still participate if it is grouped with other school(s) and the group ISP is at least 40%.	n/a	n/a
<b>Is This Financially Viable?</b>	Yes, CEP is financially viable for many schools with ISPs above 40%. CEP reduces per-meal cost, improves economies of scale, reduces administrative costs, increases school meal participation, and increases federal revenue. (See the <a href="#">NKH Calculator</a> for district specific calculations.)	Eliminating the reduced price meal category may be financially viable, especially if schools have a fund balance or have funding support from the local government, school board, or private sources.	Universal breakfast may be financially viable, especially if a school building has a high eligibility rate and a healthy fund balance. Funding support from local government, school board, or private sources may also be used.

	<b>Community Eligibility Provision</b>	<b>Elimination of Reduced-Price Meal Category</b>	<b>Universal Breakfast (Non-Pricing)</b>
<b>Is There an Impact on Education Funding?</b>	<p>Title I, Part A as well as many other Federal Grants (Title IIa, Title IV) will not be directly impacted by annual Economic Disadvantaged status counts as they are calculated with a formula using census data and updated yearly.</p> <p>In order to avoid an impact on education funding (Section 31a/other state funding), CEP Schools within LEAs must have all families who are not included on the Direct Certification report fill out a household information report (HIR). The data collected must be reported through the Supplemental Nutrition Eligibility Component of the Fall General Collection into MSDS to avoid any impact on education funding.</p>	n/a	n/a
<b>How to Apply?</b>	<p>Eligible LEAs that are interested in or intend to participate in CEP for the upcoming school year must notify the Michigan Department of Education by June 30th. Contact: MDE-SchoolNutrition@michigan.gov</p>	<p>LEA selects a date of when they would like to begin the elimination of the reduced-price category and must communicate the plan to families and staff. The start date and communication must be well documented.</p>	<p>LEAs can opt into the Universal Breakfast Option on the school meals application. Each site needs to indicate that they are serving breakfast using a universal model. Applications can be amended with this information as needed throughout the year.</p>
<b>How long do the programs run?</b>	<p>CEP runs on a four-year cycle and schools can opt-out of CEP at any time.</p>	<p>At any point in time LEAs can choose to stop covering the reduced price students, but must document the date and document the communication that went out to families letting them know that reduced price meals must be paid by the families or student.</p>	<p>At any point in time LEAs can choose to stop universal breakfast, however, LEAs must document the date and communication that went out to families letting them know that meals must be paid by the student as categorically eligible.</p>
<b>Do free/reduced applications still need to be collected?</b>	<p>CEP schools within LEAs must still collect and enter data showing the socio-economic information of the LEA population. For students in CEP buildings that are not on the Direct Certification Report, a household information report (HIR) must be used to gather this information. The data collected must be reported through the Supplemental Nutrition Eligibility Component of the Fall General Collection to in MSDS.</p>	<p>Yes, since students are still claimed based on eligibility status applications need to continue to be submitted.</p>	<p>Yes, since students are still claimed based on eligibility status applications need to continue to be submitted.</p>

## FOR MORE INFORMATION:

To find more information about CEP, and Non-Pricing options, visit Michigan Department of Education's Food and Nutrition Programs page:

- [Community Eligibility Website Michigan Department of Education](#)
- [No Kid Hungry's Center for Best Practices CEP Resources](#)
- [How CEP affects education funding](#)

For a list of school LEAs in Michigan that are eligible and near eligible to implement CEP, [click here](#).

For more on CEP, FRAC's additional resources are listed below:

- [Facts: Community Eligibility Provision](#)
- [Community Eligibility Provision: Making it Work with Lower ISPs](#)
- [CEP and Title 1 Funding](#)

For specific questions on any of the information above please contact: [MDE-SchoolNutrition@michigan.gov](mailto:MDE-SchoolNutrition@michigan.gov) or [NKHMichigan@strength.org](mailto:NKHMichigan@strength.org)