

# **Reimbursement Rates for School Nutrition Programs**

Effective July 1, 2024- June 30, 2025

School Breakfast Program (SBP)	Non-Severe Need	Severe Need <sup>1</sup>
To students paying full price for meals	\$0.39	\$0.39
To students eligible for reduced priced meals <sup>2</sup>	\$2.07	\$2.54
To students eligible for free meals	\$2.37	\$2.84
Annual State Breakfast Aid for <b>SY 2023-24</b> <sup>3</sup>	\$0.076	\$0.076

<sup>&</sup>lt;sup>1</sup> A school is eligible for severe need reimbursement if 40 percent or more of the student lunches served at the school in the second preceding school year were served free or at a reduced price. Severe need payment is made on an individual school basis. Documentation of eligibility must be kept on file by the SFA for periodic review. Severe need breakfast eligibility determination is part of the annual DPI School Nutrition Team online contract renewal.

National School Lunch Program (NSLP)	Less than 60% <sup>1</sup>	60% or more <sup>1</sup>	Less than 60% <sup>1</sup> without PBR <sup>2</sup>	60% or more <sup>1</sup> without PBR <sup>2</sup>
To students paying full priced meals	\$0.51	\$0.53	\$0.42	\$0.44
To students eligible for reduced priced meals <sup>3</sup>	\$4.12	\$4.14	\$4.03	\$4.05
To students eligible for free meals	\$4.52	\$4.54	\$4.43	\$4.45
USDA Foods Value	\$0.30	\$0.30	\$0.30	\$0.30
Annual <u>State</u> Lunch Aid for <b>SY 2023-24</b> <sup>4</sup>	\$0.054	\$0.054	\$0.054	\$0.054

<sup>&</sup>lt;sup>1</sup> If 60 percent or more of the student lunches served in the second preceding school year were served free or at a reduced price, the reimbursement is an additional two cents per lunch.

<sup>&</sup>lt;sup>2</sup> USDA regulations require that the reduced price charge to students does not exceed 30 cents for breakfast.

<sup>&</sup>lt;sup>3</sup> For additional information about these funds, please reference the <u>State Aid Payments Received in May 2024</u> memos. Independent Charter schools, Residential Childcare Institutions (RCCIs), Wisconsin Technical College System schools, and the two State-run schools are not eligible for the State breakfast payment.

<sup>&</sup>lt;sup>2</sup> In Wisconsin, following initial <u>Menu Certification</u>, all SFAs receive Performance Based Reimbursement (PBR), an additional \$0.09 per meal. However, PBR may be disabled due to noncompliance with regulations.

<sup>&</sup>lt;sup>3</sup> USDA regulations require that the reduced price charge to students does not exceed 40 cents for lunch.

<sup>&</sup>lt;sup>4</sup>Residential Child Care Institutions (RCCIs) and Wisconsin Technical College System schools are not eligible for the State lunch aid payment.

Afterschool Snacks Served in Afterschool Care Programs <sup>1</sup>	For each snack served	
To students paying full price for meals	\$0.11	
To students eligible for reduced priced meals <sup>2</sup>	\$0.60	
To students eligible for free meals	\$1.21	

<sup>&</sup>lt;sup>1</sup>An afterschool care program site is "area eligible" if it is located at a school or in the attendance area of a school where at least 50 percent of the enrolled children are eligible for free or reduced price meals. All snacks served in afterschool care programs that are "area eligible" are reimbursed at the free rate.

Snacks served in afterschool care programs that are not area eligible are reimbursed at the free, reduced price, and paid rates, depending on each students' individual eligibility for free or reduced price meals.

<sup>2</sup>USDA regulations require that the reduced price charge to students does not exceed 15 cents for afterschool snacks.

Special Milk Program (SMP) <sup>1</sup>	All Milk	Paid Milk	Free Milk
Pricing Program Option 1: Students eligible for free meals receive free milk; all other students pay the established half-pint charge.	N/A	\$0.27	Average Cost Per ½ Pint of Milk
Pricing Program Option 2: Students pay established half-pint charge (no free milk).	\$0.27	N/A	N/A
Non-Pricing Program: The school provides milk free of charge to all students.	\$0.27	N/A	N/A

<sup>&</sup>lt;sup>1</sup>Schools may elect to operate the program as either pricing or non-pricing.



# Community Eligibility Provision (CEP)

## **Understanding the Option**

#### Section 104 Healthy Hunger Free Kids Act

CEP is a four-year reimbursement option for eligible local educational agencies (LEAs) and schools participating in both the National School Lunch Program (NSLP) and School Breakfast Program (SBP) that wish to offer free school meals to all children in high-poverty schools without collecting household meal applications.

#### Benefits

- Lunch and breakfast are served free to all students in participating schools
- No meal applications for free or reduced-price meal benefits collected from households<sup>1</sup>
- Verification of meal applications is not required, but the Verification Collection Report (VCR) is required
- Paid Lunch Equity is not required for CEP schools
- Meal participation rates generally increase, especially at breakfast
- Eliminates meal fees, so staff no longer need to collect unpaid meal fees from households

#### Considerations

- LEA's level of participation (district-wide, group, or single site)
- LEA's anticipated level of federal reimbursement
  - Note: the reduced-price category is eliminated in CEP
- LEA's non-federal resources available to cover operating costs above federal reimbursement
  - Use the <u>USDA Monthly Federal Reimbursement Estimator</u> to project the financial impact
- Options for collecting the economically disadvantaged data for other programs [Title I, SAGE (AGR), etc.]
  - o Contact the Department of Public Instruction (DPI) <u>Title I</u> and <u>SAGE (AGR)</u> departments to discuss options for data reporting
- Review the annual CEP LEA and School Notification Report, posted on the CEP website, to evaluate if CEP may be a good fit

#### Who is eligible to participate?

• Schools that participate in both the School Breakfast and National School Lunch Programs

Individual schools, groups of schools, or districts with an identified student percentage (ISP)
of at least 25%. The ISP is established using enrollment data from April 1 of the school year
prior to CEP implementation.

#### Who is considered enrolled as of April 1?

Enrolled students attend schools applying for CEP and have access to at least one meal service daily. Half-day students who have access to either breakfast and/or lunch are included in total enrollment.

#### Who is an identified student?

Students directly certified for free meals without the use of a meal application. Identified students may be:

- Matched electronically via Direct Certification (DC) for free meals with any of the following codes:
  - S = Food Share/Supplemental Nutrition Assistance Program (SNAP)
  - o T = W-2 Cash Benefits
  - O = Food Share/SNAP and W-2
  - o E = Foster
  - :o G = Food Distribution Program on Indian Reservations (FDPIR)
  - M = Medicaio
- Certified for free meals via extension of benefits from another child in the household who is
  matched electronically via DC with an S, T, M, G, or O code. The E code does not extend to
  other children in the household. The Z code does not apply because it certifies students for
  reduced-price meals, not free meals.
- Categorically eligible for free meals without a meal application, which includes:
  - o Children designated as homeless, migrant, or runaway
  - o Foster children certified through means other than an application
  - o Children enrolled in Head Start or Even Start programs
  - Children from households that received FDPIR benefits who are certified via the letter method

#### How do I determine if the ISP is above 25%?

To calculate the ISP, divide the number of identified students as of April 1 by the number of enrolled students as of April 1, and then multiply by 100. The ISP may not be rounded up to qualify.

# How are free and paid claiming percentages determined for federal reimbursement?

 The ISP is used to establish free and paid claiming percentages. In CEP there is no reducedprice category. The ISP is multiplied by 1.6 to determine the percentage of meals that will be reimbursed at the free rate. The remaining meals, up to 100%, are reimbursed at the paid rate.



- The same claiming percentages are used for breakfast and lunch and are valid for four years. 2
- If the school, group of schools, or district has an ISP of 62.50% or higher, 100% of meals served will be reimbursed at the free rate and 0% at the paid rate.
  - o Example:
    - 125 identified students / 200 enrolled students = 0.625 ISP
    - 0.625 x 100 = 62.50%
    - 62.50% x 1.6 = 100.00% free claiming percentage

# What are the annual reporting requirements?

For an overview of the annual reporting requirements, see the most current <u>DPI CEP Calendar</u> of Requirements.

## How does my LEA or school apply for CEP?

CEP application information is available on the DPI CEP website under the heading "How to Apply." Interested agencies will need to establish data as of April 1 of the year prior to starting CEP. There is a signed agreement form, an electronic student roster, and an eligibility worksheet to complete. New CEP applications for the upcoming school year are accepted after May 1 and are due by June 30.

#### DPI Resources

- DPI School Nutrition Team CEP Website
- CEP: Implementing the New Minimum Identified Student Percentage
- CEP Planning and Implementation Guidance
- USDA FNS Updated Q&As
- USDA CEP Website

<sup>1</sup>Collection of student-level income data for outside programs requires the use of either the Alternate Household Income Form or the Modified USDA Free and Reduced-Price Meal Application. Processing costs for applications that contain only CEP students cannot be paid for using the non-profit food service account.

<sup>2</sup>Annually, agencies must report any significant changes in their student population that may require a recalculation. Agencies may also apply to increase their ISP and claiming percentages and restart their cycle.

