# NP Memo #2023-2024-29


**COMMONWEALTH of VIRGINIA
Department of Education**

DATE: October 5, 2023

TO: School Nutrition Directors, Supervisors, and Contact Persons (Addressed)

FROM: Sandra C. Curwood, PhD, RDN, Sandy

## SUBJECT: USDA Community Eligibility Provision Final Rule Lowering the Minimum Identified Student Percentage for Participation

This memorandum provides information to local education agencies (LEAs) and school food authorities (SFAs) about the new federal final rule that lowers the minimum identified student percentage (ISP) threshold for Community Eligibility Provision (CEP) participation from 40% to 25%. Virginia schools will be able to take advantage of this new threshold in the 2024–2025 school year. The April 1, 2024 Individual Studetn Percentage (ISP) data is required for CEP applications. Schools will continue to evaluate financial viability for CEP implementation as additional federal funding has not been provided.

The USDA Food and Nutrition Service published a new final rule on September 26, 2023[, Child Nutrition Programs: Community Eligibility Provision – Increasing Options for Schools.](https://www.federalregister.gov/documents/2023/09/26/2023-20294/child-nutrition-programs-community-eligibility-provision-increasing-options-for-schools#footnote-4-p65779) This final rule amends the CEP regulations by lowering the minimum ISP for participation from 40 percent to 25 percent. Lowering the minimum ISP will give schools greater flexibility to offer meals at no cost to all enrolled students if it is financially viable.

This final rule does NOT increase the 1.6 multiplier or provide additional reimbursement for CEP schools. A federal budget amendment and appropriation would be required for a change in the multiplier and additional CEP funding. Using the 1.6 multiplier, the formula to determine the federal reimbursement rate for meals served is ISP × 1.6 = percent of meals reimbursed at the free rate. The remaining meals would be reimbursed at the paid rate. Non-federal funds must be used to pay for any meal costs incurred above the reimbursement received. Below are sample ISPs and reimbursement rates:

* 25 percent ISP: 40 percent of meals reimbursed at the free rate and 60 percent at paid.
* 40 percent ISP: 64 percent of meals reimbursed at the free rate and 36 percent at paid.
* 62.5 percent ISP: 100 percent of meals reimbursed at the free rate.

The final rule is available to view in the [Federal Register](https://www.fns.usda.gov/cn/fr-092623). Visit [Community Eligibility Provision |Food and Nutrition Service (usda.gov)](https://www.fns.usda.gov/cn/community-eligibility-provision) for more CEP information, including the [Summary of Final Rule](https://www.fns.usda.gov/cn/cep-final-rule-summary).

Questions about this CEP final rule should be directed to the School Nutrition Programs regional specialist assigned to your SFA or Lynne Fellin, Technical Advisor to the State Director, by email at Lynne.Fellin@doe.Virginia.gov.

SCC/LAF/cc