



United States
Department of
Agriculture

Food and
Nutrition
Service

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Alexandria, VA
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OCT 3 1 2011

DATE:

SUBJECT:

School Year (SY) 2011-2012 Annual Reporting Procedures for the School Food Authority Verification Summary Report (FNS-742) for Local Educational Agencies (LEA) with schools in the Community Eligibility Option (CEO)

TO:

Regional Directors
Special Nutrition Programs
MWRO, SERO

State Directors
Child Nutrition Programs
Illinois, Kentucky, and Michigan

The CEO authorized by Section 104(a) of the Healthy, Hunger Free Kids Act of 2010 provides an alternative to household applications for free and reduced price meals in high poverty LEAs and schools. The CEO provides free meals for all students and eliminates the burden of collecting household applications and conducting the verification process. Even though LEAs and schools electing the CEO are exempt from verification, data for the SY 2011-2012 FNS-742 report pertaining to "identified students" must be submitted.

Federal reimbursement claiming percentages under the CEO are based on the percentage of identified students, defined as students not subject to verification. These students are primarily those directly certified due to the household's receipt of Supplemental Nutrition Assistance Program (SNAP) benefits.

The FNS-742 requires data to be reported as of the last operating day in October. We request that, for the purposes of reporting on the SY 2011-2012 FNS-742, LEAs with schools electing CEO establish the number of identified students as close to this date as possible in order to obtain accurate counts of those students not subject to verification.

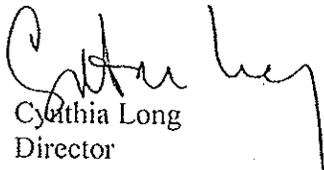
For LEAs with schools electing the CEO, only data for the following fields must be reported on the FNS-742 in the "I. Enrollment, Application, and Eligibility Information (Pre-Verification)" section:

- 2A: Number of schools and RCCIs operating the NSLP and/or SBP
- 3A: Number of enrolled students with access to the NSLP
- 4A: Total FREE Eligible reported
 - For CEO schools, only report the number of identified students (these students are classified as those not subject to verification). For LEAs with all schools electing the EO, 4A will equal 4-1A, since 4-2A through 4-4A do not apply.

- 4-1A: # approved as FREE ELIGIBLE who are not subject to verification (identified students)
 - Includes students directly certified through SNAP, TANF, and FDPIR participation as well as homeless on the liaison list, income-eligible Head Start, pre-K Even Start, migrant youth, runaways, and non-applicants approved by local officials. Foster children certified through means other than an application are also included.

LEAs with some but not all schools electing the CEO must still conduct verification in the schools not electing the CEO if required and report the results as instructed by the FNS-742. For example, if an LEA has ten schools, two of which are on CEO, the LEA would report data for the two CEO schools in 2A, 3A, 4A, and 4-1A. For the eight other schools, if they are required to conduct verification, the LEA would follow standard verification reporting procedures. If all the schools in the LEA elect the CEO, then the district does not conduct verification and only reports data in 2A, 3A, 4A, and 4-1A.

State agencies should direct any questions concerning this guidance to the appropriate FNS Regional Office. Regional Offices should contact the Child Nutrition Division.


Cynthia Long
Director
Child Nutrition Division