



## **Understanding the Relationship Between Community Eligibility and Title I Funding**

### **Introduction**

Community eligibility allows high-poverty schools to offer breakfast and lunch at no charge to all students while simultaneously eliminating the traditional school meal application process. The federal provision is a popular option among high-poverty schools, as it yields many academic, health, nutritional, and administrative benefits. When considering adopting community eligibility, schools often question how its implementation might affect the allocation of certain federal funds, specifically Title I funding. This concern arises because under community eligibility, schools no longer process school meal applications, and the percentage of students certified for free and reduced-priced school meals are commonly used to distribute Title I funds to schools. Fortunately, there are other allowable measures that school districts with community eligibility can use to allocate Title I funds. This resource provides answers to frequently asked questions regarding the relationship between community eligibility and the allocation of Title I funds.

### **What is Community Eligibility?**

Community eligibility is an option that allows high-poverty schools to offer breakfast and lunch free of charge to all students. It creates significant administrative savings by eliminating the collection of school meal applications. Any district, group of schools in a district, or school with 40 percent or more “identified students” — children who are certified for free school meals by means other than an individual household application — can choose to participate.

Instead of collecting school meal applications, community eligibility schools are reimbursed using a formula based on the percentage of identified students (ISP), which includes students who are directly certified to receive free school meals without submitting a school meal application because they live in a household that participates in the following programs: Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF), Food Distribution Program on Indian Reservations (FDPIR), or Medicaid (in select states), or are homeless, migrant, enrolled in Head Start, or in foster care. School breakfast and lunch reimbursements are calculated by multiplying the ISP by 1.6 to account for the additional students who would be certified for free or reduced-price school meals if the school had collected school meal applications. For example, a school with an ISP of 50 percent would be reimbursed at the free rate for 80 percent of its meals and at the paid rate for 20 percent of its meals. Find more information on [FRAC's community eligibility webpage](#).

### **What is Title I funding?**

Title I, Part A of the Elementary and Secondary Education Act is the largest federal program supporting elementary and secondary schools. Title I provides supplemental funding to school districts with high percentages of low-income students to ensure they meet rigorous state achievement standards. According to the U.S. Department of Education, more than half of all public schools receive Title I funds, including two-thirds of all elementary schools.<sup>1</sup>

Congress appropriates Title I funds to states annually using four statutory formulas that are based on census poverty data and the cost of education in each state. State agencies distribute funds to school districts, who then typically allocate funds to individual schools through a process commonly known as “rank and serve.” School districts rank their schools in order of poverty percentage and serve, or distribute, Title I funds beginning with the schools that have the highest poverty rates. Federal law provides districts with multiple options to measure the percentage of poverty at each school.

---

<sup>1</sup> U.S. Department of Education (2018). *Study of Title I Schoolwide and Targeted Assistance Programs: Final Report*. Available at: <https://www2.ed.gov/rschstat/eval/title-i/schoolwide-program/report.pdf>. Accessed on December 19, 2018.

School districts can use poverty data based on one or more of the following programs to allocate Title I funds:

- National School Lunch Program (NSLP), which includes a school's percentage of identified students if participating in community eligibility;
- Temporary Assistance for Needy Families (TANF);
- Medicaid; and
- U.S. Census data.<sup>2</sup>

### **What is the connection between community eligibility and Title I funding?**

School districts most commonly rank schools for Title I allocations using NSLP data — specifically, students certified for free and reduced-price school meals (which includes students who submit a school meal application, as well as identified students). Those implementing community eligibility no longer collect school meal applications. Schools districts implementing community eligibility in some or all schools can continue to use NSLP data using the ISP or the ISP multiplied by 1.6 (described in more detail in the next question). School districts can also consider using data from TANF, Medicaid, or a combination of the any of these options to allocate Title I funds to schools. Since there are multiple data measures available under federal law, many districts have successfully navigated this issue and implemented community eligibility and experienced its many academic and administrative benefits *without implications to its schools' Title I allocations*.

### **How does a school district that has only implemented community eligibility in some schools allocate Title I funds?**

School districts with partial implementation of community eligibility must determine a common metric to rank and serve its schools for Title I purposes. While the measure does not need to be exactly the same across all schools, it must be comparable to ensure a fair distribution of federal funds. To do this, there are three approaches districts can

---

<sup>2</sup> In order for a school district to use census data for within-district allocations, the district must use census data in combination with NSLP, TANF, or Medicaid data because census data are only available at the district level and do not measure school poverty levels.

use to derive a common poverty metric if they choose to continue using NSLP for determining Title I allocations.

- **Use a combination of ISPs multiplied by 1.6 and school meals application data:** One approach is to multiply the ISP by 1.6 in schools with community eligibility, and the percentage of students approved for free or reduced-price school meals in non-community eligibility schools. The 1.6 multiplier accounts for the additional students in the school who would have been certified for free and reduced-price school meals through the traditional school meal application process, making it a comparable measure in school districts with partial implementation.
- **Use the ISP multiplied by 1.6 for all schools:** A second approach is to multiply the ISP by 1.6 in all schools (those that are participating in community eligibility and those that are not). Even schools that do not participate in community eligibility certify identified students without an application. This means that all schools should have those data readily available. This is a stronger method than using just the percentage of identified students alone (see below) because applying the 1.6 multiplier may result in more schools becoming eligible for Title I funds.
- **Use the ISP for all schools:** A district's third — though arguably weaker — approach is to use each school's ISP *without* applying the 1.6 multiplier. This approach allows the use of the same data for all schools; however, without the multiplier, a lower poverty percentage results for each school.

### **Can community eligibility impact a school district's Title I funding?**

Implementing community eligibility does not impact the amount of federal funding the entire school district receives, as the district-level funding is based primarily on census poverty estimates, not NSLP data. As noted previously, what community eligibility *does* change is the poverty data available to rank individual schools for Title I purposes. Since community eligibility schools no longer have access to free and reduced-priced data, using a different poverty measure may cause the distribution of Title I funds within the district to look differently than in previous years.

## **What steps can school districts take if there are concerns over Title I and community eligibility implementation?**

There are steps school districts can take to address concerns about adopting community eligibility and the potential impact it may have on the poverty percentages that are used for ranking and serving Title I schools. First, it is important to include school staff across multiple departments to discuss whether community eligibility is a good fit overall for the district. In addition to school nutrition staff, school business officials, administrators, and district-level officials in charge of overseeing the implementation of federal programs should be part of the discussion. Second, it is important to run different ranking scenarios that are based on the multiple allowable poverty measures. If using NSLP data, the district can compare Title I rankings based on current free and reduced-price data to rankings based on each school's ISP. While doing this side-by-side comparison of rankings, districts should use the ISP *with and without* the 1.6 multiplier. Applying the multiplier reflects a higher percentage of poverty for each school and will likely result in rankings being more similar to those determined by free and reduced-priced data. Schools should also consider how Title I rankings may change when using alternative poverty measures, such as using Medicaid data.

The U.S. Department of Agriculture and the U.S. Department of Education strongly support community eligibility<sup>3</sup> and issued comprehensive guidance on the subject. School districts should consult with their state Title I offices for support and technical assistance. School districts also can reach out to neighboring districts that have adopted community eligibility to discuss how they determined Title I allocations.

### **Community Eligibility and Title I Resources**

- [\*The Community Eligibility Provision and Selected Requirements Under Title I, Part A of the Elementary and Secondary Education Act of 1965, As Amended\*](#) (U.S. Department of Education)

---

<sup>3</sup> U.S. Department of Education and U.S. Department of Agriculture (2015). *Key Policy Letters Signed by the Education Secretary or Deputy Secretary*. Available at: <https://www2.ed.gov/policy/elsec/guid/secletter/150805.html>. Accessed on December 19, 2018.

- [\*Non-regulatory Guidance: Fiscal Changes and Equitable Services Requirements Under the Elementary and Secondary Education Act of 1965 \(ESEA\), as Amended by the Every Student Succeeds Act \(ESSA\)\*](#) (see page 12, U.S. Department of Education)
- [\*How to Identify Low-Income Students in Community Eligibility Schools for Title I Purposes\*](#) (Center on Budget and Policy Priorities)