

## Section 4

# Eligibility Determination

# Section 4, Eligibility Determination

## Update Guide

February 14, 2025	Clarified the required information listed for <i>Households That do Not Submit a Household Application, Submitting on Behalf of a Student</i> . Updated broken web links.
May 31, 2024	Updated guidance on the following topics: <ul style="list-style-type: none"><li>- Direct Certification for SNAP TANF, Medicaid Free, and Medicaid Reduced Eligibility</li></ul> Direct Certification for Medicaid Free and Medicaid Reduced
August 4, 2023	Corrected Attachment B Upload timeline.
May 19, 2023	Clarified guidance on the following topics: <ul style="list-style-type: none"><li>- Media release</li><li>- Determining or reviewing official's signature</li><li>- Community Eligibility Provision Data Report (CEP Report)</li></ul> Created new <i>Definitions</i> and <i>Contact Information</i> sections, located at the beginning of the <i>Administrator's Reference Manual (ARM)</i> . Removed definitions and contact information from this section.
September 29, 2022	Clarified guidance on the following topics: <ul style="list-style-type: none"><li>- Carryover eligibility</li><li>- Other source categorical eligible program determination</li></ul>

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# Eligibility Determination

This section provides detailed information on certification and benefit issuance: distributing and processing household applications, direct certification, second (or independent) review of applications, notification of eligibility, and the appeals process.

[NOTE: The *Administrator's Reference Manual (ARM)*, Section 5, *Special Provision Options*; Section 6, *Verification*; Section 16, *Program Integrity and Confidentiality*; and Section 27, *Special Milk Program* provide additional guidance on topics related to this section. The ARM is available at [www.squaremeals.org](http://www.squaremeals.org).]

The guidance in this section applies to the following programs unless specified as applying to a specific program:

- National School Lunch Program (NSLP)
- School Breakfast Program (SBP)
- Special Milk Program (SMP)
- Seamless Summer Program if student participation is based on student eligibility<sup>1</sup>

The term *household application* will be used throughout this section to refer to the household meal application for NSLP and SBP and the household free milk application for SMP.

Determining the eligibility of participants has three components:

1. **Household Application**—distribution and collection of household applications
2. **Eligibility Determination and Eligibility Categories**—defined eligibility criteria based on the following categories:
  - Income: Comparison of current Income Eligibility Guidelines (IEGs)<sup>2</sup> to the income information provided on the household's school meal application
  - Categorical Eligibility:
    - Direct Certification for Categorical Assistance Eligible Programs: Household participation in one of the following programs:
      - Supplemental Nutritional Assistance Program (SNAP)
      - Temporary Assistance for Needy Families (TANF)
      - Food Distribution Program on Indian Reservations (FDPIR)  
[NOTE: In Texas, there is a small population of students who may qualify under FDPIR. To directly certify an FDPIR eligible student, the CE must reach out to the tribal governing organization or appropriate tribal official to get a list of eligible students.]
      - Medicaid Free (matched in Texas-ELMS)
      - Medicaid Reduced (matched in Texas-ELMS)
    - Other Source Categorical Eligible Programs: Participation in the following programs:

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<sup>1</sup> See *Administrator's Reference Manual (ARM)*, Section 12, *Seamless Summer Option* for additional information on sites that base participation on student eligibility instead of site area eligibility.

<sup>2</sup> At the beginning of each school year (July 1), USDA updates the IEGs. TDA publishes those updates at [www.squaremeals.org](http://www.squaremeals.org).

- Foster<sup>3</sup>
  - Head Start and Early Head Start pre-kindergarten programs
  - Homeless, including runaways and individuals displaced by declared disasters
  - Migrant
  - SNAP, TANF, or FDPIR eligible students who are not directly certified
3. **Verification**—a systematic process for ensuring that participants are eligible for the free or reduced-price meals provided. Verification is not the focus of this section. For more verification information, see the *Administrator's Reference Manual (ARM), Section 6, Verification*.

## Eligible Participants

Students enrolled in an elementary, middle, or high school are eligible for Child Nutrition Program (CNP) participation up to age 18 unless one of the following circumstances exists:

1. The student continues to be enrolled at the school and
  - is past the age of 18 but is under the age of 21
  - or
  - is at least 21 years of age and under 26 years of age and is enrolled in a school to complete the requirements for a high school diploma.<sup>4</sup>

If either of these circumstances exists, a student's continued enrollment in school extends the student's eligibility to participate in CNPs past the age of 18.

2. The student continues to be enrolled in school and is identified as mentally or physically disabled through a special education program or the 29 U.S.C § 70, Section 504, Rehabilitation Act of 1973. If this is the case, the student is eligible through age 21.<sup>5</sup>

Students enrolled in a residential child care institution (RCCI) are eligible up to the age of 21.

### Eligibility Determination

The determination of eligibility is based on (1) household income or (2) household or student participation in one of the categorical programs. These topics are explained in detail later in the section.

### Required Program Participation

CEs cannot require that students participate in a CNP. A student may bring a meal from home instead of participating in NSLP or SBP.

### Duration of Eligibility

Eligibility determinations are valid for the entire year.<sup>6</sup>

<sup>3</sup> Where the state retains legal custody of the child; see the definition for *Categorical Eligibility Determination* subsection in this section for additional information on this topic.

<sup>4</sup> Texas Education Code (TEC), Title 2, Subtitle E, Chapter 25, Subchapter A, Section 25.001 provides additional information related to enrollment.

<sup>5</sup> For additional information on special education and 504 designations, the CE should contact the Texas Education Agency (TEA).

<sup>6</sup> See the *Carryover Eligibility* subsection in this section for additional information on eligibility during the first 30 operational days of the following year.



## Household Application

Parents and/or guardians must complete the necessary household application to apply for free or reduced-price meals unless a person in the household meets the criteria for categorical eligibility.<sup>7</sup> When a household submits a household application, all the students in the household are included in that household application—CEs cannot require that parents or guardians complete a household application or a separate household application for each student or by eligibility category.

### Duplicate Household Applications

If the CE receives more than one household application from the same household, the most recently dated household application takes precedence. The CE should retain all household application documents and clearly mark the household application that is currently in use for eligibility determination.

### Use of Household Applications and Eligibility Data for Nonprogram Purposes

Information collected on NSLP/SBP or SMP household applications or obtained from other sources created or intended to assist CEs in determining eligibility for NSLP/SBP or SMP cannot be used for any purpose other than eligibility for NSLP/SBP or SMP unless those uses are allowed by regulation.<sup>8</sup>

Other sources include, but are not limited to, the Texas Unified Nutrition Programs System (TX-UNPS), Texas Eligibility List Management System (Texas-ELMS).

CEs must apply the following guidance related to using the household application or other eligibility information obtained for program eligibility purposes:

1. Must not use data from Texas-ELMS in TX-UNPS to obtain Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF), Medicaid, or Children’s Health Insurance Program (CHIP) participation information for students enrolled on any campus that is not operating a CNP.

If a CE has some sites that operate a CNP and some sites that do not, the CE must not use its access to direct certification data provided for the operation of school nutrition programs to obtain information on students that do not attend a school participating in a CNP. This means the CE cannot use the resources available to the school nutrition program to look up a student not attending a school operating a CNP in Texas-ELMS.

However, if the CE has identified a student attending a school operating a CNP as residing in a SNAP, TANF, or Medicaid household and that information is recorded in the CE’s Public Education Information Management System (PEIMS) system,<sup>9</sup> the CE can apply that identification to all siblings and students living in that household, including students attending other CE schools that are not operating a CNP.

In no circumstance, can the CE share eligibility data with another school district or educational entity that does not operate a CNP.

2. Must not use information from the Texas ELMS to identify students of economic need for a local meal program that is not a federal CNP.<sup>10</sup>

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<sup>7</sup> If a student is directly certified for SNAP or TANF and that information is reported in the Public Education Information Management System (PEIMS), the CE may apply that information to a sibling.

<sup>8</sup> For additional information on the disclosure of NSLP/SBP eligibility information, see *Administrator's Reference Manual (ARM), Section 3, Civil Rights & Confidentiality*.

<sup>9</sup> In April 2017, TEA began implementation of the Texas Student Data System (TSDS). TSDS PEIMS is a new software application that public schools and charter schools will use to submit their PEIMS data to TEA. This change should not have an impact on the SNP program, but since some point of service (POS) systems do interface with PEIMS data, CEs should review processes and procedures related to their POS systems to ensure that there are no problems.

<sup>10</sup> For additional information on the disclosure of NSLP/SBP eligibility information, see *Administrator's Reference Manual (ARM), Section 3, Civil Rights & Confidentiality*.

3. Must not use household applications to collect socioeconomic data or for any other purpose when the school is operating the Community Eligibility Provision (CEP) or a Provision 2 school in a non-base year.
4. Must not use household applications as the application to determine eligibility for the Head Start program, any other early childhood program, or purpose not related to eligibility for a CNP.

### Collecting Socioeconomic Data

If a CE needs to collect socioeconomic data when not allowed to use the household application, the Texas Education Agency (TEA) has developed a template that a CE may use or may adapt as appropriate, *Socioeconomic Information Form*. This form is available at <http://tea.texas.gov/Workarea/DownloadAsset.aspx?id=25769816295>.

### Overt Identification

CEs must assure that a student's eligibility status is not disclosed at any point in the process of providing free or reduced-price meals, including notification of free or reduced-price meal availability; certification and eligibility notification; meal service; the point of service; providing additional services, such as education services to low income students; and through the method of payment.

### Submission of Attachment B Eligibility Documents

USDA requires that TDA review each contracting entity's (CE's) template household application(s), directions, and notification letters to ensure that the CE is meeting the requirements for these documents.

Each CE must upload certification and benefit issuance templates by October 31 annually in Texas Unified Nutrition Programs System (TX-UNPS) | Application | Attachment B: Upload Attachments. The link will open on July 1 annually.

## Types of Household Applications

TDA provides two versions of household application—multi-child free and reduced-price household application with instructions and multi-use free and reduced-price household application with instructions—and an information letter template in both English and Spanish. CEs may download these forms at [www.SquareMeals.org](http://www.SquareMeals.org). While CEs are not required to use the TDA forms, TDA strongly encourages CEs to use the forms developed by TDA.

If CEs choose to use a household application form that is not developed by TDA, they are responsible to ensure that the form contains correct and accurate information as well as all the content provided in the TDA household meal information letter, instructions, and application.<sup>11</sup>

## TDA Prototypes

### Multi-Child Household Applications

The multi-child household application for free and reduced-price meals permits a household to establish eligibility for all school age students in the home. Advantages of using this household application include the following:

1. More students are identified for eligibility.
2. Burdensome paperwork is eliminated.
3. The number of household applications required to be verified is reduced.

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<sup>11</sup> CEs that use an electronic household application will find additional requirements for this type of household application in the Electronic Household Application System subsection in this section.

## Multi-Use Household Applications

The multi-use household application for free and reduced-price meals enables parents or guardians to grant the CE permission to share the eligibility determinations for students receiving free and reduced-price meals for purposes other than School Nutrition Program (SNP) services. This version allows the CE to help families to access additional support services such as glasses provided by the Lions Club or lower cost insurance for CE provided electronic devices.

### Multi-Use Household Application Disclosure

CEs that anticipate disclosure to or sharing information with other programs, including Medicaid or the state Children's Health Insurance Program (CHIP), must notify households of this potential disclosure and allow the households to decline the disclosure by offering the adult completing the household application the option to not submit any additional information that can be used for other agencies or services.<sup>12</sup>

## United States Department of Agriculture (USDA) Prototypes

USDA provides two types of applications:

### English and Other Languages

USDA provides prototypes of family friendly household applications at [www.fns.usda.gov/cnd/Application/familyfriendlyapps.html](http://www.fns.usda.gov/cnd/Application/familyfriendlyapps.html) in a wide range of languages. If a household submits a USDA version of the household application, the CE must accept and process the application.

### USDA Web-Based Prototype

USDA has also released a web-based prototype version. The web-based prototype includes the code that allows CEs to create a web-based application on their own. Detailed information and helpful tools on the use of this application are available at <https://www.fns.usda.gov/school-meals/applying-free-and-reduced-price-school-meals>.

## Electronic Household Application System

CEs have the option to use an electronic (faxed, scanned, or web-based) household application processes.<sup>13</sup> If a CE uses an electronic household application process, the CE is responsible for ensuring that processes and procedures meet all regulatory requirements and policies. TDA no longer approves electronic household application processes.

The CE must have a system in place which allows staff to validate information about eligibility for each student based on participation in one of the Categorical Assistance Eligible programs or one of the Other Source Categorical Eligible programs<sup>14</sup> whether the system is electronic or another method.<sup>15</sup> A student designated as a foster child does not have to be validated.<sup>16</sup> This information

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<sup>12</sup> For more detailed information on disclosure and parental consent, see *Administrator's Reference Manual (ARM)*, Section 3, *Civil Rights & Confidentiality* for additional information on acceptable disclosure practices.

<sup>13</sup> USDA and TDA do not evaluate, recommend, approve, or endorse any software used for eligibility determinations. There are no federal or state specifications for software vendors. If software is used to perform all or part of the eligibility determination process, the CE must ensure that the software is performing correctly and meets all requirements.

<sup>14</sup> See the *Categorical Eligibility Determination* subsection of this section for additional information on categorical programs.

<sup>15</sup> See the *Sources for Validating Other Source Categorical Eligibility Participation* subsection in this section for additional information on validation.

<sup>16</sup> Public and charter schools in the state of Texas are required to have a foster liaison to ensure that foster children receive all benefits available to them. The CE's foster liaison will have the necessary documentation to directly certify a foster child. By directly certifying the foster child, the student's household application is not subject to verification unless non-foster students are listed on the household application.

will be used on the CE's *School Food Authority (SFA) Verification Collection Report (FNS-742)*<sup>17</sup> as well as during an administrative review.

The CE cannot create a system where the only way the household can get the information is for the household to go to an online source.

#### Requirements for an Electronic School Meal Application System

If the CE uses a household application system that distributes applications through the Internet, phone, or software applications (apps),<sup>18</sup> the CE must ensure that the electronic system has the following capabilities or information as described below.

Unless a specific type of electronic form is indicated, each guidance topic applies to all types of electronic applications.

##### Confidentiality of Information

A CE using electronic household application processes must have certifications or procedures in place to ensure confidentiality.

##### Confirmation of Receipt

A CE must provide an acknowledgment or receipt of the faxed or web-based household application from a household—electronically or another method—when the faxed or web-based household application submission is successful.

##### Categorical Assistance Program or Other Source Categorical Program Eligibility

If the CE uses a computer or web-based system (or software) to process applications, the system must include a question or data field to indicate a student's categorical eligibility.<sup>19</sup>

##### Documentation

A CE is required to retain all documentation demonstrating that its household application process meets regulatory requirements and policies.<sup>20</sup> Retained information must include, but is not limited to, the following:

- Original date of receipt and approval
- Basis for the determination (i.e., what household size and income was used)
- Updated household application status to account for transfers, withdrawals, and other changes

[NOTE: The determining or reviewing official must sign and date approved and denied household applications to confirm the determining or reviewing official's eligibility determination.<sup>21</sup>]

##### Income

CEs must ensure that whatever system they use, including scanned or web-based software, can recognize and accept whole dollar amounts.

If a CE uses an electronic application process that gives prompts for possible errors and one of those errors is blank income, the error notice is acceptable.

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<sup>17</sup> Applies only to NSLP and SBP.

<sup>18</sup> CEs that use an electronic application will find additional requirements for this type of application in the *Electronic Household Application System* subsection in this section.

<sup>19</sup> See the *Categorical Eligibility Determination* subsection in this section for more information on this topic.

<sup>20</sup> See the *Records Retention* subsection in this section for more information on this requirement.

<sup>21</sup> See the *Signatures* subsection in this section for more information on this requirement.

### **Identity and Electronic Location of Person Completing the Household Application**

The household application system must have a method to record the name of the person completing the household application and an electronic location for the person completing the household application.

[NOTE: An electronic location means a method to identify the source of the transmission (e.g., mail server identification, email account name, phone number for a fax machine, or time-stamped Internet Protocol [IP] address).]

### **Information/Notification Letter**

If the CE uses an electronic household application system that distributes applications through the Internet, phone, or software applications (apps),<sup>22</sup> the CE is not required to distribute a household application, letter to the household, and instructions in the same manner<sup>23</sup> as required for a paper application. Instead, the CE may use a flyer, brochure, or card. However, the CE is responsible for distributing a letter/notification that includes the following information:

- Instructions on where and how to access and submit a household application, including the web address.
- Instructions for completing the form—the same information contained in the instructions for the paper household application and any additional instructions specific to electronic submission.
- Instructions on how to submit a paper household application in case the household does not want to submit an electronic household application.
- Contact information (telephone and other methods) to ask questions, solve problems, and request a paper application be sent to the household.

In all cases, a CE cannot refuse to accept a paper household application if a household chooses not to submit an electronic household application.

### **Integrity of Household Application**

CEs must ensure that the information submitted electronically is not altered after it is submitted. The determining or reviewing official may contact the household for clarification and additional information about an electronic household application. However, CEs must have a method for determining or reviewing official to record notes about obtained information that keeps the original household application intact while also providing a method to record relevant notes.

### **Method of Distribution**

Electronic household applications may be sent to households by email, made available for download from the Internet, or another appropriate method.

### **Notification**

Households whose household applications are denied must be provided notification of denial by mail or email and cannot receive notification of their eligibility status solely through a web-based or automated household application system or phone. Approved household application notification may be provided by mail, email, or verbally.

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<sup>22</sup> CEs that use an electronic application will find additional requirements for this type of application in the *Electronic Household Application System* subsection in this section.

<sup>23</sup> See the *Providing Information about Household Applications* subsection in this section for more information on requirements for sharing information about household applications with student households.

### Optional Information

If the CE uses a computer or web-based system (or software) as one of their application processes, the system may ask for a student identification number or child's birth date to help expedite processing. However, the household must be informed that the data fields are not required for approval of a household application for NSLP, SBP, or SMP.

### Purpose and Use

CEs must provide households with a description of the purpose and the use of the information the household submits on an electronic school meal application.<sup>24</sup> This information may be included in notifications or announcements, student handbooks, directions for completing web-based forms, CE websites, or another appropriate method.

### Signatures

Electronic household applications do not require an original signature, but electronic submission processes must have the capability to allow a household to provide a legally binding digital or digitized signature.

A digital signature may be recorded or accomplished through a variety of methods, including, but not limited to, personal identification numbers (PINs) and passwords.

A digitized signature is a representation of an actual signature that can be physically compared to an original signature to determine authenticity.

This signature must include the date and time of the transaction and the identity and electronic location of the person who transmitted the information. An electronically signed—digital or digitized— household application is legally binding.

The determining or reviewing official must sign and date approved and denied household applications to confirm the determining or reviewing official's eligibility determination. For scanned and web-based household applications, the determining or reviewing official may accomplish this by signing or initialing and dating a sheet of paper that is attached to a batch of household applications or making a note to the electronic file.

### Submission

The household application may be completed and submitted (1) electronically or (2) printed, completed, and returned in person or by regular mail. CEs must also provide a paper household application to any household that does not wish to use or is unable to use an electronic household application system.

### Submission Without Additional (Optional) Information

If a CE requests optional information from the household, the CE must ensure that the scanned or web-based household application system does not delay or cause a denial of any household application that contains all required information but is missing additional (optional) information. The determining or reviewing official must be able to approve or deny a household application whether the additional information has been provided or not.<sup>25</sup>

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<sup>24</sup> This use statement is not the same as the required Richard B. Russell Use of Information statement discussed later in this section. Instead, it is a statement of how the CE will use information that is electronically collected by the district.

<sup>25</sup> See the *Requests for Additional (Optional) Information on Household Applications* subsection in this section for additional information on this topic.

### Total Number in Household

An electronic household application may include a feature that requires the household to confirm the total number of household members based on the information recorded by the household as a method for the household to report the total number of household members.

### True and Correct Information

CEs must communicate to the person completing the web-based form that the applicant must provide true and correct information. When the adult in the household signs the household application, he or she is attesting that the information contained in the household application is true and correct.

If the CE is using software that was not updated before the *USDA 2015 Eligibility Manual* was released (July 9, 2015), the CE may continue to use software that reports income in dollars and cents. However, if the software has been updated since that release, the software must be modified to accept whole dollar amounts only. All CEs using software provided by a vendor should contact their vendors and ensure that this requirement has been met.

## Providing Information about Household Applications

A CE must take the following actions to provide information to parents or guardians and to determine eligibility:

1. Send a letter to households before or during the first week of school that describes the following:
  - Free and reduced-price meal program
  - Reduced-price income eligibility guidelines
  - Information on how to apply
  - Local contact information including mailing addresses  
[NOTE: The local contact information provided by the CE must be for an individual who can answer questions from households. Moreover, if the household asks for assistance, the CE must follow up.]
2. Provide a household application before or during the first week of school.
3. Distribute information through a communitywide media release with the household meal application attached and with the following information:
  - Description of the free and reduced-price school nutrition programs that the CE operates
  - Description of the eligibility criteria including income eligibility guidelines for both free and reduced-price eligibility
  - Instructions on how to apply
  - Explanation that if the CE knows the eligibility of a child based on participation in a Categorical Assistance Eligible<sup>26</sup> program or one of the Other Source Categorical Eligible programs<sup>27</sup> (1) that the CE will notify the household and/or (2) that household should contact the CE if all of the children in the household are not listed on the notice

The CE is responsible for sending the media release to appropriate news outlets. The CE is not responsible for ensuring that the release is used by media outlets and is not required to pay a media outlet to publish a release.

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<sup>26</sup> SNAP, TANF, and FDPIR

<sup>27</sup> Head Start and Early Head Start pre-kindergarten programs; foster; homeless, including runaways and individuals displaced by declared disasters; migrant; and SNAP, TANF, or FDPIR eligible students who are not directly certified.

Further, the CE may use other forms of media for the release, such as social media, if a local newspaper does not exist or is not distributed widely enough to reach the school's population.

4. Develop a system of communication that prevents overt identification of participants receiving free or reduced-price meals.

CEs are encouraged to use the best contact information available for distributing the information letter. The information letter may be sent to households by mail, email, or in information packets.

**Providing Information about Household Applications, Residential Child Care Institutions (RCCIs)**  
Residential Child Care Institutions (RCCIs) with non-residential students (commonly called *day students*) must distribute the information as described in this subsection to the households of the non-residential students.

[NOTE: An RCCI may choose to offer universal free meals to day students. However, the RCCI must claim reimbursable meals for day students by the correct eligibility status—free, reduced-price, or paid. The RCCI cannot claim all day students as paid to avoid processing applications and making eligibility determinations for these students.]

**Providing Information about Household Applications, After the Start of School**

For students who enroll after the beginning of the school year, the CE must still provide (1) the letter that describes the benefits provided through the program, eligibility guidelines, information on how to apply, and local contact information for the CE; (2) the household application (may include access information for a web-based application); and (3) directions for completing the application.

## Information Letter and Household Application Contents

CEs must include the following statements in the household application:

**Attesting Statement**

The attesting statement must be located above the signature block for the signing adult. This statement ensures that the signer knows he or she is certifying the following:

- The person signing is furnishing true information and to advise that person that the application is being made in connection with the receipt of federal funds.
- School officials may verify the information on the application.
- Deliberate misrepresentation of the information may subject the applicant to prosecution under state and federal statutes.

**Nondiscrimination Statement**

The nondiscrimination statement is provided by USDA. The most current nondiscrimination statement must be included in the application packet as written. Refer to *Section 3, Civil Rights* for a current version of the statement.

**Statement Concerning Inclusion of Social Security Number**

The application, instructions, or letter must include the following explanation:

While disclosure of the last 4 digits of a Social Security number is voluntary the National School Lunch Act requires the last 4 digits of a Social Security number<sup>28</sup> or an indication of “none” for approval of the application.

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<sup>28</sup> It may also be the last four digits of the Social Security number of another adult member in the household.



## Use of Information Statement

### The Use of Information Statement must be included exactly as written.

The Richard B. Russell National School Lunch Act requires the information on this application. You do not have to give the information, but if you do not, we cannot approve your child for free or reduced-price meals. You must include the last four digits of the Social Security number of the adult household member who signs the application.<sup>29</sup> The Social Security number is not required when you apply on behalf of a foster child or you list a Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF) Program or Food Distribution Program on Indian Reservations (FDPIR) case number<sup>30</sup> or other FDPIR identifier for your child or when you indicate that the adult household member signing the application does not have a Social Security number. We will use your information to determine if your child is eligible for free or reduced-price meals, and administration and enforcement of the lunch and breakfast programs.

We MAY share your eligibility information with education, health, and nutrition programs to help them evaluate, fund, or determine program benefits or services for their programs, auditors for program reviews, and law enforcement officials to help them look into violations of program rules.

[NOTE: There is a different Use of Information Statement that is required for verification. See *Administrator's Reference Manual (ARM), Section 6, Verification* more information on this statement.]

## Information Letter Included with the Household Application

The information letter must be sent to the households of all students before or during the first week of school, so eligibility determinations can be made, and free and reduced-price benefits provided as soon as possible. TDA's prototype application materials<sup>31</sup> contain all of the required information. CEs that choose to create their own household application or use an electronic application must ensure that the household application contains all of the required information. See *Information Box 1* for detailed guidance on this topic.

### Information Box 1

#### Required Information in Notification Letter, Household Application, and Directions

##### Explanations on the Methods for Establish Free and Reduced-Price Meal Eligibility

- Ability of households to apply for NSLP/SBP at any time during the year if the household experiences a change in circumstances, including if parents or guardians become unemployed
- Categorical eligibility for foster children
- Free eligibility for all students in the household who are directly certified for SNAP, TANF, or FDPIR
- Current year's IEGs for reduced-price eligibility
- Process for Other Source Categorical Eligible program participants to indicate participation
- Required information to determine eligibility
- Special Supplemental Nutrition Program for Women and Children (WIC) participants may be eligible for free or reduced-priced meals

##### Information about Submitting a Free and Reduced-price Household Application

- Directions for submitting a household application for free or reduced-price meals
- Carryover period
- No household application necessary for households who are notified about directly certified students
- Only one household application required for all children in the household
- Option for the household to include a foster child as a family member when applying other students in the household
- Possibility of selection for verification

<sup>29</sup> It may also be the last four digits of the Social Security number of another adult member in the household.

<sup>30</sup> In Texas, the number demonstrating SNAP or TANF eligibility is the Eligibility Determination Group Number (EDG#).

<sup>31</sup> See the *TDA Eligibility Determination Forms* subsection in this section for more information on prototypes, forms, and template. TDA provides alternate template letters for schools that administer one of the special provision programs.

- Prominently displayed contact information— mailing address(es) and phone number(s)—for households to submit questions about the application process
  - Requirement for an adult in the household to provide the last four digits of her or his Social Security number or indicate that no adult household member has a Social Security number; not required if the household qualifies under SNAP, TANF, or FDPIR
  - Requirement for an adult in the household to sign the household application
- Explanation about Parent or Guardian Rights
- Option to appeal decisions related to eligibility and the right to ask for a hearing procedure

## Requests for Additional (Optional) Information on Household Applications

The purpose of the free and reduced-price household application is to determine if a student’s household is eligible for free or reduced-price meals based on income or categorical eligibility. However, CEs may request additional (optional) information<sup>32</sup> for other purposes if the information is intended to help CEs do the following:

- Share information with households about the availability of other meal or non-meal-related program benefits.
- Reduce the paperwork burden on households.
- Provide additional services or support to address student needs.

For Example: A CE may request a student’s birth date to help in the verification process because this additional data does not create a barrier to SNP participation. It may even minimize the burden on the household to complete additional forms.

A CE may use information from the household application to determine which students are eligible to receive free schoolbooks or tutoring services.

### Citizenship Information

U.S. citizenship is not a factor in the determination of eligibility. The CE must not request or require households to provide documentation related to citizenship.

### Guidelines, Additional (Optional) Information

A CE **may not require** that households provide additional information as criteria for eligibility, though it may request additional (optional) information from households as described in the following guidance:

- Disclosure Related to Additional (Optional) Information: The CE must disclose to parents or guardians what information (1) is required on the household application and (2) is optional.<sup>33</sup>
- Prepare Staff: The CE should ensure that staff member understands (1) what information is required and (2) what information is additional (optional), so they can assist parents or guardians in knowing what information is required.
- Denial of a Household Application Lacking Additional (Optional) Information: The CE **must not take the following actions** based on a lack of non-required information:
  - Delay the approval of a household application if the household fails to provide additional (optional) information that is not required for the household application.
  - Deny a household application if additional (optional) information is not

<sup>32</sup> This might include grade of student or name of school.

<sup>33</sup> See *Administrator’s Reference Manual (ARM), Section 3, Civil Rights and Confidentiality* for additional information on this topic.

provided.

[NOTE: If a CE has an electronic system that requires additional (optional) information before a household application can be submitted, the CE must ensure that the system does not delay or cause a denial of a household application that contains the required household application information but lacks the additional information.

For Example: A web-based household application asks for a child's birthdate, which is optional information. If the household fails to include student birth dates, processing of the household application cannot be delayed.]

## Prepopulating Household Applications

CEs may prepopulate household applications with basic information. Basic information includes student names and grades. A CE cannot prepopulate income or categorical information. CEs should be mindful about prepopulating a household application with student identification numbers as these numbers may link to students' personal data.

## Distribution of Household Application

Household applications must be provided to every student except those students who are directly certified as participants in one of the Categorical Assistance Eligible programs<sup>34</sup> or one of the Other Source Categorical Eligible programs.<sup>35</sup> However, the CE must make sure that sending different notification letters does not create a situation where directly certified students are overtly identified because households are sent different types of notifications.

CEs are encouraged to use the most effective method for distributing the household application. Therefore, household applications may be distributed by mail, email, or sent home with students.

The CE may request that households apply but must not require that a household submit a household application for free or reduced-price meal meals.

Each CE must provide households with the following:

1. An information letter that provides descriptions of the household application process and eligibility criteria for reduced-price meals
2. Instructions on how to apply for free and reduced-price meals or free milk which includes prominently displayed local contacts with addresses
3. A household application to apply for NSLP/SBP<sup>36</sup>

If the CE does not use TDA's prototype forms, the CE must ensure that information provided to households includes all information included in TDA prototype forms.

## Direct Certification Households

CEs do not have to send a household application to households with directly certified students. This includes direct certification for Categorical Assistance Eligible programs<sup>37</sup> as well as direct certification for Other Source Categorical Eligible programs.<sup>38</sup> However, these households must be

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<sup>34</sup> SNAP, TANF, and FDPIR

<sup>35</sup> Head Start and Early Head Start pre-kindergarten programs; foster; homeless, including runaways and individuals displaced by declared disasters; migrant; and SNAP, TANF, or FDPIR eligible students who are not directly certified

<sup>36</sup> This letter is sent with the household application.

<sup>37</sup> SNAP, TANF, FDPIR, Medicaid Free, and Medicaid Reduced

<sup>38</sup> Head Start and Early Head Start pre-kindergarten programs; foster; homeless, including runaways and individuals displaced by declared disasters; migrant; and SNAP, TANF, or FDPIR eligible students who are not directly certified.

sent a notice of eligibility.<sup>39</sup> The following information must be shared:

- That the named students are eligible for free meals for the entire year
- That the household does not need to provide further documentation, including a household application
- That the household should notify the CE if the adults in the household would like to decline the free or reduced-priced meals

Notification may be done through regular mail or email.

#### **Overt Identification**

When a CE chooses not to send an information letter and household application to a household with a directly certified student or students, the CE must ensure that the process used for notification does not identify which students are categorically eligible and which students are not by overtly identifying which households receive a letter and which ones do not.

#### **Distribution Centers**

Designated locations to provide households an opportunity to apply for free or reduced-price meals may be operated by the CE before school opening and during the school year. However, parents or guardians cannot be required to go to only one particular place to apply for free or reduced-price meals. CEs are encouraged to have interpreters available to provide help for families completing a household application at a distribution center. Distribution centers are commonly located in the school nutrition program office, front office of each school, or the administration building/office.

#### **Distribution at Year-Round Schools**

Household applications may be distributed on or about July 1 or soon thereafter so that households can provide current income.<sup>40</sup> See the *Carryover Eligibility* subsection in this section for specific information on applying the 30 operational day carryover period to year-round schools.

#### **Limited English Proficient (LEP) Households**

CEs must take reasonable steps to ensure meaningful access to school meals for eligible students from households comprised of limited English proficient (LEP) individuals. Regulations require that any communication with households for eligibility determination purposes must be in an understandable and uniform format and to the maximum extent practicable that the CE must take reasonable steps to ensure meaningful access.<sup>41</sup> The household application materials and other communications with households concerning eligibility determination must be presented in a manner or language that parents or guardians can understand.

#### **Oral Interpretations**

While providing written translations is required, CEs also must take reasonable actions to ensure that all households can ask questions and get answers when they have limited English proficiency.

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<sup>39</sup> See the *Categorical Eligibility Determination* subsection in this section for additional information.

<sup>40</sup> USDA typically updates income eligibility criteria in the late spring. Those updates are posted on [www.SquareMeals.org](http://www.SquareMeals.org).

<sup>41</sup> According to *Merriam-Webster's, Eleventh Edition*, practicable means capable of being put into practice or of being done or accomplished. It is common to apply the definition for possible which means being something that may or may not occur to the term practicable. While similar words, they are not the same in legal terms. The practicable requirement holds that the expectation will be accomplished, not possibly accomplished.

## Process for Determining English Proficiency Needs

CEs should have a process for determining whether they have Limited English Proficient (LEP) parents or guardians and the language needs of those households. Limited English Proficient includes those with limited proficiency in reading, speaking, writing, or understanding English as well as those who speak another language. For this reason, the USDA's prototype materials are designed to be comprehensible to someone with low literacy. CEs are expected to assist so that parents or guardians can understand the household application and certification of eligibility.

When a CE determines the need for and extent of LEP communications, the CE should consider the following issues:

- Overall number of students from households comprised of LEP individuals. It is more effective to proactively determine language needs before applications are sent out.
- Proportion of students from households comprised of LEP individuals as compared with the overall student population
- Frequency of communications with LEP individuals
- Means through which communications are sent (e.g., mail, telephone, websites, etc.)
- Resources already available to the CE and the resources that will need to be supplied including, but not limited to, translated materials, translators, and community support organizations.
- Qualifications of those who can provide translation services.

## Increasing Participation

CEs are expected to take the following actions to ensure that every household has the needed information to participate in the program:

1. Provide Written Translations: CEs must ensure that language and communication are not barriers to SNP participation. CEs may choose to develop written translations of their own materials, including web-based household applications, in the most common languages. However, offering a translation in the most common alternative language as the only LEP strategy is not sufficient.

If CEs do not have their own translated household application materials, they must at a minimum use the USDA prototype translations. TDA makes household applications and letters available in both English and Spanish for CEs to use. USDA also provides household applications and letters in the following languages at [www.fns.usda.gov/school-meals/translated-applications](http://www.fns.usda.gov/school-meals/translated-applications).

Albanian	Croatian	Italian	Nepali	Tagalog
Amharic	Farsi	Iu Mein	Polish	Thai
Arabic	French	Jamaican	Portuguese	Tigrinya
Armenian	French Creole	Creole	Punjabi	Ukrainian
Bengali	Greek	Japanese	Romanian	Urdu
Bosnian	Gujarati	Karen	Russian	Vietnamese
Burmese	Haitian-Creole	Khmer	Samoan	Yiddish
Chinese, Simplified	Hindi	Korean	Serbian	Yoruba
Chinese, Traditional	Hmong	Kurdish	Somali	
	Igbo	Laotian	Spanish	
	Ilokano	Mien	Sudanese	

2. Provide Oral Interpretation Services: For households that speak less prevalent languages or have limited literacy, CEs should
  - identify oral interpretation services available in their communities and
  - partner with other local resources, such as migrant or refugee assistance agenciesthat can foster increased communication about free and reduced-price meals. Parents and guardians should not have to rely on family or other household members, especially students or friends. Informal translators may not provide quality and accurate interpretations.
3. Include the Required Non-discrimination Statement: Households need to understand that they will be treated fairly if they apply for free or reduced-price meals. The information letter sent with the household application or the school meal application itself must include USDA’s current nondiscrimination statement.<sup>42</sup>

#### Additional Resources for LEP Students

Three resources may be useful to CEs in addressing language-related issues:

- The federal guidelines for plain writing are available at [www.plainlanguage.gov](http://www.plainlanguage.gov).
- Numerous translations are available on the USDA School Meals Applications website at [www.fns.usda.gov/cn/translated-applications](http://www.fns.usda.gov/cn/translated-applications).
- USDA’s *I Speak* worksheet can be used to identify the appropriate language for communicating with parents or guardians. The worksheet is available at [www.fns.usda.gov/school-meals/translated-applications](http://www.fns.usda.gov/school-meals/translated-applications).

#### Unacceptable Distribution Practices

The following household application distribution practices are unacceptable:

- Public announcement or notification that household applications are available and interested parties may pick up one in a specified location as the sole method of distribution
- Public announcement or notification that household applications are only available on request
- Public announcement or notification that household applications are only available to those who received free or reduced-price meals during the prior school year
- Distribution of the household applications in the lunch line only
- Distribution at the end of the school year to apply for the following school year

#### Telemarketing Outreach for Completion of Household Applications

While it is appropriate for CEs to conduct outreach to encourage households to complete meal applications, a CE cannot use an outside telemarketing group to contact households to obtain the information needed to complete a household application on behalf of the household. See *Administrator's Reference Manual (ARM), Section 3, Civil Rights & Confidentiality* for additional information on the disclosure of confidential information.

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<sup>42</sup> See the *Information Letter and Household Application Contents* subsection in this section for additional information.

## Managing Eligibility Determinations

CEs must establish a system for maintaining and managing eligibility determinations. CEs commonly use their point of service (POS) systems for this purpose, but CEs may use other methods. CEs may have a manual or electronic system. Anytime there is a change in eligibility for a student or household the CE must have a method or process for tracking the change made which includes, but is not limited to, the date of the change, the reason for the change, and authorization for change. This process may be electronic, paper, or a combination of the two. If the system writes over a previous eligibility when a new determination is made, the CE must have a method to indicate when and what changes to eligibility are made—not just the latest. This system may be manual or electronic.

In all cases, the CE must ensure that the following eligibility information is retained:

- Eligibility status—free or reduced
- Type of eligibility—income or categorical
- Date of receipt of an application or categorical list, eligibility determination, changes to an application, changes to eligibility, and other actions related to eligibility
- Information specific to notifications
- Notes concerning all changes to the application, categorical participation, or other actions related to eligibility with the initials of the person making the change
- Specific program designation for all categorical determinations

### Eligibility Duplication

A student may qualify for participation through more than one category of eligibility. The CE should have a system in place to prevent duplication on eligibility lists. Each individual participant should be counted one time when determining the number or percentage of eligible participants for the CE and the site.

For Example: A student qualifies for free meals because she (1) lives in a household that receives SNAP benefits, (2) is a foster child, and (3) meets IEGs requirements. The CE uses a system that records all three qualification factors but ensures that the student has only one eligibility determination. Direct certification for one of the Categorical Assistance Eligible programs<sup>43</sup> or one of the Other Source Categorical Eligible programs determinations take precedence over all other determinations.

In instances where the household provides income information on a household application that demonstrates eligibility and marks that a student participates in one of the Categorical Assistance Programs or an Other Source Categorically Eligible Program, the CE must process the income information if there will be a delay in confirming the program participation, so the student has access to meal benefits more quickly.

However, as soon as the CE determines eligibility based on categorical program participation, the CE must disregard the income information on the household application and update its eligibility determination records to indicate the categorical eligibility status.

### Effectiveness Date of Eligibility

CEs must provide free or reduced-priced meals to students within 3 operational days of the approval of a student's eligibility determination. However, CEs have options in identifying effectiveness dates: two options for application-based determinations and two options for categorical determinations based on information from the agency administering the categorical program. Benefit issuance agencies include, but are not limited to, the following: Texas Health and

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<sup>43</sup> SNAP, TANF, FDPIR, Medicaid Free, and Medicaid Reduced

Human Services Commission, homeless liaison, migrant liaison, Head Start director, foster liaison, or other appropriate agency personnel.

**Consistency**

In all cases, CEs must apply the same effectiveness date option consistently across all sites and Child Nutrition Programs.

1. For application-based determinations, the CE must use the same method of effectiveness date for all household application determinations.
2. For categorical determinations based on information from the agency administering the categorical program, the CE must use the same method of effectiveness date for all categorical determinations.

**Date of Effectiveness Options**

The *Date of Effectiveness Chart* describes the options and requirements for each option.

Date of Effectiveness Chart	
Household Applications	
Option 1 Date Application Is Approved	Option 2 Date Application Is Received
<p>Assign the effective date for eligibility as the day the <u>completed</u> household application is <u>approved</u> by the determining or reviewing official.</p> <p><b>Requirements:</b></p> <ul style="list-style-type: none"> <li>- Have a method to document the date (such as date stamp procedure) that the completed household application is approved by the CE.</li> <li>- Notify TDA that the CE is adopting this option on the appropriate question in the <i>Policy Statement for Free and Reduced-Price Meals, Attachment B: Meal Count/Collection Procedure(s)</i>.<sup>44</sup></li> </ul>	<p>Assign the effective date for eligibility as the day the <u>completed</u> household application is <u>received</u> by the CE.</p> <p><b>Requirements:</b></p> <ul style="list-style-type: none"> <li>- Have a method to document the date (such as a date stamp procedure) that the completed household application is received by the CE.</li> <li>- Have a procedure to <u>clear any debt accrued by the student</u> for reimbursable meals between the date of receipt and the date of approval.</li> <li>- Have a procedure in place to <u>reimburse students</u> for reimbursable meal payments made between the date of receipt and the date of approval.</li> <li>- Adjust claims as appropriate through TX-UNPS.<sup>45</sup> The CE may only claim meals or milk at the free reimbursement rate if the student is given a refund or the debt is discharged.</li> <li>- Notify TDA that the CE is adopting this option on the appropriate question in the <i>Policy Statement for Free and Reduced-Price Meals, Attachment B: Meal Count/Collection Procedure(s)</i>.<sup>46</sup></li> </ul>

<sup>44</sup> The CE is required to submit an updated *Policy Statement for Free and Reduced-Price Meals, Attachment B: Meal Count/Collection Procedure(s)* noting this choice. Form available in TX-UNPS | Application. CEs must also submit their eligibility documents in the *Attachment B: Upload Attachments* in TX-UNPS | Application.

<sup>45</sup> See Administrator's Reference Manual (ARM), *Section 20, Counting & Claiming* for additional information on this topic. Adjusted claims must be submitted in accordance with all applicable requirements.

<sup>46</sup> The CE is required to submit an updated *Policy Statement for Free and Reduced-Price Meals, Attachment B: Meal Count/Collection Procedure(s)* noting this choice. Form available in TX-UNPS Application screen. CEs must also submit their eligibility documents in the *Attachment B: Upload Attachments* in TX-UNPS | Application.



Date of Effectiveness Chart	
Categorical List from Agency Administering the Categorical Program	
Option 1 Date Application Is Approved	Option 2 Date of Effective Eligibility Indicated by Program Agency <sup>47</sup>
<p>Assign the effective date for eligibility as the date the categorical participation list is reviewed and approved by the determining or reviewing official.</p> <p><b>Requirements:</b></p> <ul style="list-style-type: none"> <li>- Have a method to document the date (date stamp procedure) that the categorical eligibility is reviewed and approved by the CE.</li> <li>- Notify TDA that the CE is adopting this option on the appropriate question in the <i>Policy Statement for Free and Reduced-Price Meals, Attachment B: Meal Count/Collection Procedure(s)</i>.<sup>48</sup></li> </ul>	<p>Assign the effective date for categorical eligibility as the date the benefit issuance agency indicates participation was in effect.<sup>49</sup></p> <p><b>Requirements:</b></p> <ul style="list-style-type: none"> <li>- Have a procedure to document the effectiveness date the benefit issuance agency indicates the date participation was in effect.</li> <li>- Have a procedure <u>in place to clear any debt accrued by the student</u> for reimbursable meals between the date of effectiveness and the date of approval.</li> <li>- Have a procedure <u>in place to reimburse students</u> for reimbursable meal payments made between the date of effectiveness and the date of approval.</li> <li>- Adjust claims as appropriate through TX-UNPS.<sup>50</sup> The CE may only claim meals or milk at the free reimbursement rate if the student is given a refund or the debt is discharged.</li> <li>- Notify TDA that the CE is adopting this option on the appropriate question in the <i>Policy Statement for Free and Reduced-Price Meals, Attachment B: Meal Count/Collection Procedure(s)</i>.<sup>51</sup></li> </ul>

<sup>47</sup> Methods of determining categorical eligibility without household application include automated data matching, the letter method, and lists or others forms of documentation provided by the appropriate state or local agency.

<sup>48</sup> The CE is required to submit an updated *Policy Statement for Free and Reduced-Price Meals, Attachment B: Meal Count/Collection Procedure(s)* noting this choice. Form available from TX-UNPS Application screen. CEs must also submit their eligibility documents in the *Attachment B: Upload Attachments* in TX-UNPS | Application.

<sup>49</sup> See the *Official Roles Related to Eligibility and Verification* subsection in this section for additional information on a complete household application.

<sup>50</sup> See the *Administrator's Reference Manual, Section 20, Counting & Claiming* for additional information on this topic. Adjusted claims must be submitted in accordance with all applicable requirements.

<sup>51</sup> The CE is required to submit an updated *Policy Statement for Free and Reduced-Price Meals, Attachment B: Meal Count/Collection Procedure(s)* noting this choice. Form available from TX-UNPS Application screen. CEs must also submit their eligibility documents in the *Attachment B: Upload Attachments* in TX-UNPS | Application.

## Carryover Eligibility

Carryover applies to all the eligibility determinations from the previous school year. Before processing household applications for the current school year, students from households with eligibility determinations from the preceding year may be served reimbursable free and reduced-price meals during the carryover period of eligibility.

The carryover period extends to students who were enrolled in the previous school year and are enrolled and attending in the current school year<sup>52</sup>

1. for the first 30 operating days<sup>53</sup> of the current school year
- or
2. until a new eligibility determination is made

whichever comes first.

The carryover period is not intended to cause a delay in the processing of household applications or determining eligibility. CEs must still promptly process household applications or apply direct certification eligibility status based on information from Categorical Assistance Eligible programs or Other Source Categorical Eligible programs within ten operating days of receipt of a household application, list, or other documentation and notify households of the determination in a timely manner.

Information Box 2	
Carryover Eligibility Criteria Based on Previous Year's Eligibility Determination	
Carryover Eligibility applies to children who meet the eligibility criteria for each of the eligibility categories:	
1. Income Eligible	
2. Categorical Assistance Eligible Program—Direct Certification	
– SNAP	
– TANF	
– FDPIR	
– Medicaid Free	
– Medicaid Reduced	
3. Categorical—Other Source Categorical Eligible Programs	
– Foster	
– Homeless, including runaway and displaced by a declared disaster	
– Migrant	
– Early Head Start or Head Start pre-kindergarten program enrollment	
– Any SNAP, TANF, or FDPIR eligible child who is not directly certified	

### Carryover, Special Provision Schools

CEs must provide carryover eligibility (free status) to students transferring from a special provision school to a non-special provision school both during and between school years. The carryover period is 30 operating days or until there is a new eligibility determination, whichever comes first.

For those students who transfer from a special provision school to a non-special provision school within the same district, identifying a student who is now eligible for carryover will be handled school to school.

To facilitate the identification of students who transfer from CE to CE and who are now eligible for carryover, TDA provides a list of all schools operating a special provision program by school year at [www.SquareMeals.org](http://www.SquareMeals.org), National School Lunch Program/Special Provisions page.

If CEs need additional assistance, they should contact their ESC child nutrition specialist.

<sup>52</sup> See the definition for total enrollment in the *Definitions* section for additional guidance on this topic.

<sup>53</sup> USDA guidance defines a school's working days as the days when the school is open and teachers or school administrators are onsite, but the reimbursable meal service is not in operation. The carryover period is linked to meal program operation, so the first day of operation as it applies to carryover refers to the first day the meal program begins operation.

### Carryover for Special Provision Schools Returning to Standard Counting and Claiming

When a school returns to standard counting and claiming after operating a special provision program in the previous school year, the school will provide carryover eligibility (free status) for the first 30 days or until a new eligibility determination is made, whichever comes first.

### Household Lack of Response

At the end of the carryover period, free or reduced-priced eligibility for students whose households have not submitted new household applications must be terminated.

The CE is not required to send the household a denial letter or notice of adverse action for eligibility changes from the previous school year for students whose eligibility has been extended under the 30 operational day carryover period.

#### Household Application Resubmitted After Failure to Respond to Carryover Information Request

If the household submits a household application after the free or reduced-price benefits are terminated for lack of response at the end of the carryover period, the household is not required to submit income documentation with the household application. However, if the household application is denied or if it is chosen for verification and household benefits were decreased as a result of the verification process, income documentation must be requested when the household reapplies.<sup>54</sup>

### New Eligibility Determination

A new eligibility determination supersedes carryover eligibility.

### Temporary Closure or Delay in Opening of School

If the school is temporarily closed or has a delayed opening at the beginning of the school year, the CE determines the 30 operational day carryover period using the number of days of actual meal program operation. This includes disaster situations.

### Transfer to Another School in the CE

If a student transfers from one school to another school within the same CE, the carryover requirements apply.

### Year-Round Sites

The prior year's household applications may be carried over for 30 operating days following the first operating day for a given track.

For Example: A year-round school's first day of operation is July 1. The 30 operational day carryover period extends for 30 operating days starting on July 1.

## Processing Household Applications

Household applications may be submitted in person, by mail, by fax, by email, or online submission. For additional information on electronic signatures, see the definition subsection in this section in the *Definitions* and the *Electronic Household Application System* subsections in this section for more information on these methods.

CEs must adhere to the timelines established for the household application and award of free or reduced-price meals as follows:

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<sup>54</sup> See the *Administrator's Reference Manual (ARM)*, Section 6, *Verification of Eligibility* for additional information.

## Household Application Review

Household applications must be reviewed, and an eligibility determination made within ten (10) operating days of receipt of the household application. For new participants who do not have previously approved household applications on file from the previous year, household applications should be processed immediately whenever possible.

### Applications Submitted When School Is Not in Session

During breaks when schools are not in session, any household application received by the school may be held until the school's administrative staff resume their duties. This includes the period after July 1 (start of the new program year) until SNP staff resume program operation in August.

## Duration of Eligibility, Change of Circumstance

During the school year, a household may submit an application when there is a change in circumstance based on income or categorical program participation. When the CE receives the application, the CE must process the application using its normal process.

If a household experiences a change in circumstances that makes a student or students in the home ineligible for free or reduced-priced meals, an adult in the household may inform the CE. However, notification of this change is not a requirement since eligibility stays in effect the entire school year. If an adult in the house does notify the CE, the CE must inform the adult that the student receiving free or reduced-priced meals may continue to receive them for the remainder of the school year and the first 30 operating days of the following school year.

If the household decides to change the student's eligibility to decrease benefits—the change will only go into effect if the household requests the change in writing. This includes submitting a new household application but may be other written formats such as a handwritten note or email.

### Information Box 3

#### Eligibility Timeline Requirements

##### **Predetermined Eligibility Made at the First of the School Year**

Make the change prior to or during first week of school year.

##### **Information—New or Late Enrollees**

At enrollment

##### **Review of Application and Implementation of Benefits**

Make the determination within 10 operating days of receiving application; however, CEs are encouraged to review applications as quickly as possible.

##### **Implementation of Eligibility Determination**

Implement benefits within 3 operating days of the eligibility determination.

##### **Notice of an Increase in Benefits**

Make the change within 3 operating days of new eligibility determination.

##### **Adverse Action—Decrease in Benefits**

Make the change within 10 operating days after the end of the advance notice period (10 calendar days during which the household may appeal the determination).

##### **New Applicant Denial**

Make the change within 10 operating days after the end of the advance notice period (10 calendar days during which the household may appeal the determination).

##### **Advanced Notice Period**

Provide the household 10 calendar days in which to appeal a denial before implementing the new eligibility status.

##### **Second (or Independent Review) of Applications, If Applicable Based on Administrative Review Corrective Action**

Conduct the second review of the application within 10 operating days of receiving application.

### Duration of Eligibility, Verification

Eligibility determinations are valid for the entire year.<sup>55</sup> However, households that have been selected for verification may have their free or reduced-price meal benefits changed during the verification process.<sup>56</sup>

### New Residence

When a student takes up new residence in a household with an approved household application after the household application has been approved, the new student’s eligibility is not retroactive. Eligibility for the added student applies from the date the student is added to the household application.

### Notes about Contacts

The determining or reviewing official should record notes on efforts to address problematic issues. The notes should be made directly on the household application and initialed and dated by the determining or reviewing official.<sup>57</sup>

### Official Roles Related to Eligibility and Verification

Each CE must designate a specific person—Determining or Reviewing Official, Verification Official, and Hearing Official—in the Contracting Entity Application in the Texas Unified Nutrition Programs System (TX-UNPS) Application Packet screen.<sup>58</sup>

Eligibility/Verification Official Role Chart					
If a <b>No</b> is recorded at the intersection of the column and row, the individual <b>cannot</b> perform the required actions for both official roles.					
If a <b>Yes</b> is recorded at the intersection of the column and row, the individual <b>can</b> perform the required actions for both official roles.					
	Determining /Reviewing <sup>R</sup>	Hearing <sup>R</sup>	Verification <sup>R</sup>	Confirming <sup>O</sup>	Follow-Up <sup>O</sup>
Determining /Reviewing <sup>R</sup>	--	<b>No</b>	<b>Yes</b>	<b>No</b>	<b>Yes</b>
Hearing <sup>R</sup>	<b>No</b>	--	<b>No</b>	<b>No</b>	<b>No</b>
Verification <sup>R</sup>	<b>Yes</b>	<b>No</b>	--	<b>Yes</b>	<b>Yes</b>
Confirming <sup>O</sup>	<b>No</b>	<b>No</b>	<b>Yes</b>	--	<b>Yes</b>
Follow-Up <sup>O</sup>	<b>Yes</b>	<b>No</b>	<b>Yes</b>	<b>Yes</b>	--

**Key for Abbreviations**  
<sup>R</sup> = Required—CE **is required** to assign an individual(s) to perform the actions associated with this role.  
<sup>O</sup> = Optional— CE **is not required** to assign an individual(s) to perform the actions associated with this role, but the actions associated with this role **are required**.

<sup>55</sup> See the *Carryover Eligibility* subsection in this section for additional information on eligibility during the first 30 operational days of the following year.

<sup>56</sup> See the *Administrator’s Reference Manual (ARM), Section 6, Verification of Eligibility* for additional information on this topic.

<sup>57</sup> See the *Records Retention* subsection in this section for additional information on documenting additional information or clarified information that came from a contact with the household.

<sup>58</sup> See the *Administrator’s Reference Manual (ARM), Section 2, Program Application & Agreement* for additional information on submitting the determining or reviewing official role in TX-UNPS. See the *Administrator’s Reference Manual (ARM), Section 30, Records Retention* for more information on the CE application. See the *Income Eligibility Determination* and *Categorical Eligibility* subsections in this section for more detailed explanations of requirements related to household applications.

The CE must ensure that staff performing these roles have the necessary training or preparation to perform these roles effectively and accurately.

**Determining or Reviewing Official (Required)**

Person who reviews all applications, direct certification lists, and other documentation for categorical eligibility to make decisions related to eligibility.

Cannot be the same person as the confirming or hearing official

**Hearing Official (Required)**

Person who ensures that all required provisions are followed correctly and decides any time there is an appeal of decisions related to eligibility determinations.

Cannot be the same person as the determining or reviewing official, confirming, or verifying official

**Verifying Official (Required for Verification)**

Person who verifies the eligibility of applicant households.

Cannot be the same person as hearing official

May be the same person as determining or reviewing or confirming or follow-up official

**Confirming Official (Optional Designation, Required Action)**

Person who confirms that the initial determination made by the determining or reviewing official was accurate; cannot be the same person as the determining or reviewing or hearing officials.

May be the same person as the Follow-up or Verification Officials

**Follow-Up Official (Optional Designation, Required Action)**

Person who conducts follow-up with any household or agency that has not submitted requested or adequate information.

May be the same person as the Confirming or Verification Official

## **Special Situations, Official Roles**

**Educational Service Provider (ESP)**

If a CE (school district, charter school, private school, or RCCI) has assigned administrative responsibility to an education service provider (ESP)<sup>59</sup> for the operation of all SNP functions, the ESP may also be given operational authority for eligibility determination and verification. However, the CE must retain responsibility for ensuring that all program requirements are met.

## **Complete Application**

Before processing an application to determine eligibility, the determining or reviewing official is responsible for ensuring that the application is complete.

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<sup>59</sup> Authority for ESPs to manage educational and other operations for a school district or charter school is given by the Texas Education Agency (TEA); authority for an RCCI is given by the agency with regulatory authority for the RCCI; and authority for private schools is given by its governing board.

<b>Complete Household Application:</b>	If the household application is complete—contains the required information to determine eligibility, the official will review and determine the correct eligibility for the household.
<b>Incomplete Household Application:</b>	<p>If there are any unresolved inconsistencies or questions based on the required eligibility information the household provided or did not provide, the determining or reviewing official must deny the household application. However, the official must contact the household before denial, to attempt to resolve the issue within the 10 operating days allowed to process a household application. This may involve asking an adult in the household to complete sections of the household application that were left blank or were inaccurate.</p> <p>Every reasonable effort should be made to obtain missing information from the household before denying a household application.</p>

The *Checklist for Complete Household Application Chart* will assist CEs in determining if a complete application has been received.

## Checklist for Complete Household Application Chart

Based on Income	Based on Categorical Participation <sup>60</sup>
<ul style="list-style-type: none"> <li>○ <b>Names of All Household Members</b> <i>Does the application list all household members?</i> <ul style="list-style-type: none"> <li>– The number of names recorded on the application must match the total number of household members recorded.</li> </ul> </li> <li>○ <b>Last 4 Digits of the Social Security Number</b> <i>Does the application include the last four digits of an adult household member's social number or is the box for no Social Security number checked?</i> Household applications must include the last four digits of an adult<sup>61</sup> household member's Social Security number or an indication of no Social Security number.</li> <li>○ <b>Amount, Frequency, and Source of Current Income for All Household Members</b> <i>Does the application report the income or no income for all household members and an indication of income frequency?</i> <ul style="list-style-type: none"> <li>– For Adults: Names for all adults in the household must be recorded in the <i>Adult Income</i> section with the frequency of payment.</li> <li>– For Students: All income for students in the household is reported as one amount in the <i>Combined Income for Children</i> section with an indication of frequency.</li> </ul> <p style="font-size: small; margin-left: 20px;">[NOTE: The directions for the household application state that an income field left blank will be considered as no income; therefore, the CE accepts a blank income field as no income.]</p> </li> <li>○ <b>Signature<sup>62</sup> of Adult Attesting to the Accuracy</b> <i>Does an adult in the household sign the application?</i> <ul style="list-style-type: none"> <li>– The adult signing the household application must be listed on the application.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>○ <b>Names of All Household Members</b> <i>Does the application list all household members?</i> <ul style="list-style-type: none"> <li>– For All Other Categorical Programs: The number of names recorded on the application must match the total number of household members recorded.</li> <li>– For SNAP/TANF Applications: Not required.</li> </ul> </li> <li>○ <b>Last 4 Digits of the Social Security Number</b> <i>Does the application include the last four digits of an adult household member's social number or is the box for no Social Security number checked?</i> <ul style="list-style-type: none"> <li>– For All Other Categorical Programs: Household applications must include the last four digits of an adult household member's Social Security number or an indication of no Social Security number.</li> <li>– For SNAP/TANF: Not required.</li> </ul> </li> <li>○ <b>Indication of Categorical Eligibility</b> <i>Does the application indicate categorical program participation?</i> <ul style="list-style-type: none"> <li>– If the categorical program is SNAP/TANF, the eligibility applies to all students in the household.</li> <li>– If the categorical program is not SNAP/TANF, the eligibility applies to only the student who participates in the program marked.</li> </ul> </li> <li>○ <b>Signature of Adult Attesting to the Accuracy</b> <i>Does an adult in the household sign the application?</i> <ul style="list-style-type: none"> <li>– For All Other Categorical Programs: The adult signing the household application must be listed on the application.</li> <li>– For SNAP/TANF: An adult living in the household must sign the application.</li> </ul> </li> </ul>

After the determining or reviewing official determines that an application is complete, the official processes the application to determine eligibility.

### Household Provides Additional Documentation

If a household submits an incomplete application and voluntarily provides pay stubs but did not record the income information on the household application, the determining or

<sup>60</sup> Medicaid Free and Medicaid Reduced eligibility cannot be determined using an application

<sup>61</sup> An adult is defined as any individual age 18 and older. Therefore, an individual younger than 18 years of age cannot complete and/or sign her or his own household application unless (1) the signer is an emancipated minor child or (2) the parent of the student is under 18. The signature of a parent, who is under the age of 18, is considered to be an adult signature in this case.

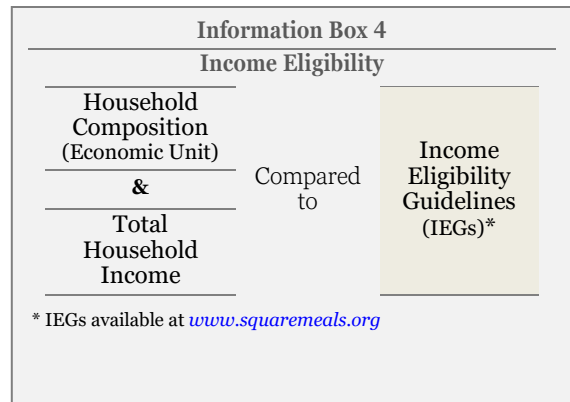
<sup>62</sup> Any printed name or cursive signature appearing in the space following the certification statement is an acceptable signature. Legal signatures do not have to be cursive. An X may be considered a signature.



reviewing official should contact the household and ensure that the stubs reflect the total household income before processing the application.

**Voluntary Submission of Conflicting Information**

If a household provides additional information, and this additional information conflicts with the information recorded on the household application, the household application must be approved based only on the information recorded on the household application. The additional information cannot be considered in the initial approval.



However, in cases where there is conflicting information, the CE determining or reviewing official must also take one of the following actions:

<p><b>Action 1</b></p> <p>Send the household a notice of approval and a notice of adverse action at the same time. This provides the household opportunity to resolve the discrepancy during the 10 calendar days advance notice period.</p>	OR	<p><b>Action 2</b></p> <p>Send the household a notice of approval and a verification letter (based on verification <i>For Cause</i>) at the same time.<sup>63</sup></p>
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The CE determining or reviewing official is in the best position to determine the appropriate action to be taken. The inconsistency in information must be resolved quickly.

**Households That Do Not Submit a Household Application, Submitting on Behalf of the Student**

Local officials may complete a household application on behalf of a student known to be eligible if the household does not submit a household application, including disaster or emergencies. In these cases, the local official is expected to use the best available information in this process. This option is intended for limited use in individual situations and must not be used to make eligibility determinations for categories or groups of students.

**Who Completes the Application**

When exercising this option, the official must complete a household application on behalf of the student based on the best available household size and income information. The source of the information must be noted on the household application.

**Required Information**

Names of all household members, the last four digits of the social security number **or an indication of no Social Security number** of the person completing the form. The signature of an adult household member is not required in this situation. However, any additional information the local official provides will be helpful to the determining or reviewing official.

**Household Notification**

The household must be notified that the student has been certified to receive free or

<sup>63</sup> See the *Administrator’s Reference Manual (ARM), Section 6, Verification of Eligibility* for additional information on verification for cause.

reduced-price benefits.

#### Verification Pool

These household applications are excluded from verification.

#### Presidentially Declared Disaster

When locations are designated as Presidentialy Declared Disasters, school officials often take a greater role in identifying homeless or displaced students while the homeless coordinator finalizes documentation. This effort ensures that students can receive meals while the paperwork is completed.

#### Information Box 5 Household Composition

##### Household Composition

- The number of members within an economic unit represent the composition of the household.

##### Economic Unit

- A group of related or unrelated individuals living as one economic unit—share housing and/or significant income and expenses among members—are one economic unit.
- Generally, individuals residing in the same house are an economic unit.
- This term does not apply to residents of an institution or boarding house.

##### Multiple Units in One Household

- More than one economic unit may reside together in the same house.
- When there are separate economic units in the same house, the units commonly prorate expenses and maintain economic independence from one another.

## Income Eligibility Determination

To determine if a household meets income eligibility requirements for free or reduced-priced meals, CE officials must compare the most current Income Eligibility Guidelines (IEGs) to the household composition and the current total household income. Household composition is the number of individuals living in the household.

[NOTE: If the household does not provide enough information to determine the number of individuals living the household, the CE must contact the household and request information on household composition.]

### Determining Household Composition

The determining or reviewing official must determine the number of household members—*household composition*—in order to compare the household composition and the total household income to the IEGs. While the term *household* is commonly used to mean a *family unit*, for SNPs the number of members in the household is determined by *economic unit—a group of related or unrelated individuals who live as a unit sharing housing, income, and expenses*.

Although individuals residing in the same house are generally a single economic unit, more than one economic unit may reside in the same house. Separate economic units in the same house are characterized by prorating expenses and economic independence from one another. If there are multiple units in one household, the determining or reviewing official will need to ensure that each household prorates expenses by unit and maintains economic independence from one another.

#### Information Box 6

##### No Income Reported

The directions for the household application must request that the person completing the application indicate zero income for any household member that does not have an income. However, the household application directions must also state that if an income field for any household member is left blank, the household member signing the application is stating that there is no income to report for that individual.

In cases where no income is indicated on the household application, the determining or reviewing official will process the application as complete as long as the rest of the application is complete.

If the determining or reviewing official has available or known information that the household has intentionally misreported its income, the application must be verified for cause. However, a CE must not intentionally select every household application that is submitted with no income for verification for cause.

#### Income Guidelines for Free and Reduced-Price Meals<sup>64</sup>

The household size and income levels prescribed annually by the U.S. Secretary of Agriculture are used for determining eligibility for free and reduced-price meals.

- Free—At or below 130 percent of the federal poverty guidelines
- Reduced-price—Between 131 and at or below 185 percent of the federal poverty guidelines

#### Current Income

The current income of the household is based on total income brought into the home by all members of the household.<sup>65</sup> This includes those who work full or part-time and those who receive income from nonwork-related sources. Income is the total gross income received by a household before deductions (income taxes, employee's Social Security taxes, insurance premiums, and bonds) except for self-employment income.

Current income is the gross income received by a household, before deductions, for

- the current month,
- the amount projected for the first month for which the application is filled out, or
- the month prior to application.

If this income is higher or lower than usual and does not fairly or accurately represent the household's actual circumstances, the household may, in conjunction with determining officials, project its annual rate of income based on the circumstance of the situation. These circumstances are described in the special situation guidance located throughout this subsection.

#### Garnished Wages and Bankruptcy

Court ordered payments, garnished wages, and bankruptcy payments are not excluded from total gross income. This includes, but is not limited to, alimony or child support.

<sup>64</sup> See the *Income Exclusions Chart*, *Federal Payment Exclusions Chart*, and *Special Situations in Determining Household Income* subsection in this section for additional information on income eligibility guidelines.

<sup>65</sup> See the *Determining Household Composition* subsection in this section for an explanation of households with multiple economic units. If there are multiple units, each unit's total income is considered separately from other economic units in the same household.

**When No Income Is Recorded**

If there is no income recorded on the household application, the household application is considered complete. However, the CE must state that a blank income field indicates no income in the instructions for completing the household application.

Although the determining or reviewing official may need to use her or his own discretion in some instances, *Income Frequency and Determination Chart* illustrates how the determining or reviewing official calculates total income:

Income Frequency and Determination Chart																																										
Income Frequency	Determination of Current Income <sup>66</sup>	Eligibility Consideration																																								
Monthly Current Income	<p>When households report most current income for the household,</p> <ul style="list-style-type: none"> <li>the amount may be for the current month</li> </ul> <p><b>OR</b></p> <ul style="list-style-type: none"> <li>the amount projected for the month for which the household application is completed</li> </ul> <p><b>OR</b></p> <ul style="list-style-type: none"> <li>the month prior to filling out the household application.</li> </ul>	<p>If all sources of income are received in the same frequency, no further actions are needed before determining eligibility.</p> <p>If the sources of income are received at different frequencies, the determining or reviewing official must apply a Conversion Factor (below) to determine annual income before determining eligibility.</p>																																								
Annual Current Income	<p>If a household provides annual income only, the CE may contact the household to ensure that the household has provided current income. However, the household <u>cannot be required</u> to provide documentation of income during the household application process.</p>	<p>After ensuring that the reported annual income is accurate, no further steps are needed before determining eligibility.</p>																																								
Conversion Factor	<p>If there are household income sources with varied frequencies,<sup>67</sup> the determining or reviewing official must apply the appropriate conversion factor to each income source as reflected in the following chart:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th colspan="3">Frequency Number Conversion Factor</th> </tr> </thead> <tbody> <tr> <td>Weekly</td> <td>x</td> <td>52</td> </tr> <tr> <td>Bi-Weekly (every two weeks)</td> <td>x</td> <td>26</td> </tr> <tr> <td>Semi-Monthly (twice a month)</td> <td>x</td> <td>24</td> </tr> <tr> <td>Monthly</td> <td>x</td> <td>12</td> </tr> </tbody> </table>	Frequency Number Conversion Factor			Weekly	x	52	Bi-Weekly (every two weeks)	x	26	Semi-Monthly (twice a month)	x	24	Monthly	x	12	<p>After converting each income source, add the amounts of all incomes together to get the annual income—annualized income, use the IEG chart to determine income eligibility.</p> <p><i>For Example:</i></p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th colspan="5">Multiply Income Received by Frequency and Add All for Household Yearly Total</th> </tr> </thead> <tbody> <tr> <td>\$98</td> <td>Weekly</td> <td>x</td> <td>52</td> <td>= \$5,096</td> </tr> <tr> <td>\$476</td> <td>Bi-Weekly</td> <td>x</td> <td>26</td> <td>= \$12,376</td> </tr> <tr> <td>\$1,076</td> <td>Monthly</td> <td>x</td> <td>12</td> <td>= \$12,912</td> </tr> <tr> <td colspan="4"><b>Household Yearly Total</b></td> <td><b>= \$30,384</b></td> </tr> </tbody> </table> <p>[NOTE: CEs cannot use conversion factors such as 4.33 to convert weekly income or 2.15 to convert bi-weekly income to monthly amounts. If a CE uses software for the household application process or certification purposes, the software cannot use conversion factors such as 4.33 to convert weekly income or 2.15 to convert bi-weekly income to monthly amounts and cannot automatically convert income unless there are different frequencies.]</p>	Multiply Income Received by Frequency and Add All for Household Yearly Total					\$98	Weekly	x	52	= \$5,096	\$476	Bi-Weekly	x	26	= \$12,376	\$1,076	Monthly	x	12	= \$12,912	<b>Household Yearly Total</b>				<b>= \$30,384</b>
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<sup>66</sup> See the *Special Situations in Determining Household Income* subsection in this section for additional information on income that may not be reflected in explanation.

<sup>67</sup> For example, one person in the house receives a weekly income; another monthly income.

The *Income Exclusions Chart* and *Federal Payment Exclusions Chart* provide a partial list of income sources that should be included or excluded when determining household income. The Supplemental Security Income Program maintains an extensive list at [www.socialsecurity.gov/OP\\_Home/cfr20/416/416-app-k.htm](http://www.socialsecurity.gov/OP_Home/cfr20/416/416-app-k.htm). The household always has the right to provide documentation or to request a determination about a source of income that may be excluded from the school nutrition programs.

<b>Income Exclusions Chart</b>	
The following income sources are excluded when determining income eligibility for meal programs:	
<p><b>Non-Military</b> By Statute</p> <ul style="list-style-type: none"> <li>Any cash income or value of benefits excluded by statute, common exclusions include benefits under the SNAP or FDPIR and some federal educational benefits</li> <li>Payments received from a foster care agency or court for the care of children</li> <li>Agent Orange Compensation Exclusion Act (Public Law 101-201)</li> </ul> <p><b>In Kind</b></p> <ul style="list-style-type: none"> <li>In-kind compensation, such as housing for clergy and similar non-cash benefits</li> </ul> <p><b>Educational Assistance</b></p> <ul style="list-style-type: none"> <li>Student financial assistance provided for the costs of attending an educational institution, such as grants and scholarships awarded to meet educational expenses and not available to pay for meals</li> </ul> <p><b>Temporary Income</b></p> <ul style="list-style-type: none"> <li>Loans, such as bank loans, since these funds are only temporarily available and must be repaid</li> <li>Occasional earnings received on an irregular basis (not recurring, such as payment for occasional baby-sitting or mowing lawns)</li> </ul> <p><b>Lump Sum Payments</b></p> <ul style="list-style-type: none"> <li>Lump sum payments or large cash settlements are not counted as income since they are not received regularly. This includes, but is not limited to, insurance compensation for a loss.</li> </ul>	<p><b>Military Benefits</b> In-Kind</p> <p>In-kind benefits such as non-privatized on-base housing, where no cash is provided to the household</p> <p><b>Family Subsistence Supplemental Allowance (FSSA)</b> Military household income classified as FSSA Privatized Housing Allowances<sup>68</sup></p> <p>A housing allowance appearing on the leave and earnings statement of service members living in privatized housing, applying only to service members living in housing covered under the Military Housing Privatization Initiative (Not included in this exclusion—housing allowances for households living off-base in the general commercial or private real estate market)</p> <p><b>Combat Pay</b></p> <ul style="list-style-type: none"> <li>Received in addition to the service member’s basic pay</li> <li>Received as a result of the service member’s deployment to or service in an area that has been designated as a combat zone</li> <li>Not received by the service member prior to her or his deployment to or service in a designated combat zone</li> </ul> <p><b>Deployment Extension Incentive Pay</b> Extended to Deployment Extension Incentive Pay (DEIP) given to active-duty service members who agree to extend their military service by completing deployment with their units without re-enlisting (Not included in this exclusion—service members who have returned to their home station or are not considered deployed)</p>

<sup>68</sup> Additional information about Department of Defense Military Housing Privatization Initiative, including a list of affected installations, may be found at [www.acq.osd.mil/housing](http://www.acq.osd.mil/housing).

### Federal Payment Exclusions Chart

The following income payment, reimbursements, or value of assistant sources excluded when determining income eligibility for meal programs.

#### American Indian

- Indian tribal land held in trust from certain sub-marginal land of the U.S.
- Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970

#### Child Care Related

- At-risk block grant childcare under Section 5081 of Public Law 101-508, which amended Section 402(i) of the Social Security Act
- Child Care under section 402(g)(1)(E) of the Social Security Act
- Child Care and Development Block Grant (Public Law 102-508), (15) under AmeriCorps to the extent excluded by the National and Community Service Act of 1990
- Child Care and Development Block Grant Act, as amended (Public Law 102-586, Sec. 8(b))

#### Disability

- Agent Orange Compensation Exclusion Act (Public Law 101-201)

#### Disaster

- Disaster Relief Act of 1974, as amended by the Disaster Relief and Emergency Assistance Amendments of 1989 (Public Law 100-707)
- National Flood Insurance Program (NFIP)

#### Utility Assistance

- Payments under the Low-income Home Energy Assistance Act, PL.99-125

#### Education

- Carl D. Perkins Vocational Education Act, as amended by the Carl D. Perkins Vocational and Applied Technology Act Amendments of 1990 (Public Law 101-392)
- Title IV of the Higher Education Act of 1965 (Pell Grant, Supplemental Education Opportunity Grant, State Student Incentive Grants, National Direct Student Loan, PLUS, College Work Study, and Byrd Honor Scholarship Programs) to the extent excluded by that Act

#### Low Income

- Community Development Act of 1987
- Cranston-Gonzales National Affordable Housing Act (Public Law 101-625)
- Housing and Community Development Act of 1987
- Low-income Home Energy Assistance Act (Public Law 99-125)
- Old Age Assistance Claims Settlement Act, except for per capita shares in excess of \$2,000
- Richard B. Russell National School Lunch Act, the Child Nutrition Act of 1966, and the Food and Nutrition Act of 2008—

#### Volunteer Service

- Small Business Act (SCORE and ACE), Section 8(b)(1)(B)
- Social Security Act, Section 402(g)(1)(E)
- Title I (VISTA and others) and Title II (RSVP) of the Domestic Volunteer Service Act of 1973 to the extent excluded by that Act

### Reported Income

On an income-based application, the household reports gross earned income, i.e., any money received on a recurring basis. This includes all money earned before deductions are made for income taxes, employee's Social Security taxes, insurance premiums, and bonds.

Reported income includes the following sources:

#### Annuities

- Annuities and income from estates and trusts

#### Earnings from Work

- Wages, salaries, tips, and commissions
- Net income from self-owned businesses and farms
- Strike benefits, unemployment compensation, and worker's compensation
- Military basic pay and cash bonus and allowances for off-based housing, food, and clothing

### Farm Income

- Net income for self-employed farmers is figured by subtracting the farmer's operating expenses from the gross receipts.
  - Operating Expenses: A farmer's operating expenses including the cost of the following:
    - Feed, fertilizers, seed, and other farming supplies
    - Cash wages paid to farmhands
    - Depreciation charges, including cash rent, interest on farm mortgages, farm building repairs
    - Farm taxes—but not state and federal income taxes
  - Gross Receipts: Gross receipts include the value of the following:
    - All products sold
    - Money received from the rental of farmland, buildings, or equipment
    - Incidental receipts from the sale of items such as wood, sand, and gravel

### Earned Interest, Dividend Income, Royalties, and Investment Income

- Earned interest, and dividend income, net royalties, and/or investment income

### Lump Sum Payment

- Regular withdrawals from a saving account where lump sum payments or large cash settlements are deposited

### Other Income

- Any other money that may be available to pay for student's meals
- Cash withdrawal from savings
- Regular contributions from persons not living in the household

### Rental Income

- Net rental income

If a household owns a housing unit and rents living space to another household, the income from renting of a room/s, an apartment, or other space must be included as income. The treatment of rental income is similar to self-employment income.

[NOTE: If two separate households rent living space and one household gives its portion of the rent to the other household which, in turn, pays the full rent to the landlord, the household paying the rent does not count the rent payment as income. The household is performing a simple financial transaction that does not provide the household with additional income.]

### Seasonal Workers and Others with Fluctuating Income

#### Annual rate of income for these types of income

#### Special Guidance for Seasonal Workers and Others with Fluctuating Income:

Seasonal workers include those with annual employment contracts but who may choose to have salaries paid over a shorter period. This includes school employees.

Seasonal workers and others whose income fluctuates usually earn more money in some months than in other months. Consequently, the previous month's income that is reported on the free and reduced-price meal household application may distort the household's actual circumstances.

The determining or reviewing official must determine the period for which earnings are received as well as the full amount of income available to such workers on an annual basis and, then, convert all income sources to an annual amount. This process treats these employees in the same manner as employees who choose to have their salaries paid over the full year.

In these situations, a household may project an annual rate of income and report this amount as current income. If the prior year's income provides an accurate reflection of the household's current annual rate of income, the prior year may be used as a basis for the projected annual rate of income.

#### Social Security with Election to Have Taxes Withheld

##### Gross income from monthly Social Security payments

###### Special Guidance for Social Security Payments

Social Security recipients may choose to have taxes withheld from their monthly checks. Therefore, the amount of the Social Security check does not represent the gross monthly payment for the household. In these cases, the CE will need to ask for additional information that shows gross monthly income for the Social Security payment.

#### Self-Employment Income

Current year's net income or current monthly income is a more accurate measure

###### Special Guidance for Self-Employment Income:

Self-employed individuals may use the previous year's income as a basis to project their current year's net income, unless their current monthly income provides a more accurate measure. These individuals are credited with net income rather than gross income.

Net income for self-employment is figured by subtracting business expenses from gross receipts. The following explanations help to define terms related to self-employment income:

- Gross receipts include the total income from goods sold or services rendered by the business.
- Deductible business expenses include the cost of goods purchased, rent, utilities, depreciation charges, wages and salaries paid, and business taxes—but not personal, federal, state, or local income taxes.
- Non-deductible business expenses include the value of salable merchandise used by the proprietors of retail businesses.
- Net income for self-employed farmers is figured by subtracting the farmer's operating expenses from the gross receipts.
- Gross receipts include the value of all products sold; money received from the rental of farmland, buildings, or equipment to others; and incidental receipts from the sale of items such as wood, sand, or gravel.
- Operating expenses include the cost of feed, fertilizer, seed, and other farming supplies; cash wages paid to farmhands; depreciation charges; cash rent; interest on farm mortgages; farm building repairs; and farm taxes—but not local, state, and federal income taxes.

For a household with income from both wages and self-employment, each amount must be listed separately. When there is a business loss, income from wages may not be reduced by the amount of the business loss. If income from self-employment is negative, it should be listed as zero income.



#### State or Local Government Assistance

- Regular cash assistance from state or local government, including, but not limited to, adoption assistance payments

#### Retirement or Disability Benefits

- Pensions, retirement income, and veteran's benefits
- Social Security
- Supplemental Security Income (SSI)
- Disability benefits, including but not limited to Retirement, Survivors, Disability Insurance (RSDI)

#### Welfare, Child Support, Alimony

- Public assistance payment or welfare benefits (e.g., TANF, General Assistance, General Relief)
- Alimony or child support payments received

### Enrollment Changes

CEs should have a process in place to expedite household applications when enrollment changes occur.

#### Prospective Students Not Currently Enrolled

A CE may allow parents to complete a household application for students not currently enrolled. In these cases, CEs should provide the most current household application for free and reduced-price meals. This proactive strategy helps to accomplish the following:

- raise awareness of the program,
- expedite identification of eligible participants for the upcoming school year, and
- provide free or reduced-priced meals to students during the 30 operational day carryover period<sup>69</sup> for the following school year—free or reduced-priced meals that would not have been awarded until after a household application was approved.

Eligibility status for these students applies only to the carryover period,<sup>70</sup> the first 30 operating days of the new school year. The parent must fill out a new household application for the current school year for the CE to determine eligibility for the remainder of the year.

For Example: A CE conducts kindergarten round up at the end of SY 2016–2017. During the round up, households can submit free or reduced-price household applications.

An eligibility determination based on an SY 2016-2017 household application may be used for carryover eligibility during the first 30 operating days of SY 2017-2018.

The SY 2016-2017 household application eligibility determination does not extend beyond the carryover period.

#### Siblings from Previously Eligible Households

At the start of a new school year, if a sibling was not listed on previous year's household application but lives in a household that was eligible for free or reduced-price meals during the previous year, the CE must extend the eligibility to the sibling for the 30-operational day carryover period. This would include a sibling who is no longer enrolled.

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<sup>69</sup> See the *Carryover Eligibility* subsection in this section for additional information.

<sup>70</sup> See the *Carryover Eligibility* subsection in this section for additional information.

A new household application is required after the first 30 operating days of school so that the CE can determine eligibility for the current school year. If the household is directly certified for participation in a Categorical Assistance Eligible program,<sup>71</sup> a new household application is not required.

#### Reapplying for Free or Reduced-Price Meals in the Same Year After Termination

Households that reapply after the termination of free or reduced-priced meals as a result of verification must submit income documentation with their updated household application.<sup>72</sup>

#### Transfer—Return to Original CE

If a student transfers to a new CE and then returns to the first CE, the student’s eligibility stays in effect.

#### Transfer—Within the Same CE (Non-CEP Schools)

If a student transfers to another school in the same CE in the same school year, her or his eligibility must be transferred.

#### Transfer—Within the Same CE for Community Eligibility Provision (CEP) or Provision 2 (P2) School

If a transfer from a special provision school to a non-special provision school within the same CE is done in a non-base year, a new household application or determination of eligibility for participation in a Categorical Assistance Eligible program<sup>73</sup> or Other Categorical Eligible Program is required unless there is an approved household application for another student in the household on file. The new school must process a household application within 10 days and provide free meals to the student until an eligibility determination is made.

#### Texas Records Exchange System

In Texas, school districts use the web-based Texas Records Exchange (TREx) system software application to exchange electronic student records. Using the TREx application, school districts can electronically request and receive records for students who have attended or will be attending Texas public schools. Information related to NSLP/SBP eligibility may be exchanged through this system. For more information on how to use this system for this purpose, CEs should contact the Texas Education Agency.

#### Special Situations in Determining Household Income

Because the composition of households can be complex, determining or reviewing officials may need to use their own discretion in special situations. However, the following guidance can help in deciding in special situations.

##### Court-Ordered Household

##### Adopted Child

A student for whom a household has accepted legal responsibility is considered to be a member of that household. If the adoption is a subsidized adoption, which may include children with special needs, the subsidy is included in the total household income. Adopted children that receive payment under Title IV-E of the Social Security Act who are zero benefit recipients of TANF must include the amount of assistance as household income on the household application.

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<sup>71</sup> SNAP, TANF, and FDPIR

<sup>72</sup> A CE cannot require income documentation for a household application submitted after the initial distribution and collection of applications at the first of the year.

<sup>73</sup> SNAP, TANF, and FDPIR

### Emancipated Minor Child

An emancipated minor child living alone or as a separate economic unit is considered to be a household of one. Age is not a factor in defining an emancipated minor child. An emancipated minor child signs her or his own household application and is not required to provide a Social Security number or the last four digits of his or her Social Security number. A student who lives with her or his parents and is required to pay for room and board is not considered a separate economic unit. Most students paying room and board are usually paying a token amount and are not economically independent of their parents and therefore, not considered to be emancipated.

### Foster Child

A foster child is a child whose care and placement are the responsibility of the state or a child who is placed by a court with a caretaker household. Such a child is considered a member of the foster parent/s' household. A child placed with relatives through a formal arrangement by the courts or the state is also considered a foster child. In these cases, the foster parents will have court documentation that indicates their role.

#### Additional Non-Foster Children a Household

It is optional for the household to list foster children residing in the home on a free and reduced-price meal household application for non-foster children. However, if the household lists a foster child on its household application for non-foster children, then the foster child's personal income—part-time job or funds provided to the child for her or his personal use—must be reported and included in the eligibility determination. Income the household received for the care of the foster child must be included in household income.

#### Adopted Foster Child

Because of the yearlong eligibility, the free eligibility status of a foster child does not change within the year even if the child is adopted during the year the eligibility determination was made. This eligibility extends into the first 30 operating days of the subsequent school year—the carryover period.

However, for the subsequent school years, an adopted child's eligibility must be based on the economic unit of the household and all income available to that household. Reported income includes any adoption assistance.

#### State-Assigned Permanent Managing Conservatorship

A child whose care is controlled by a state-assigned Permanent Managing Conservatorship will follow the same requirements as a foster child.

#### Informal Placement

A child is not considered a foster child if placed informally with relatives but not through court or state intervention. However, the guidance in the subsection for a *Not Living in a Traditional Home* may apply to this student.

While a foster child is eligible for free meals, the eligibility of the foster child does not apply to other students in the household. The household may include the foster child as a member of the household or may submit an application that does not include the foster child as a household member.

### Joint Custody

When joint custody has been awarded by the court and the child physically changes residence for prescribed periods, the child is considered part of the household where he or she resides during that period. In these situations, if both parents apply for free or reduced-price meals in the same CE for the student and different eligibility status results, the greatest benefit level is used.

For Example: If the father's situation results in eligibility for free meals while the mother's household application is denied, the student would receive free meals regardless of which parent was housing the student.

### One Parent Refuses Free or Reduced-Price Meals

However, if one of the parents chooses to refuse services, on the days the child is with that parent and the parent pays for the student's meals, the student's meals cannot be counted in the day's free or reduced-price meals served totals. This does not affect the free and reduced-price meals for the student when residing with the other parent.

### Other Students in the Household

If one parent applies for free or reduced-priced meals for other students in the household, the student for which the parent has joint custody may be counted as a member of the household.

### Hardship Situations

Households that are not categorically eligible or income-eligible cannot be approved for free or reduced-priced meals. USDA has no provisions for making exceptions based on unusual household circumstances, such as high medical expenditures. The only exception to this requirement is students who have been made homeless or displaced by a declared disaster.

### Homeless or Displaced Family in a Declared Disaster

When a household has undergone a disaster and moved in with another household, the host family's household composition and income should not be reported on the homeless or displaced family's household application.

When a host family for a homeless student or family applies to receive free and reduced-price meals for their own students, the host family may include the homeless student or family as household members in their household composition if the host family provided financial support to the homeless family, such as shelter, utilities, clothing, or food. In this case, the host family must also include any income received by the homeless family as household income in a household application.

Being listed on the host family's household application does not affect the homeless student's eligibility for free meals.

### Military

#### Deployed Service Personnel

Family members not living with the household for an extended period are not usually considered household members. However, any member of the armed services who is activated or deployed in support of any military combat operation is counted as a household member.<sup>74</sup> Any money made available by them or on their behalf for the household is included as income to the household except for combat pay as described in the *Income Exclusion Chart and Federal Payment Exclusions Chart* in this section. Determining or reviewing officials will find

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<sup>74</sup> See the *Income Inclusions Chart and Federal Payment Exclusions Chart* in this section for additional information on this topic.

additional information in the *Eligibility Manual* available at [www.SquareMeals.org](http://www.SquareMeals.org).

#### Military Benefits

Benefits paid directly to the service person such as housing allowances and food or clothing allowances are considered income. See the *Income Exclusions Chart* and the *Federal Income Exclusions Chart* in this section for additional information on income excluded for those in the military, including privatized housing.

#### Not Living in a Traditional Home

##### Student Attending an Institution

A student who attends but does not reside in an institution is considered a member of the household in which he or she resides.

##### Student Away at School

A student who is temporarily away at school (e.g., attending boarding school or college) is not considered to be a household of one. Instead, the student's eligibility is based on her or his family's household composition and income. If a student is attending an SNP participating boarding school and wishes to apply for free or reduced-price meals, he or she is not considered a household of one. This also applies to foreign students attending boarding schools.

##### Student Living with One Parent, Relative, or Friends

In cases where no specific welfare agency or court is legally responsible for the student or where the student is living with one parent, other relatives, or friends of the family, the student is considered to be a member of the household with whom he or she resides.

##### Children of Divorced Parents

Children of divorced or separated parents are generally part of the household that has custody.

##### Student Residing in an Institution or RCCI

A student residing in a non-participating institution but who attends an SNP participating school during the week or a student residing in a participating RCCI is considered a household of one. See the *Administrator's Reference Manual, Section 26, Residential Child Care Institutions* for more information on this topic.

##### Family Members Living Apart

Family members living apart temporarily are considered household members. Family members not living with the household for an extended period are not considered members of the household for purposes of determining the number of members in the household, but any money made available by them or on their behalf for the household is included as income to the household.<sup>75</sup>

##### Foreign Exchange Student

A foreign exchange student is considered to be a member of the household in which he or she resides—the household hosting the student.

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<sup>75</sup> See the *Military* subsection in this section for additional requirements related to military deployment.

### Residential Child Care Institutions (RCCI)—Students Attending a School That Administers a School Nutrition Program (SNP)

Each student residing in an RCCI is considered to be a household of one. Unless the RCCI submits a master list to the CE’s determining or reviewing official where the student attends school, the RCCI should submit a separate household application for each student.

#### RCCI Master List

If the RCCI submits an eligibility documentation sheet to a CE—Master List—to establish eligibility for students residing in the RCCI that attend one of the CE’s schools, the documentation sheet must include the following information:

- Student’s name
- Student’s date of birth
- Personal income received by the student, including frequency of income
- Date of admission to the RCCI
- Date a student is no longer resides or enrolled at the RCCI
- Signature,<sup>76</sup> title, and contact information of the official authorized to provide the information

To simplify the development of a master list, a CE may record a note on the master list indicating that all students have zero income as long as the note states that the zero income applies to all students and is signed and dated by a staff member who can certify the accuracy of the information. The date of admission and date of exit/discharge should be recorded for each student since the dates are not likely to be exactly the same.

#### RCCI Residential Students

For students that are residents of the RCCI, each student on the master list is considered to be a household of one. The CE will use the information on the master list to determine the eligibility of each student.

#### RCCI Non-Residential or Day Students

The eligibility for non-residential or day students is based on household income or categorical eligibility. The RCCI is responsible for distributing and collecting household applications from non-residential students.

The eligibility of non-residential students cannot be determined without an application unless the student is directly certified as categorically eligible.

If an RCCI chooses to provide meals to all day students at no cost, the RCCI must still determine the eligibility of each day student and claim reimbursable meals for these students by eligibility status—free, reduced-price, or paid.

## Categorical Eligibility Determination

The SNP uses categorical eligibility to provide free meals to students of high need. There are two types of categorical eligibility:

- Categorical Assistance Eligible Programs:

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<sup>76</sup> See the *Definitions for This Section* in this section for additional information on actual signatures and electronic signatures.

- SNAP (includes D-SNAP)
- TANF
- FDPIR
- Medicaid Free
- Medicaid Reduced

Participation in one of these programs makes all students in the household eligible for free meals. When a CE makes a direct certification determination of eligibility based on SNAP/TANF/Medicaid<sup>77</sup> data, this eligibility takes priority over all other determinations.

**Use of the Texas Eligibility List Management System (Texas-ELMS)**

TDA, in cooperation with Texas Health and Human Services (HHS) and TEA, has developed Texas-ELMS, a database that allows CEs to match the names of enrolled students whose households qualify for SNAP, TANF, Medicaid Free, or Medicaid Reduced. CEs use this system for two purposes: Direct Certification and Direct Verification. When CEs use this system, CEs must adhere to the following guidance:

- Use of and access to Texas-ELMS is limited to those who are authorized users per the *Security Authority for User Access Manager Form (FND-135)* form on file. CEs must limit staff access to those who need to use the information in the system. However, CEs are also encouraged to have at least one back-up person who can use the system.
- CE must ensure that the information obtained from the system is protected.
- Information obtained from the system must be used as described in the guidance provided in *Administrator's Reference Manual (ARM), Section 3, Civil Rights and Confidentiality.*
- The Direct Certification component of Texas-ELMS is used to directly certify households for a School Nutrition Program. The system may not be used for any other purpose unless allowed by regulation.<sup>78</sup>
- The Direct Verification component of Texas-ELMS is used to directly verify a household that has been chosen for verification. When a household is directly verified for participation in SNAP, TANF, Medicaid Free, or Medicaid Reduced, the CE must then add the students in the household to the Direct Certification List.
- When a CE matches a student in Texas-ELMS, the CE must ensure that the

Information Box 7
Categorical Program List
– Supplemental Nutrition Assistance Program (SNAP); Temporary Assistance for Needy Families (TANF); or Food Distribution Program on Indian Reservations (FDPIR)
– Homeless, including runaways and individuals displaced by declared disasters
– Foster
– Migrant
– Head Start and Early Head Start pre-kindergarten programs.
– Medicaid Free if directly certified in Texas-ELMS
– Medicaid Reduced if directly certified in Texas-ELMS

<sup>77</sup> Medicaid Free and Medicaid Reduced eligibility must be determined using information from Texas-ELMS.

<sup>78</sup> See *Administrator's Reference Manual (ARM), Section 3, Civil Rights & Confidentiality* and the *Use of Household Applications and Eligibility Data for Nonprogram Purposes* subsection in this section for additional information on the use of eligibility information.

match is for the student enrolled at the school. By confirming that the student or sibling has a shared address, birthdate, or another indicator, the CE can ensure that the match is accurate.

- Other Source Categorical Eligible Programs:
  - Homeless, including runaways and individuals displaced by declared disasters
  - Foster<sup>79</sup>
  - Migrant
  - Head Start and Early Head Start pre-kindergarten programs

Participation in one of these programs makes only the student participating in the program eligible for free meals. Direct certification for one of the Other Source Categorical Eligible programs takes priority over income determinations.

A CE's eligibility system or point of service (POS) must be able to identify the specific categorical program eligibility for each categorically eligible student. In addition, CEs must retain documentation that demonstrates that their direct certification eligibility determinations are accurate.<sup>80</sup>

### **Categorical Assistance Eligible Program Determination Guidelines**

If any person in the household is a participant in a Categorical Assistance Eligible Program, all students in the household are eligible for free meals.

#### **Extension of Benefits**

If any person, including adults,<sup>81</sup> in a household is receiving program benefits from SNAP, TANF, and FDPIR, all students in the household are eligible for free meals.

#### **Medicaid Free and Reduced**

- If any person, including adults, in a household is identified as Medicaid Free in Texas-ELMS, all students in the household are eligible for free meals.<sup>82</sup>
- If any person, including adults, in a household is identified as Medicaid Reduced in Texas-ELMS, all students in the household are eligible for reduced-price meals.<sup>83</sup>

This is called *extended benefits* or an *extension of benefits*.

#### **Methods for Determining Categorical Assistance Eligible Program Participants**

CEs have two methods of determining the eligibility of Categorical Assistance Eligible Program participants:

1. Application-Based—Household indicates participation in a Categorical Assistance Eligible Program on the household application.  
Medicaid Free and Medicaid Reduced information reported on an application or using an award letter from the Texas Department of Health and Human Services Commission cannot be used to determine eligibility. Medicaid Free and Medicaid Reduced eligibility can only be determined based on a match made in Texas-ELMS.
2. Direct Certification—Direct Certification is the identification of categorically eligible

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<sup>79</sup> Where the state retains legal custody of the child; see the definition for *Foster Child Categorical Eligibility* in the list of definitions in this section for additional information on this topic

<sup>80</sup> See the *Records Retention* subsection in this section for additional information on this topic.

<sup>81</sup> See the *Definitions in This Section* subsection in this section for additional information on this topic.

<sup>82</sup> Medicaid Free meal benefits can only be applied if a match is made in Texas-ELMS.

<sup>83</sup> Medicaid Reduced meal benefits can only be applied if a match is made in Texas-ELMS.



students through means other than getting information from the household application. For Categorical Assistance Eligible Program participants, this is done through Texas-ELMS in an automated data matching technique.

- Students originally approved for free and reduced-price meals via applications using an Eligibility Determination Group Number (EDG#) may be directly certified if the CE can match the EDG# number in Texas-ELMS.

[NOTE: If the household submitted EDG# has 8 digits, the 0 has been automatically dropped. The 0 must be added back before a match can be made in Texas-ELMS.]

In all cases, students who are eligible based on participation in a Categorical Assistance Eligible Program should be identified using direct certification whenever possible. CEs must retain documentation that demonstrates that their direct certification eligibility determinations are accurate.<sup>84</sup>

#### Application-Based Eligibility Determinations for Categorical Assistance Eligible Programs

If the determining or reviewing official is unable to directly certify the household for SNAP, TANF, or FDPIR and household reports categorical program participation on the household application, the CE must validate the household's program participation as follows:

##### Verification Pool

All application-based determinations that cannot be directly certified are included in the verification pool, including foster children.<sup>85</sup>

##### SNAP or TANF Participation Marked on an Application

When the determining or reviewing official is unable to match the student's SNAP or TANF eligibility in Texas-ELMS, a member of the household may share the EDG# to demonstrate participation in SNAP or TANF. Information Box 8 provides detailed information on the format of valid SNAP or TANF eligibility numbers and common SNAP or TANF documentation. The determining or reviewing official must ensure that the format for the EDG# provided by the household is the appropriate format for SNAP and TANF.

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<sup>84</sup> See the *Records Retention* subsection in this section for additional information on this topic.

<sup>85</sup> See *Administrator's Reference Manual (ARM), Section 6, Verification of Eligibility* for more information on this topic.

If the number format is incorrect, the CE should contact the household or the appropriate assistance program office to confirm the household’s eligibility or verify the application for cause.

Information Box 8
<b>How to Recognize a Valid SNAP/TANF Eligibility Determination Group Number (EDG#s)—Students Not Directly Certified</b>
Currently, those who apply for SNAP and TANF receive two types of documents related to eligibility:
<ol style="list-style-type: none"><li>1. Notice that an application is being processed. This notice is <b>not adequate</b> documentation to certify a child for free meals. This letter will contain a case number, a ten-digit number at the top of the letter. This number <b>does not indicate</b> the award of benefits.</li><li>2. Notice that benefits have been awarded or denied. This notice (Form TF1001) does provide adequate documentation. This letter will contain an <b>Eligibility Determination Group Number (EDG#)</b> located halfway down the letter on the right side. This number <u>does indicate</u> the award of benefits. This number will have one of two formats:<ul style="list-style-type: none"><li>– Nine-digit number that begins with any number 0-9</li><li>– Eight-digit number starting with a 1-9, but not a zero. [NOTE: The eight-digit number is created when a nine-digit number begins with a 0, and the 0 is dropped. When the EDG is used to directly certify a household in Texas-ELMS, a dropped 0 must be added in front of the 8-digit number.]</li></ul></li></ol>
This notice will also designate household members that have been determined to be eligible. If any person in the household qualifies for SNAP, TANF, FDPIR, or Medicaid Free benefits, all students in the household qualify for free meals. If any person in the household qualifies for Medicaid Reduced, all students in the household qualify for reduced-price meals.

**Disaster Supplemental Nutritional Assistance Program (D-SNAP)**

For Child Nutrition Programs (CNPs), a Disaster Supplemental Nutritional Assistance Program (D-SNAP) eligibility determination is handled in the same manner as traditional SNAP. The household receives an award letter with a 9-digit Eligibility Determination Group Number (EDG#) that has the same formatting as a traditional SNAP EDG#. The household may also access eligibility information on the SNAP website.

The household may submit an application and record the D-SNAP EDG# where the SNAP EDG # would be recorded. On receipt, the CE processes the D-SNAP household application in the same way the CE processes an application with a traditional SNAP EDG#.

**FDPIR Participation Marked on an Application**

When a household marks participation in an FDPIR, the determining or reviewing official must validate the household’s participation. The CE may validate the household’s participation using documentation provided by the household or by a tribal governing agency or official which includes the following:

- List of participants provided by the tribal governing agency or appropriate tribal official
- Award letter or form stating award of program benefits
- Identifier number verified as current by the tribal governing agency or appropriate tribal official

If the CE can validate that the student is an FDPIR participant using the information provided by the tribal governing agency or appropriate tribal official, the eligibility is now directly certified, that is, determined to be eligible without application.

Direct certification replaces information recorded on the household application. A note about the student's eligibility determination without application is recorded, initialed, and dated on the household application.

When the CE can directly certify participation, the household application is not included in the pool of household applications subject to verification.

If the CE is unable to validate or directly certify participation in FDPIR, the household must submit a new household application based on income or another categorical program if appropriate.

#### Direct Certification for SNAP TANF, Medicaid Free, and Medicaid Reduced Eligibility

All CEs regardless of their size are required to use the direct certification component<sup>86</sup> in Texas-ELMS. In essence, direct certification is the identification of categorically eligible students through means other than getting information from the household.

When CEs use Texas-ELMS they must retain the results of those efforts to demonstrate the accuracy of eligibility determinations. These records may be printed copies of the matched list or electronic files.<sup>87</sup>

The Direct Certification component of Texas-ELMS provides (1) a state-level automated data matching list by CE and (2) a method for CEs to match student records that are not pre-matched.<sup>88</sup>

Standard counting and claiming CEs and P2 CEs in a base year are expected to conduct DC matching

1. before school begins to identify households with students that are eligible for free meals without an application,
2. once a month when school is in session, and
3. with new student enrollment when appropriate.

For this process, CEs may conduct their matches using their total student enrollment or may match the names of students who have not been previously matched.

For CEs operating the Community Eligibility Provision (CEP) or Provision 2 (P2) in a non-base year, see the *Administrator's Reference Manual (ARM)*, Section 5, *Special Provision Options* for guidance on DC matching requirements.

#### Student Personal Information

When conducting a DC match for students not previously matched, CEs upload student information that matches data provided by the system. The results of this process are presented in a report that CEs may save as an Excel file.

#### Using Texas ELMS to Perform Direct Certification

Students will be matched using one of four codes:

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<sup>86</sup> CEs must only use the Direct Verification component of Texas-ELMS when directly verifying information reported on an application for a household chosen for verification. The Direct Verification component of Texas-ELMS cannot be used for Direct Certification.

<sup>87</sup> See *Administrator's Reference Manual (ARM)*, Section 3, *Civil Rights & Confidentiality* for information about requirements to protect student and household information.

<sup>88</sup> The *TX-UNPS User's Guide* in TX-UNPS has information on how to access this list.

- SNAP (includes D-SNAP)
- TANF
- Medicaid Free
- Medicaid Reduced

The Direct Certification component of Texas-ELMS has the following features:

- CEs may use the Direct Certification component of Texas-ELMS to make matches for their entire enrollment, a portion of their enrollment, or individual students.
- When a CE reviews its report, student matches will be indicated as claimed.  
[NOTE: If the Direct Certification component of Texas-ELMS matches a student who is not enrolled, the CE should perform an individual match and unclaim the student in Texas-ELMS.]
- When a CE has matched a student, the student will not appear as a new match on future reports.
- CEs should *unmatch/unclaim* students who are no longer enrolled at one of the CE's schools.
- If a student moves before the Texas-ELMS's monthly enrollment update, a new CE will be able to match that student at a new campus.
- In Texas-ELMS, a SNAP match will automatically take priority over TANF, Medicaid Free, and Medicaid Reduced. A TANF match will automatically take priority over Medicaid Free and Medicaid Reduced.

CEs may also be able to extend eligibility to other students in the household by finding shared addresses, contact numbers, or names of adult contact in school electronic records or by using information from personal contacts with adults in the household.

#### Verification Pool

Households that are directly certified for SNAP, TANF, Medicaid Free, and Medicaid Reduced eligibility are not included in the verification pool.<sup>89</sup>

#### Direct Certification for Categorical Assistance Eligible Programs

Participants in the following programs can be directly certified for Categorical Assistance Eligible programs.<sup>90</sup>

- **Direct Certification for SNAP and TANF:** Eligibility determinations must be conducted using an automated data match technique. By regulation, CEs are required to conduct Direct Certification by matching student enrollment to SNAP and TANF data provided in the Direct Certification component of Texas-ELMS.

If the CE is unable to determine eligibility for SNAP or TANF through a match made in the Texas-ELMS database or through direct contact with the appropriate agency,<sup>91</sup> the SNAP or TANF eligibility determination is not direct certification. It is a determination based on a household application and is subject to verification.

<sup>89</sup> See *Administrator's Reference Manual, Section 6, Verification of Eligibility* for more information on this topic.

<sup>90</sup> SNAP, TANF, and FDPIR

<sup>91</sup> CEs must coordinate with the local tribal governing agency or appropriate tribal official to obtain the names of students who qualify under FDPIR either in list form or through matching.

- **Direct Certification for Medicaid Free and Medicaid Reduced:** An eligible child must meet two criteria: (1) receive or live in a household with a child who receives medical assistance under the Medicaid program and (2) has family income as measured by the Medicaid program that does not exceed the NSLP income eligibility guidelines.<sup>92</sup> Texas-ELMS receives this data directly from the Medicaid program and uses it to determine free and reduced-price meal eligibility.

As such, eligibility determinations must be conducted using the Direct Certification component of Texas-ELMS. Medicaid Free and Medicaid Reduced eligibility cannot be determined by an award letter or other documentation that may be supplied by the household.<sup>93</sup>

- If a student match indicates Medicaid Free, all students in the household are eligible for free meals.
- If a student match indicates Medicaid Reduced, all students in the household are eligible for reduced-priced meals.
- If a student qualifies for free meals through another eligibility determination method, a Medicaid Reduced match cannot be used to decrease benefits.

#### Medicaid Reduced Conflicts with Income-Based-Household Applications

When a household submits an income-based household meal application that conflicts with a direct certification Medicaid Reduced match, contracting entities (CEs) will apply the highest benefit for the household.

Circumstance for Conflict	Eligibility Determination in This Circumstance	Verification Actions When This Conflict Occurs
Processed income - based household application indicates free; <b>then,</b> direct certification indicates Medicaid Reduced.	The CE will apply the higher eligibility—free. <ul style="list-style-type: none"> <li>– If the CE <u>has already notified</u> the household that all students are eligible for free meals, no additional notification is required.</li> <li>– If the CE <u>has not notified</u> the household that all students are eligible for free meals based on income reported in a household application, the CE must notify the household that all students are eligible for free meals based on the income provided in the household application.</li> </ul>	The income-based household application is included in the verification pool. If chosen for verification, the CE will apply the normal verification process and request income documentation from the household.
Direct certification indicates Medicaid Reduced; <b>then,</b> a submitted income-based household application indicates free.	The CE will apply the higher eligibility—free. <ul style="list-style-type: none"> <li>– If the CE <u>has already notified</u> the household that all students are eligible for reduced-price meals, the CE <u>must now notify</u> the household that all students are eligible for free meals based on the income reported on the household application.</li> <li>– If the CE <u>has not notified</u> the household of the reduced-price eligibility, the CE must notify the household that all students are eligible for free meals based on the income reported on the household application.</li> </ul>	The income-based household application is included in the verification pool. If chosen for verification, the CE will apply the normal verification process and request income documentation from the household.

<sup>92</sup> How the Medicaid program measures income may not align with how income is measured for the School Nutrition Programs (SNPs). The SNPs must use Medicaid’s income determination to make an eligibility determination for school meals.

<sup>93</sup> Each state uses different criteria to establish eligibility for the Medicaid programs offered in the state. If a household receives Medicaid and does not match for Medicaid Free or Medicaid Reduced in Texas-ELMS, the specific Medicaid program does not meet income-derived eligibility criteria as specified by USDA for NSLP and SBP.

### Direct Certification Matches for Categorical Assistance Eligible Programs Before School Starts

When a CE conducts matching in the Direct Certification component of Texas-ELMS before school begins,<sup>94</sup> eligibility determinations based on these matches (SNAP, TANF, Medicaid Free, and Medicaid Reduced eligible) are effective the first day of school, including eligibility for students who would normally have been granted the 30 operational day carryover period.<sup>95</sup>

At the beginning of school, when a student who was a participant in a Categorical Assistance Program in the previous year does not match in the Direct Certification component of Texas-ELMS, there is a possibility that the household is still eligible under SNAP or TANF. CEs should attempt to determine SNAP, TANF, Medicaid Free, or Medicaid Reduced participation by direct contact with the household or governing agency before changing the student's previous eligibility status from free to paid.

For Example:

- Eligible But Unable to Match in System—Early in August, the CE conducts a DC match for SNAP and TANF in the Direct Certification component of Texas-ELMS for Categorical Assistance Eligible programs to send notices to households about categorical eligibility before school starts. A household that was eligible through SNAP or TANF participation in the previous year is not matched. The CE contacts the household and asks them if the household is still eligible through SNAP or TANF. An adult in the household replies yes and provides the Eligibility Determination Group Number (EDG#). The CE validates the number.<sup>96</sup>
- No Longer Eligible—Early in August or before school starts, the CE conducts a DC match for Categorical Assistance Eligible programs (SNAP or TANF) to send notices to households about Categorical Assistance Eligible program eligibility. A household that was eligible through SNAP or TANF participation in the previous year is not matched. The CE contacts the household and asks them if the household is still eligible through SNAP or TANF. The response is no. The CE requests the household to complete a household application to help determine if the student is eligible based on income or another categorical area.

### SNAP or TANF Identifiers from States Other Than Texas

Because each state may use different income criteria for SNAP or TANF, Texas does not grant direct certification to students from households that have been awarded SNAP or TANF benefits in another state. If a household submits an identifying number from another state, the CE must contact the household to request a Texas identifier number or additional income information before determining eligibility.

### Direct Certification Household Change—SNAP, TANF, Medicaid Free, and Medicaid Reduced Eligible

In situations where a student is directly certified because another person in the household was awarded SNAP, TANF, Medicaid Free, and Medicaid Reduced for NLSP and SBP eligibility and

1. the student moves to another household  
and
2. the person awarded SNAP, TANF, Medicaid Free, or Medicaid Reduced benefits does not move with the student,

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<sup>94</sup> After July 1 for the upcoming school year.

<sup>95</sup> See the *Carryover Eligibility* subsection in this section or additional information on apply carryover.

<sup>96</sup> See the *Validating Categorical Eligibility Participation* subsection in this section for additional information on validation.

all students in the original household, including the one who moved, remain eligible for the entire school year. However, other students in the new household are not automatically eligible for free meals unless they qualify through another method.

#### Direct Certification for Disaster Supplemental Nutritional Assistance Program (D-SNAP)

A Disaster Supplemental Nutritional Assistance Program (D-SNAP) eligibility determination is handled in the same manner as traditional SNAP. The household receives an award letter with a 9-digit Eligibility Determination Group Number (EDG#) that has the same formatting as a traditional SNAP EDG#. The household may also access eligibility information on the SNAP website.

Because D-SNAP eligibility applies for the entire school year, D-SNAP participants are also included in the data for Texas-ELMS. In Texas-ELMS, there is no difference in designation between traditional SNAP and D-SNAP.

##### Verification Pool

Households that are directly certified for D-SNAP are not included in the verification pool.<sup>97</sup>

#### Direct Certification for FDPIR

For FDPIR CEs must use program award information provided by the tribal governing agency or tribal officials. A determining or reviewing official can directly certify participants in the FDPIR assistance program with a list of participants obtained from the governing federal agency or appropriate tribal official or an official letter stating the student's household currently receives FDPIR benefits. Certification is the identification of categorically eligible students through means other than getting information from the household.

##### Verification Pool

Households that are directly certified for FDPIR are not included in the verification pool.<sup>98</sup>

For FDPIR direct certification, the CE must ensure that the student lives in a household that receives FDPIR, current information about receiving the benefits, and an actual or electronic/digitized signature of an appropriate tribal governing agency or tribal official.

[NOTE: There are no standardized forms available for this purpose. The determining or reviewing official may want to contact the tribal governing agency or appropriate tribal officials to determine the best method of identifying students for direct certification.]

The following documentation provided by a tribal governing agency or tribal official may be used to directly certify an FDPIR participant:

- A list of participants provided by the governing agency or appropriate tribal official
- An identifier number verified as current by the governing tribal agency or appropriate tribal official

The use of household provided documentation to determine FDPIR eligibility does not fulfill the FDPIR Direct Certification requirement.

#### Household Applications for Directly Certified Students

When students are identified through the direct certification process, CEs cannot require households to provide additional documentation. If a household application is submitted for a household that has been directly certified for SNAP, TANF, Medicaid Free, and Medicaid Reduced eligibility, the direct certification takes priority over the application. However, if

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<sup>97</sup> See *Administrator's Reference Manual (ARM)*, Section 6, *Verification of Eligibility* for more information on this topic.

<sup>98</sup> See *Administrator's Reference Manual (ARM)*, Section 6, *Verification of Eligibility* for more information on this topic.

the application identifies students in the household who were not previously linked to the household, the CE may use that information to identify the other students in the household as SNAP, TANF, Medicaid Free, and Medicaid Reduced eligible, i.e., extend eligibility to other students in the household.

For Example: The Direct Certification component in Texas-ELMS<sup>99</sup> matched two students in a household. A student from a previous marriage has changed permanent residence to the household. The household has reported this additional student by household application, but the student is not named in Texas-ELMS. In this case, the information on the household application identifies the student as a new member of a household in which all students are directly certified as an assistance program participant and, therefore, eligible to receive free meals.

**In all cases, SNAP direct certification takes priority over all other forms of eligibility determination.**

### **Other Source Categorical Eligible Program Determination**

Other Source Categorical Eligible program determination applies only to the student participating in the program and must meet the following guidelines:

#### **Head Start and Early Head Start Pre-Kindergarten (Pre-K) Programs**

**Must** be enrolled in a federally funded Head Start or Early Head pre-K program as determined by a list, letter, or form signed by the local program official.

##### **Extension of Benefits**

If a sibling of a pre-K student has an eligibility determination that applies to the entire household, the SNP may share the eligibility status with the pre-K program. A student's eligibility for free meals based on enrollment in Head Start or Early Head Start does not extend to any other student in the household.

#### **Foster Child**

**Must** be a child whose care and placement are the responsibility of the Texas Department of Family and Protective Services (DFPS) or who is placed by a state welfare agency or a court with a caretaker household. A foster child who is placed through an informal arrangement or permanent guardianship placement that exists outside of the state or court-based systems cannot be certified as Other Source Categorical Eligible.

##### **Court or State Placement with a Relative**

A child placed with relatives through a formal arrangement by a court or the state is considered to be a foster child. In these cases, court documentation will indicate that the state retains legal custody of the child.<sup>100</sup>

##### **Foster Placement for a Child from Another State**

In cases where another state's foster agency or court supervises the care and placement of a child who resides in Texas, the child is categorically eligible. In cases where another state's foster agency or court coordinates with DFPS and DFPS supervises the care and placement of a child who resides in Texas, the child is categorically eligible.

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<sup>99</sup> See the *Categorical Eligibility* subsection in this section for additional information on direct certification for Categorical Assistance Eligible programs.

<sup>100</sup> Public and charter schools in the state of Texas are required to have a foster liaison to ensure that foster children receive all benefits available to them. The CE's foster liaison will have the necessary documentation to directly certify a foster child. By directly certifying the foster child, the student's household application is not subject to verification unless non-foster students are listed on the household application.



### Interstate Compact on the Placement of Children (ICPS)

Texas DFPS participates in the Interstate Compact on the Placement of Children (ICPS). This compact is an agreement between states that places a foster child in another state when it is in the best interest of the child. If the foster child is placed under this compact, the foster agency in Texas will supervise the placement. In cases where a foster child is placed in a Texas household under this compact, the child's care and placement are the responsibility of the DFPS and the child is categorically eligible.

### Homeless Student

**Must** be identified as lacking a fixed, regular, and adequate nighttime residence. Homeless students are eligible for free meals. The homeless student may be living in the following circumstances:

- Reside in an emergency, transition, family violence, or DFPS shelter.
- Live in another family or friend's house because of a loss of housing, economic hardship, or similar reason.
- Live in a motel, hotel, structure, or vehicle that is not a permanent nighttime residence.
- Reside temporarily with an adult other than her or his parent or guardian.

When there is a major disaster, emergency declaration, or situation of distress, homeless eligibility may be established by the following methods:

- Designation by a homeless liaison.
- Identification by an organization that is assisting evacuees, including a homeless shelter representative.
- Identification by a school official how is familiar with the situation.

[NOTE: A school official may complete a household meal application for a household when circumstances warrant. See the Households That Fail to Apply or Do Not Apply subsection in this section for additional guidance on this process.]

### Declared Disaster

**Must** be under 21 years of age and

- has been displaced from her or his habitual residence as a result of a declared event
- or*
- has been displaced from her or his pre-disaster primary residence or whose pre-disaster primary residence is rendered uninhabitable or rendered inaccessible as a result of damage caused by a major disaster.

Students displaced by a declared disaster are also considered homeless.<sup>101</sup>

### Runaway

**Must** be a student who has become homeless or leaves and remains away from home without parental permission. These students have been designated as *runaways* by the public school district's homeless liaison, private school official, or the director of a homeless shelter.

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<sup>101</sup> See *Special Situations in Determining Household Income* subsection in this section for additional information on homeless and host family eligibility.

## Migrant

**Must** be a student that has moved across school district lines within the last three years to accompany or join a parent or guardian who has moved to seek or obtain temporary or seasonal work in agriculture or fishing.

[NOTE: Minors who move with a spouse, or by themselves, to perform this work may also qualify.]

## Methods for Determining Eligibility for Other Source Categorical Eligible Program Participants

CEs have two methods of determining the eligibility of Categorical Assistance Eligible Program participants:

1. **Application-Based**—Household indicates participation in an Other Source Categorical Eligible program on the household application.
2. **Direct Certification**—Direct Certification is the identification of categorically eligible students through means **other than** getting information from the household.<sup>102</sup> For Other Source Categorical Eligible program participants, eligibility determination is established through a variety of techniques.

In all cases, students who are eligible based on participation in a Categorical Assistance Eligible program should be identified using direct certification whenever possible.

## Application-Based Determinations for Other Source Categorical Eligible Programs

If the determining or reviewing official is unable to directly certify the student for an Other Source Categorical Eligible program, the CE **must validate** the student's program participation before determining eligibility **except for a foster child**. When a household indicates that a child participates in a foster program, the CE takes that indication at face value and does not need to validate participation.

### Verification Pool

All application-based determinations that cannot be directly certified are included in the verification pool, including foster children.

### Validation of Eligibility for Other Source Categorical Eligible Program Participation Indicated on the Application

Except for a foster child,<sup>103</sup> a CE must validate a student's participation in an Other Source Categorical Eligible program as part of the eligibility determination process. The CE validates program participation through two types of actions:

1. Strategies to reach out to the appropriate program official to validate participation in the Other Source Categorical Eligible program when a household indicates student participation on an application. The documentation to validate Other Source Categorical Eligibility may come from a governing agency or program administrator.
2. Development of a system for program officials to provide routine updates about students participating in the Other Source Categorical Eligible programs.

When the CE has validated that the student is a participant in the program indicated on the household application with lists or statements from the governing agency or program administrator, the eligibility is now directly certified, that is, determined to be eligible without application.

Direct certification replaces information recorded on the household application about the student. A note about the student's eligibility determination without application is recorded, initialed, and dated on the household application. The

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<sup>102</sup> See the *Categorical Eligibility Determination* subsection in this section for more information on direct certification.

<sup>103</sup> If a household indicates that a child is foster, foster program participation does not need to be validated.

household application is retained, but not used.

- If there are other students on the household application who are not participants in one of the Other Source Categorical Eligible programs, the household application is active for those students only.
- If the only student(s) listed on the household application is directly certified without application, the CE retains the household application but disregards information on the household application.

When the CE can directly certify participation, the household application is not included in the pool of household applications subject to verification.

**Documentation for Validating Other Source Categorical Eligibility**

The following list provides examples of appropriate documentation of awarded program benefits.

Appropriate Documentation for Other Source Categorical Eligible Program Chart	
Early Head Start or Head Start	<ul style="list-style-type: none"> <li>List, letter, or form created and signed by a local program official</li> </ul>
Homeless, Declared Disaster	<ul style="list-style-type: none"> <li>A free or reduced-price household application completed by the adult with whom a student resides</li> <li>A list provided by a disaster official</li> <li>A list provided an emergency shelter official</li> <li>Designation by the district/school homeless liaison or other appropriate official</li> </ul>
Homeless, Including Runaway Students	<ul style="list-style-type: none"> <li>A list of eligible students provided by and signed by the CE's homeless liaison or other appropriate official</li> <li>Free and reduced-price meal household application submitted by the director of a homeless shelter or school official</li> <li>Determining or reviewing official's knowledge that the student's address is a homeless shelter or knowledge that the student has no address</li> </ul>
Migrant	<ul style="list-style-type: none"> <li>A completed Migrant Education Program (MEP) Certificate of Eligibility (COE) Form signed by a state, regional, or local MEP director or coordinator.</li> <li>A dated list with the names of each student participating in the program provided by the appropriate official</li> <li>A letter from a migrant education director, coordinator, or liaison provided by a household</li> </ul>

**Direct Certification for Other Source Categorical Eligible Program Participants**

Other Source Categorical Eligible program participants receive free meals but are not directly certified through Texas-ELMS. They are directly certified using the information provided by the agency administering the program. The CE must decide the most expeditious manner in which to directly certify Other Source Categorical Eligible program participants. When CEs directly certify students for Other Source Categorical Eligible Programs, they must retain documentation that demonstrates the accuracy of those efforts.<sup>104</sup>

**Verification Pool**

When Other Source Categorical Eligible program participants are directly certified, the students are not included in the verification pool.<sup>105</sup>

**Direct Certification Documentation for Other Source Categorical Eligible Program Participation**

Other Source Categorically Eligible program<sup>106</sup> participation documentation requires the following information from the agency official or household who has provided eligibility documentation:

<sup>104</sup> See the *Records Retention* subsection in this section for additional information on this topic.

<sup>105</sup> See *Administrator's Reference Manual (ARM), Section 6, Verification of Eligibility* for more information on this topic.

<sup>106</sup> Head Start and Early Head Start pre-kindergarten programs; foster; homeless, including runaways and individuals displaced by declared disasters; migrant; and SNAP, TANF, or FDPIR eligible students who are not directly certified

**From Agency or Official**  
Letter, Form, or List/Master List

- Name of the student
- Effective date of program eligibility or participation
- Identifying number if provided by governing agency
- Residence if known
- Signature of official<sup>107</sup> and date of signing

**Household Provides Agency Created Documentation**

If the household voluntarily provides appropriate documentation of participation from an Other Source Categorical Eligible program<sup>108</sup> governing agency, the CE can certify eligibility. In these cases, the household does not have to complete a household application.

**Proactive Identification: Direct Knowledge of Eligibility**

If a CE or site official has direct knowledge that a student is participating in one of the Other Source Categorical Eligible programs,<sup>109</sup> the determining or reviewing official may expedite providing free meals to the student by completing a household application for that student or compiling a list of eligible students. The eligibility determination must be documented by the appropriate agency as soon as possible.

Applying on the student’s behalf ensures that a student will receive meal benefits more quickly when there may be a delay in documenting status. However, if the student’s status cannot be confirmed, the benefits must be terminated unless income information provided through the household application establishes eligibility.

**Foster Child Documentation**

TDA strongly encourages CEs to certify the eligibility of foster children without application whenever possible since foster children certified without an application do not have to be included in the verification pool.<sup>110</sup> The following documents are acceptable to directly certify a student as a foster child:

- List of names from a local education agency (LEA) foster liaison<sup>111</sup>
- Texas Department of Family and Protective Services (DFPS) Placement Authorization Form 2085<sup>112</sup> describes the responsibilities that have been assigned to the caregiver family.
- Court order<sup>113</sup> naming DFPS as the Temporary Managing Caregiver (TMC) or Permanent Managing Conservator (PMC) of the child confirming that DFPS or an appointed caregiver has authority to make decisions for the student.

<sup>107</sup> For electronic matches which may not include the official’s original signature, sufficient documentation must include correspondence or a written agreement between the Assistance Program office and the CE that sets out or confirms the manner in which the CE officials will provide the eligibility status.

<sup>108</sup> Head Start and Early Head Start pre-kindergarten programs; foster; homeless, including runaways and individuals displaced by declared disasters; migrant; and SNAP, TANF, or FDPIR eligible students who are not directly certified.

<sup>109</sup> Head Start and Early Head Start pre-kindergarten programs; foster; homeless, including runaways and individuals displaced by declared disasters; migrant; and SNAP, TANF, or FDPIR eligible students who are not directly certified

<sup>110</sup> See *Administrator's Reference Manual (ARM), Section 6, Verification of Eligibility* for more information on this topic.

<sup>111</sup> Each public school and charter school is required to have a foster liaison. The Texas Education Agency website provides detailed information on this requirement.

<sup>112</sup> There may be a letter following number 2085 to designate a particular type of foster program. These forms are also acceptable to validate program participation.

<sup>113</sup> Court orders often have confidential and private information that may be redacted before copies are given to schools. If confidential and private information is not redacted, the school and CE must ensure confidentiality of this information.

### Foster Child Emergency Placement

If a student has been placed in a home for a few days as an emergency placement, the foster family may apply for free meals immediately.

#### More Than One Student Listed on the Free and Reduced-Price Household Application and Other Source Categorical Eligible Program Participation Is Marked

If more than one student is listed on the household application and the household has marked one or more of the other source eligibility categories, the determining or reviewing official must determine which student or students meet the Other Source Categorical Eligible program criteria.

For Example: There are three students listed on the household application, and the household has checked runaway. The determining or reviewing official must determine which student/students meet the requirements for the homeless by contacting the household and asking for clarification or the local homeless coordinator if appropriate.

### Homeless Students, Change of Residence or Secures Permanent Housing

If a homeless student secures permanent housing but now attends a school in a different school district, the new CE may accept the eligibility determination for the student provided by the former CE.

If the CE does not elect to accept the eligibility determination from the prior CE, the household is required to reapply for free or reduced-priced meals with the new CE.

However, if the local homeless coordinator at the new school decides that the student is *homeless*, the homeless student remains eligible for free meals for the current school year plus up to 30 operating days in the following school year, even if the student is later considered to have a permanent residence.

## Student Transfer, Shared Eligibility Determination

When a student, who has attended a non-special provision site, transfers from one CE (sending CE) to another CE (receiving CE), the receiving CE is allowed to accept the eligibility determination from the sending CE without liability. Accepting the eligibility determination from the sending CE eases the student's transition and ensures that there is no break in the student's access to meals.

### Methods of Sharing Eligibility Determinations

CEs commonly provide eligibility information using one of the following methods:

1. **Eligibility Documentation—Household Meal Application or Categorical Participation Document**

Original documents are not required. A signature or digitized signature<sup>114</sup> indicating the accuracy of the information is required and a date of determination or certification.

The sending CE may provide the following types of documentation:

- Scanned or faxed household application which includes a signature or digitized signature<sup>115</sup> of an adult in the household certifying the accuracy of the information and date of determination or certification.
- Individual household eligibility report from a web-based household application system which includes the date of eligibility

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<sup>114</sup> See *Administrator's Reference Manual (ARM), Section 4, Eligibility Determination* for more information on digitized signatures.

<sup>115</sup> See *Administrator's Reference Manual (ARM), Section 4, Eligibility Determination* for more information on digitized signatures.

determination or certification; signature or digitized signature<sup>116</sup> of official certifying the accuracy of the information; and date of determination or certification.

- Copied, scanned, or faxed list that contains categorical participation information for a student or household which includes the date of eligibility determination or certification; signature or digitized signature<sup>117</sup> of official certifying the accuracy of the information; and date of determination or certification.

or

## 2. Statement Certifying Eligibility—Email or Fax

An emailed or faxed statement certifying the eligibility status of the student or household that includes contact information for the sender; signature or digitized signature<sup>118</sup> for the person certifying the eligibility, and date of eligibility effectiveness.

For Example: The CE sent an email that said, Jane Smith was certified as eligible for reduced-price meals at Red Mountain Elementary School based on an income application on August 30, 2017. Please contact Mina Jones, Cafeteria Manager, Red Mountain Elementary School, Green Independent School District, Blueville, TX 78723, (555) 555-5555, [MJ@Bluevilleisd.org](mailto:MJ@Bluevilleisd.org) if you have questions. The documentation ends with a typed signature.

The CE sent a fax that said, George Lapper was certified as eligible for free meals at Little Middle School based on SNAP direct certification on September 5, 2017. Please contact Hector Tas, Child Nutrition Director, Spice Independent School District, Alder, TX 78723, (555) 555-5555, [htas@Spice.TX.org](mailto:htas@Spice.TX.org) if you have questions. The documentation ends with a signature.

Copies of a household application or eligibility list are not required.

A CE must choose another application for verification if a selected household's eligibility determination is based on an email or faxed statement from a sending CE.

### Protecting Personally Identifiable Information

CEs should make every effort to protect personally identifiable information when sharing eligibility information with other CEs or sites.

- If sending copies of documentation by email, CEs should use security measures to protect all files.
- If sharing documentation related to categorical program participation, information about other students should be blacked out or removed.
- If using email or FAX, CEs should use strategies that ensure that these communications do not end up in unintended hands.

TDA recommends that CEs establish a written process or procedure for sending and receiving this type of documentation.

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<sup>116</sup> See *Administrator's Reference Manual (ARM)*, Section 4, *Eligibility Determination* for more information on digitized signatures.

<sup>117</sup> See *Administrator's Reference Manual (ARM)*, Section 4, *Eligibility Determination* for more information on digitized signatures.

<sup>118</sup> See *Administrator's Reference Manual (ARM)*, Section 4, *Eligibility Determination* for more information on digitized signatures.

## Second (or Independent) Review of Household Applications

A second (or independent) review of household applications is required when a CE has demonstrated a high rate of eligibility error during an Administrative Review, Second Administrative Review, or Follow-Up Administrative Review. If the CE is found to have a nine percent or higher error rate in eligibility determinations, TDA will notify the CE that it must arrange for a second (or independent) review of household applications. The second (or independent) review must commence at the start of the school year immediately following the date of the administrative review and must continue until the CE has demonstrated significant improvement. When significant improvement occurs, TDA will notify the CE.

### Change from Standard Counting and Claiming to a Special Provision Option

If a CE halted its required second (or independent) review of applications because it began implementing CEP or a non-base year of Provision 2 (P2), the CE must conduct a second (or independent) review of applications as described in this subsection if it stops the implementation of CEP/P2 operation midyear.

## Required Actions for a Second (or Independent) Review of Household Applications

TDA will notify CEs if they are required to conduct a second (or independent) review. CEs that are required to conduct a second (or independent) review of all—approved and denied—household applications must ensure that the review meets the following minimum requirements:

### Reviewer

Designation of a second (or independent) reviewer to review the initial eligibility determination for all household applications received throughout the school year.

- The second (or independent) review must be conducted by an individual or entity that did not make the initial<sup>119</sup> eligibility determination. The individual or entity may be an employee of the CE or not an employee.
- The second (or independent) reviewer must be trained on how to make eligibility determinations.

### Reevaluation of Eligibility Determination

Reevaluation of the eligibility determination for all household applications—income and categorical—as household applications are received throughout the school year.

- The second (or independent) reviewer must conduct a reevaluation of the eligibility determination of each household application that is separate from the CE's initial eligibility determination conducted by the determining or reviewing official. The second (or independent) reviewer must determine the following:
    - That the household application is complete, based on the presence of the following information and elements:
      1. Income amount, source, and frequency of income for each household member or a designation that the person has no income, as well as the accuracy of income calculations and use of correct income eligibility guidelines
- or*
- Designation of appropriate eligibility including validation,<sup>120</sup> as appropriate, of the household's or student's participation in a

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<sup>119</sup> Eligibility determination made by the determining or reviewing official.

<sup>120</sup> See the *Validating of Eligibility for Other Source Categorical Eligible Program Determination* subsection in this section for additional information on validation.



Categorical Assistance Eligible program<sup>121</sup> or one of the Other Source Categorical Eligible programs<sup>122</sup>

2. Last four digits of the Social Security number of the person signing the form or another adult member in the household or an indication that the adult household member does not have a Social Security number—unless the household provides a SNAP or TANF eligibility number or FDPIR identifier.
3. Necessary signature
  - Accuracy of the student’s eligibility as recorded on the CE’s master list or roster

### Ten (10) Operating Days

Both the CE’s initial eligibility determination and the determination by the second (or independent) reviewer must be completed within 10 operating days of receiving the household application.

However, while the CE has 10 days, the CE should process the application as quickly as possible.

### Report—SFA Second Review of Applications

The CE must submit the *SFA Second Review of Applications*<sup>123</sup> through TX-UNPS (Applications screen) with the results of the second (or independent) review by January 15 of each school year.

Only those CEs that have been notified by TDA that they are required to conduct a second (or independent) reviewer must complete this form.

This form requires that the CE submit the following information:

1. General information about person completing the form
2. General information about the CE
3. Total number of household applications reviewed under initial eligibility determination practices
4. Total number of household applications reviewed under the required second (or independent) review process by free, reduced-price, and paid categories
5. Total number of eligibility determinations (certification/benefit issuance) in error found by the second (or independent) reviewer to be free, reduced-price, and paid
6. Total number of errors found in the following categories: incomplete application, categorical eligibility, gross income calculation, and any other reason
7. Strategies the CE used to alleviate the number of household applications approved or disapproved in error

### Circumstance That Ends the Requirement for a Second (or Independent) Review of Household Applications

The CE may cease the second (or independent) review process at the end of the school year when the following condition is met:

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<sup>121</sup> SNAP, TANF, FDPIR, Medicaid Free, and Medicaid Reduced

<sup>122</sup> Head Start and Early Head Start pre-kindergarten programs; foster; homeless, including runaways and individuals displaced by declared disasters; migrant; and SNAP, TANF, or FDPIR eligible students who are not directly certified.

<sup>123</sup> The *SFA Second Review of Applications* in TX-UNPS is an electronic version of the *USDA Local Education Agency Second Review of Applications (FNS-874)*. CEs must complete this report in TX-UNPS.

When the CE submits a report based on its second (or independent) review of household applications that demonstrates that the CE has a 5 percent or less error rate in its eligibility determinations (certification/benefit issuances) based on most recent October 31<sup>st</sup> data which is reported to TDA on January 15. Once the CE meets this requirement, it must continue the second (or independent) review of household applications for the remainder of the school year.

## Confirmation of Eligibility Determinations

While the confirmation of applications selected for verification is required, CEs may also choose to confirm the accuracy of all eligibility determinations. The following guidance applies to the use of a confirming official for this purpose.

- When a CE chooses to conduct a confirmation review of all eligibility determinations, the confirmation review must be conducted by an official who was not the determining or reviewing official or hearing official.
- The confirming official reviews the documentation used by the determining or reviewing official and ensures that the eligibility determination is correct.
- If a CE confirms the accuracy of all eligibility determinations as part of the initial eligibility determination process, the CE is not required to perform a second (or independent) confirmation of eligibility during verification.

## Notification of Eligibility Determination Status

TDA recommends that all households be notified in writing of any eligibility status. CEs may provide notification of approved eligibility by phone or other means. However, CEs must provide written notice in cases of denial of a household application or adverse action.

The following guidelines apply to notification for the specific situation described:

### Household Application Not Submitted After 30 Operational Day Carryover Period

After the 30 operational day carryover period,<sup>124</sup> the CE must terminate the benefits of any student whose household fails to submit a new free and reduced-price meal household application or is not directly certified for the current school year. The CE is not required to send a notice of termination.

### New Household Application—Denial

When a CE denies a new household application, CEs must use the following timeline for notifying the household and completing the application process:

- Notice—Provide notice to the household of the eligibility determination within 10 operating days of the eligibility determination and include the following information:
  - Reason for the denial of free or reduced-price meals
  - Right to appeal
  - Instructions on filing an appeal
  - Statement that households may reapply for free and reduced-price meals at any time during the school year
- Time to Appeal—Allow the household 10 calendar days to appeal the determination; the 10 calendar days start the day the notification was sent to the household.

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<sup>124</sup> See the *Carryover Eligibility* subsection in this section for additional information on this topic.

- **Implement Change**—Make the change in eligibility effective within 10 operating days after the end of the advance notice period (10 calendar days during which the household may appeal the determination).

#### **New or Late Enrollees—Letter and Household Application**

A CE must provide a letter and household application form to the household of a newly enrolled student or students when the students enroll. The CE is encouraged to expedite eligibility determinations for all new enrollees. The CE must provide free or reduced-priced meals to students within 3 operating days of approval of a household application; however, CEs are encouraged to provide free or reduced-price meals to eligible students as quickly as possible.

#### **Previously Approved Household Application—Increase to Free or Reduced-Price Meal Benefits**

A CE must send notice to households with a student or students who have been previously approved for reduced-priced meals if there is an increase in meal benefits—paid to free or reduced-price or reduced-price to free—within 3 operating days of the eligibility determination. The CE must provide free or reduced-priced meals to students within 3 operating days of approval of a household application; however, CEs are encouraged to provide free or reduced-price meals to eligible students as quickly as possible.

#### **Previously Approved Household Application—Reduced or Terminated Free or Reduced-Priced Meal Benefits**

If an eligibility determination is an adverse action (free or reduced-priced meal benefits have been reduced or terminated), a CE is required to provide notice within 10 operating days but may send the notice before the end of the 10 operating days period. The CE must use the following timeline in these situations:

- **Notice**—Provide notice to the household of the eligibility determination within 10 operating days of the eligibility determination and include the following information:
  - Reason for the denial of free or reduced-price meals
  - Right to appeal
  - Instructions on filing an appeal
  - Statement that households may reapply for free and reduced-price meals at any time during the school year
- **Time to Appeal**—Allow the household 10 calendar days to appeal the determination; the 10 calendar days start the day the notification is sent to the household.
- **Implement Change**—Make the change in eligibility effective within 10 operating days after the end of the advance notice period (10 calendar days during which the household may appeal the determination).

## **Appeal Process**

The CE's process for the appeal of a household application decision must be written. A household may appeal the denial of its household application or the level of approved free or reduced-priced meal benefits.

## **Notification**

Households where students' free or reduced-priced meal benefits are denied or decreased must be given written notice within 10 operational days of the denial. The notice must inform the household that it has 10 calendar days to appeal the denial or reduction in benefits. The advance notice 10

calendar days starts the day the notice is sent to the household. The notice may be sent via mail or email. If the CE uses an automated phone system, the CE must also provide notification in writing. For households who are applying for the first time, the notice must be provided as quickly as possible.

The notice must provide the following information:

- Description of any change in free or reduced-priced meal benefits
- Reason for the denial or change of free or reduced-priced meal benefits
- Instructions on how to appeal the decision
- Explanation that an appeal must be filed within the 10 calendar days advance notice period to ensure continued free or reduced-priced meal benefits while awaiting a hearing and decision
- Explanation that households may reapply for free and reduced-price benefits at any time during the school year

The following guidance describes how the hearing must be conducted for both the household and the CE:

- A simple, publicly announced method to make an oral or written request for a hearing.
- An opportunity to be assisted or represented by an attorney or other person.
- An opportunity to examine, before and during the hearing, any documents, and records presented to support the decision under appeal.
- That the hearing shall be held with reasonable promptness and convenience, and that adequate notice shall be given as to the time and place of the hearing.
- An opportunity to present oral or documentary evidence and arguments supporting a position without undue interference.
- An opportunity to question or refute any testimony or other evidence and to confront and cross-examine any adverse witnesses.
- That the hearing shall be conducted, and the decision made by a hearing official who did not participate in making the decision under appeal or in any previously held conference (related to the appeal).  
[NOTE: The household may request a school conference before a formal hearing. However, the conference must not prejudice a later appeal.]
- That the decision of the hearing official shall be based on the oral and documentary evidence presented at the hearing and made a part of the hearing record.
- That the parties concerned and any designated representative shall be notified in writing of the decision of the hearing official.
- That a written record shall be prepared for each hearing, which shall include the challenge or the decision under appeal, any documentary evidence and a summary of any oral testimony presented at the hearing, the decision of the hearing official, including the reasons, therefore, and a copy of the notification to the parties concerned of the decision of the hearing official.

- That the written record of each hearing shall be retained for the entity’s required period of retention and must be available for examination by the parties concerned or their representatives at any reasonable time and place during that period.<sup>125</sup>

## Community Eligibility Provision Data Report (CEP Report)

Each year between March 1 and March 20, all CEs except RCCIs<sup>126</sup> must report eligibility and enrollment information that reflects the students at each site as of April 1. This includes CEs that are not planning to operate CEP in the upcoming year. This information<sup>127</sup> (1) is preliminary data that helps CEs and TDA to identify schools that are potentially eligible to operate CEP<sup>128</sup> and (2) will automatically populate the ISP fields in the CEP application screen<sup>129</sup> in TX-UNPS.

For the *Community Eligibility Provision (CEP) Site List* screen in the TX-UNPS Application Packet, CEs must report the following information between March 1 and March 20:

- Number of current students certified as categorically eligible<sup>130</sup> without household application —Identified Students—for each school the CE operates under NSLP or SBP is based on two eligibility types:
  1. Directly Certified SNAP students
  2. Directly Certified students for the following programs:
    - Temporary Assistance for Needy Families (TANF)
    - Food Distribution Program for Indian Reservations (FDPIR)<sup>131</sup>
    - Medicaid Free,<sup>132</sup> starting October of 2017 if identification is made through TX-UNPS<sup>133</sup>
    - Head Start and Early Head Start pre-kindergarten programs
    - Foster
    - Homeless, including runaways and individuals displaced by declared disasters
    - Migrant
- Total current student enrollment<sup>134</sup> for each school the CE operates under NSLP or SBP

When the CE records the identified eligible students for each eligibility type and total student enrollment information, TX-UNPS automatically calculates the ISP for each school—alerting the CE about schools that are potentially eligible for CEP. While the ISP for a group of schools is based on

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<sup>125</sup> See the *Records Retention* subsection in this section for additional information on this topic.

<sup>126</sup> Residential Child Care Institutions (RCCI) are exempt from this requirement since RCCIs cannot participate in CEP.

<sup>127</sup> Information prepared for the *Annual Verification Report, FNS-742 (USDA’s School Food Authority [SFA] Verification Collection Report, FNS-742)* will help the CE to prepare the required information.

<sup>128</sup> TDA will post a list of potentially eligible schools at [www.SquareMeals.org](http://www.SquareMeals.org).

<sup>129</sup> If the information recorded in this form is incorrect, TX-UNPS will not calculate the ISP for schools or group(s) of schools correctly.

<sup>130</sup> See *Administrator’s Reference Manual (ARM), Section 4 Eligibility Determination* for more information on eligibility determination.

<sup>131</sup> In Texas, there is a small population of children who may qualify under FDPIR. To directly certify a FDPIR eligible child, the CE must reach out to the tribal governing organization or appropriate tribal official to get a list of eligible children.

<sup>132</sup> Students identified as Medicaid Reduced cannot be included in the ISP.

<sup>133</sup> Direct certification of Medicaid Free can only be accomplished through the TX-UNPS Direct Certification System.

<sup>134</sup> *Total Enrollment* for the school operating NSLP or SBP means the total number of students enrolled at the site who have access to at least one meal service daily.

total eligible students and total student enrollment for a group of schools, these percentages can assist program administrators in identifying advantageous school groupings.<sup>135</sup>

For this report, *reflective of April 1* means information about student eligibility or enrollment that exists before April 1 of the reporting year.

For Example: The reporting year for April 1, 2014 is 2014.

#### Data Reflective of April 1 That Is Unavailable Until After April 1

There may be circumstances where information that is reflective of April 1 is not available to the CE until after April 1 and, therefore, was not reported in the *Community Eligibility Provisions (CEP) Site List* screen by March 20. In these cases, CEs must contact TDA immediately to determine if it is possible to update the *Community Eligibility Provisions (CEP) Site List* screen.

For Example:

Reflective of April 1. On March 28, there is a natural disaster that increases number of homeless students. Data on the impacted students is collected prior to April 1 but is not released until April 6. This new information may be critical to accurately calculating the ISP for the school or a group of schools that is reflective of the students on April 1.<sup>136</sup>

Not Reflective of April 1. If 15 new students enroll on April 2 and are categorically eligible as migrant students, the children's eligibility and enrollment information is not reflective of April 1. This new information is not applicable to the calculation of the ISP for the school or a group of schools since it is not reflective of the students as of April 1.

## TDA Eligibility Determination Forms

TDA provides forms and document prototypes at [www.squaremeals.org](http://www.squaremeals.org) for CEs to use. While CEs are not required to use the TDA forms and letters, TDA strongly encourages CEs to use the forms developed by TDA. If CEs choose to use an eligibility form or letter that is not developed by TDA, they are responsible to ensure that the form or letter contains correct and accurate information. TDA-provided prototypes include:

- *Applications for meal benefits*
- *Letters to households approving or denying meal benefits*
- *Media releases*
- *Income eligibility guidelines*

## Texas Education Agency (TEA) Resources

The Texas Education Agency provides numerous resources that may assist CEs in eligibility related matters.

- Foster Care, including *Foster Care & Student Success* and a searchable database of foster care liaisons/coordinators, available at [www.tea.texas.gov/FosterCareStudentSuccess/](http://www.tea.texas.gov/FosterCareStudentSuccess/)
- Texas Records Exchange (TReX) available at [www.tea.texas.gov/Reports\\_and\\_Data/Data\\_Submission/Texas\\_Records\\_Exchange\\_\(TReX\)/Texas\\_Records\\_Exchange\\_\(TReX\)/](http://www.tea.texas.gov/Reports_and_Data/Data_Submission/Texas_Records_Exchange_(TReX)/Texas_Records_Exchange_(TReX)/)
- Public Education Information Management System (PEIMS), available at

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<sup>135</sup> See the *Calculating Identified Student Percentage (ISP)* subsection of this section for additional information on this topic.

<sup>136</sup> The ISP, along with the Multiplier Factor, determines the percentage of the served reimbursable meals that are reimbursed at the free rate. For this reason, updating this information may have a significant impact on total reimbursement each month.

## Records Retention

The CE must maintain records related to eligibility determinations for a minimum of five (5) years for public and charter schools and three (3) years for private schools and RCCIs after the final claim is submitted for the fiscal year to which they pertain. These records must be available and ready for review by TDA or USDA.

Information Box 9 Records Retention
State Board of Education policies require public and charter schools to maintain records for a period of 5 years.
Private schools, other nonprofit organizations, and RCCIs maintain records for 3 years.

A CE may use a contact log to retain information about interactions that cannot be documented through the use of a form or written communication. In these cases, the contact log needs to capture who made contact, with whom, date and time, a brief description of the conversation and/or issue, and outcome. These records are also a great place to retain contact information, such as phone numbers, for follow up.

If the CE uses an electronic system to retain eligibility information about students, the CE must have a system in place which allows staff to retrieve information about the eligibility determination for each student, including an indication of income-based and categorical program participation determinations. If a student's eligibility is changed one or more times during the school year, the CE must have a system, manual or electronic, that allows the CE to track the changes in the student's eligibility throughout the year.

Retained records include, but are not limited to, the following types of documentation:

### Access

Notes and comments about the method/s used to provide information to households about access to household applications, completing household applications, and eligibility

### Appeals

Copies of notifications, contact notes, and other documents related to household appeals of an eligibility determination

### Eligibility Determinations

Notes which reflect the following:

- Date applications are received
- Date of eligibility determination
- Date of and note about changes to the application
- Date of and note about changes to eligibility.
- Date of and note about other actions related to eligibility

The staff member recording notes and changes should also initial the recorded information when the changes occur. This may be done manually or electronically.

### Household Applications

All free and reduced-price household applications, including household applications from households, denied free or reduced-price meals and inactive household applications

CEs should record notes about household contacts and eligibility determination directly on household applications. For those CEs that use electronic household applications, CEs must

maintain a system of recording notes on household contacts and eligibility determination that is easily retrievable.<sup>137</sup> TDA strongly recommends that the determining or reviewing official use a different colored pen from the one used on the household application so the notes can be easily differentiated from information provided by the household.

### Denied Household Applications

All denied household applications including the household application as well as recorded notes.

### Direct Certification

Records with notes on household and agency contacts and copies of documentation that assisted the CE in making an eligibility determination including documentation provided by other organizations and agencies.

If the CE uses an electronic system to retain eligibility information about students, the CE must have a system in place which allows staff to retrieve information about eligibility for each student based on participation in a Categorical Assistance Eligible program.<sup>138</sup>

### Other Source Categorical Eligible Program

Notes on household and agency contacts and copies of documentation that assisted the CE in making an eligibility determination

If the CE uses an electronic system to retain eligibility information about students, the CE must have a system in place which allows staff to retrieve information about eligibility for each student based on participation in an Other Source Categorical Eligible program.

### Payment

Records related to the amount received in payment for meals.

### Scanned or Web-based Household Application Systems

Rosters, eligibility information gathered by the scanning or web-based system, and notes or comments related to eligibility determinations.

The information fields in scanned or web-based household applications must be in the same order as the roster. If a CE used scanned or web-based household applications, it must retain all documentation that demonstrates the household application process meets the requirements for scanned or web-based household applications.

### Special Provision Programs

Special provision CEs/schools must retain base year direct certification, categorical eligibility documentation, household applications, and other eligibility related documents for five years after a new base year is established if a public or charter school and three years if non-profit private school or residential child care institution.

For Example:

P2—If a CE establishes a base year for Provision 2 (P2) in 2001 and renews its operation of P2 for subsequent cycles using the initial base year data until 2014. In 2014, the CE established a new base year. The CE must retain all documentation related to the 2001 base year and all additional documentation from 2002-2014

- for an additional five years if a public or charter school and
- for three more years if a nonprofit private school or residential child care institution after the new base is established.

In this case, a public or charter school, the CE would retain the P2 records from 2001 to 2014

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<sup>137</sup> USDA and TDA may review paper copies of household applications during an Administrative Review (AR). Paper applications can be printouts of the household applications that were completed on the internet.

<sup>138</sup> SNAP, TANF, FDPIR, Medicaid Free, and Medicaid Reduced



until 2019. If a nonprofit private school or residential child care institution, the CE would retain the P2 records from 2001 to 2014 until 2017.

**CEP**—Because Community Eligibility Provision schools must reestablish a base year every four years,

- A public or charter school, the CE would retain its CEP records nine years (base year + three years remaining in cycle + 5 years).
- A nonprofit private school or residential child care institution, would retain its records for seven years (base year + three years remaining in cycle + 3 years).

#### **Student Transfer, Shared Eligibility Information**

The receiving CE must retain documentation that demonstrates how it determined the eligibility of the student, including any documentation provided by a sending CE.

### **Compliance**

TDA will assess compliance with eligibility determination requirements during an administrative review (AR) or at other times as appropriate.

CEs with findings will be required to submit an approvable Corrective Action Document (CAD). TDA will take fiscal action, as appropriate, for benefit issuance (eligibility determinations) violations.