



United States  
Department of  
Agriculture

Food and  
Nutrition  
Service

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**DATE:** December 3, 2013

**MEMO CODE:** SP 11-2014; CACFP 06-2014; SFSP 11-2014

**SUBJECT:** Effective Date of Free or Reduced Price Meal Eligibility Determinations

**TO:** Regional Directors  
Special Nutrition Programs  
All Regions

State Directors  
Child Nutrition Programs  
All States

This memorandum clarifies the flexibility available to local educational agency (LEA) officials for establishing the effective date of eligibility for children certified for free or reduced price meals in the National School Lunch (NSLP) and School Breakfast Programs (SBP) and free milk in the Special Milk Program (SMP) based on household applications. Please note, while this memorandum specifically discusses the NSLP, SBP and SMP, this flexibility extends to the Child and Adult Care Food Program and the Summer Food Service Program, as applicable.

Children have generally been certified eligible for free or reduced price meal benefits on the date the household application is approved. However, LEAs have flexibility concerning the effective date of certification for Program benefits. Section 9(b)(9)(A) of the Richard B. Russell National School Lunch Act, 42 U.S.C. 1758(b)(9)(A), states that a child in a household meeting the income limits “at the time the application is submitted...shall be served a free lunch.” [Section 9(b)(9)(B) provides the same authority for reduced price lunches.] The specific point in time for the effective date of eligibility is not addressed in Program regulations. The *Eligibility Manual for School Meals* provides that the determination, notification, and implementation of free or reduced price meal status be made within ten operating days from the date the application is received by the LEA. **Therefore, if the LEA chooses, it could establish the date of submission of an application as the effective date of eligibility, rather than the date the official approves it.** This flexibility applies to eligibility determinations made through the application process only, and only to complete applications containing all required information at the time of submission (see part 3C of the *Eligibility Manual*). LEAs can use this flexibility when processing household income applications, as well as when waiting for documentation of other source categorical eligibility (e.g., for homeless or migrant children) indicated on a household application.

LEAs exercising this flexibility must do so for all students in all participating schools and Programs. In addition, LEAs must have a method to document the date the application was submitted, such as a date stamp, and must refund any money paid by or on behalf of the child for a reimbursable meal or milk prior to the eligibility determination, including forgiving accrued debt.

For example, if a child had paid for full price meals and was subsequently determined eligible for reduced price meals, the LEA could adjust the claim to have the previously-served meals reimbursed as reduced price, rather than paid. In turn, the LEA must refund the difference between the total amount paid for the full price meals and the total amount that would have been paid for reduced price meals from the date the application was submitted to the LEA to the date the eligibility determination was made. Similarly, the same amount must be removed from any debt accrued by the child for meals served without payment. For example, the school has a policy that allows a child to receive a meal even if s/he does not have money to pay for a reduced price or paid meal. Under this policy, a child received five lunches after submitting an application, but prior to being determined to be eligible to receive reduced price meals. If this child was in debt for the full price (\$3.00) for each of the five lunches (\$15.00) and the LEA charges \$0.40 for a reduced price lunch, the LEA may claim the five lunches as reduced price if it adjusts the debt to reflect only the cost of five reduced price lunches (\$2.00). If this child had spent \$15.00 instead of accruing a debt, the LEA must refund the difference between the cost of five paid lunches and five reduced price lunches or \$13.00. **The LEA can only claim those meals at the higher reimbursement rate if the child is given a refund or their debt is discharged.**

Use of this flexibility is at the LEA's discretion; however, an LEA implementing this flexibility must notify its State agency. These LEAs would submit their current month claims normally and follow State agency procedures for adjusting claims after initial submission. In addition, State agencies must work with these LEAs to ensure the proper implementation of the flexibility and the accuracy of the LEA's adjusted claims.

This flexibility would assist low income children by allowing them to access free or reduced price school meals during the eligibility determination period. It could also assist LEAs that are experiencing challenges with unpaid debt. We anticipate that this flexibility would be used primarily at the beginning of a school year for newly eligible children. Additionally, we expect this flexibility to have a limited application insofar as the majority of eligible children would either be directly certified at the beginning of a school year or would continue to receive free or reduced price meals under the eligibility carryover provision.

Regional Directors

State Directors

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State agencies are reminded to distribute this memorandum to Program operators immediately. LEAs should contact their State agencies for additional information. State agencies may direct any questions concerning this guidance to the appropriate Food and Nutrition Service Regional Office.

A handwritten signature in blue ink that reads "Cynthia Long". The signature is written in a cursive style with a large initial 'C' and a long, sweeping tail on the 'y'.

Cynthia Long

Deputy Administrator

Child Nutrition Programs