



December 17, 2013

Mr. William Wagoner  
Policy and Program Development Branch  
Child Nutrition Division  
Food and Nutrition Service  
Department of Agriculture  
3101 Park Center Drive, Room 1212  
Alexandria, VA 22302-1594

Re: Comments on the National School Lunch Program and School Breakfast Program: Eliminating Applications through Community Eligibility as required by the Healthy, Hunger-free Kids Act of 2010

Dear Mr. Wagoner:

The following comments are being submitted on behalf of the State E-Rate Coordinators' Alliance ("SECA") regarding the E-rate implications of the proposed amendments to the eligibility regulations for free and reduced-priced meals under NSLP and SBP.

The universal service Schools and Libraries Program, more commonly known as "E-rate," is a technology funding program operated under the auspices of the Federal Communications Commission ("FCC"). It provides significant discounts to public and private schools (primary and secondary) and libraries for telecommunications, Internet access, and internal networking infrastructure. Most importantly, for the purpose of these comments, the E-rate discount rates are based on the percentage of the school's students that are eligible for free and reduced-priced meals.

*Calculation of Student Eligibility Percentages:*

The FCC currently has a major rulemaking procedure underway to modernize the E-rate program. As a part of this rulemaking, the FCC is seeking comment on how student eligibility should be calculated for schools electing to use the Community Eligibility Provision (“CEP”). At the present time, the E-rate rules do not permit a school to use the free claiming percentage (the identified student percentage times the 1.6x multiplier factor) as the basis for E-rate discounts. Instead, as an interim measure, a school must use its historic, pre-CEP, eligibility percentage.

Longer-term, SECA would like to see E-rate discounts for CEP schools be based on eligibility calculations consistent with USDA’s free claiming percentage. We note that USDA has already had discussions with the U.S. Department of Education regarding the use of CEP-collected data to determine school eligibility for Title I funding. We would encourage USDA, if it has not done so already, to hold similar discussions with the FCC for the purpose of determining school eligibility for E-rate funding. Specifically, we would ask the USDA to provide the FCC with substantiation for the development of the 1.6x multiplier factor to estimate the percentage of students eligible for free and reduced-price meals as would have been calculated based on “income eligibility and categorical eligibility if applications were collected.”

*Collection of Alternative Socio-Economic Data:*

The proposed amendment to the eligibility regulations acknowledges that, in the absence of NSLP applications, schools may decide — or states may require — the collection of alternative socio-economic data. As proposed, such an alternative application process must be “developed and managed totally separate from the School Nutrition Programs.” Other aspects of the proposed amendment require a clear separation of Federal and non-Federal funds. Given the importance of socio-economic data to the process, E-rate applicants may be incented to undertake alternative family income surveys. From a budgetary standpoint, the cost of such surveys may be implicitly borne by anticipated E-rate discounts and/or reimbursements. SECA believes, therefore, that USDA rules explicitly recognize that E-rate funds should not be categorized as “Federal” funds.

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*One Non-E-Rate Suggestion for Clarification:*

As discussed in the proposal, the “identified student percentage” would be calculated by dividing the number of “identified students” by the number of “enrolled students.” The definition of “enrolled students” specifically excludes students “who *do not have access* to either breakfast or lunch,” but the definition of “identified students” does not explicitly indicate a similar exclusion.<sup>1</sup> One would expect that the “identified student percentage” would be calculated using consistent measures in both the numerator and denominator. If it is not, a clarification is suggested.

Respectfully Submitted by:

/s/ Gary Rawson

Gary Rawson, Chair  
State E-Rate Coordinators’ Alliance

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<sup>1</sup> It is possible such an exclusion is implicit in the definition of “identified students” as those “low income students certified for free meals,” implying that those half-day students not having access to meals would thus not be certified.