



## MEMORANDUM

To: School Food Authorities

From: ***Lindsey Palmer***

Lindsey Palmer, RDN, LD  
School Programs Manager

Date: December 15, 2014

Re: Updated E-Rate Guidance for School Electing in Community Eligibility

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### State Agency Memo

#### NSLP #04-15

This memorandum provides guidance to Local Education Agencies (LEAs) around the recently updated rules by the Federal Communications Commission (FCC) regarding the calculation of discount rates under the E-Rate program for schools electing the Community Eligibility Provision (CEP).

Traditionally, school districts have calculated E-Rate discount rates based on each school's percentage of free and reduced price certified students under the school meal programs. For School Year 2015-2016, new rules will be applied to school districts with CEP schools and how to calculate their discount rate.

The new rules require school districts to determine the E-Rate discount for the entire district, rather than for individual schools, by dividing the number of students eligible for free and reduced-price meals in the district by the district's total enrollment. Schools operating CEP would use their free claiming rate to determine the number of free and reduced-price students for this calculation but it cannot exceed 100 percent. The E-Rate discount also remains valid for the entire four-year CEP cycle; it cannot go down during this time but there is the option to increase the free percentage if the Identified Student Percentage (ISP) increases over the four years.

Note that there are no changes to the E-Rate rules for School Year 2014-2015. For additional information and the entire rule, visit [https://apps.fcc.gov/edocs\\_public/attachmatch/FCC-14-99A1.pdf](https://apps.fcc.gov/edocs_public/attachmatch/FCC-14-99A1.pdf).

Should you have any questions, please contact your designated Program Specialist.