Economically Disadvantaged Guidance

School Nutrition Direct Certification

The hierarchy for providing school meal benefits should be implemented as follows:

1. SNAP (Supplemental Nutrition Assistance Program)
2. TANF (Temporary Assistance for Needy Families)
3. Other Categorically Eligible (Foster, Homeless, Migrant, Runaway in no particular order)
4. Medicaid Free
5. Free by Application
6. Medicaid Reduced
7. Reduced by Application

When there is a situation where a student is eligible for meals based on multiple criteria, the hierarchy will be followed. If the Medicaid benefit has an effective date before the SNAP/TANF/Foster effective date, the meal benefit can be provided based on the Medicaid coding. When additional criteria become effective, update the nutrition coding to reflect the eligibility criterion that is highest on the hierarchy and ensure the updated information is shared with your district's Student Information System (SIS) administrator. This both provides the student with the meal benefit for the maximum eligible time for nutrition benefits and ensures the student is included in the economically disadvantaged subgroup when appropriate.

For a student to be directly certified for free or reduced meal benefits, the match must be made in the current school year (July 1 through June 30). For example, any match for SY2025-26 must utilize data generated in the 2025-26 school year.

Per USDA Policy memo SP51-2014, the effective eligibility date in the data cannot be used as students' start date for free meals. Nutrition benefits must use the date the file was received from partner agencies as the effective date or the day the SFA makes the match, dependent on local policy and procedures.

Districts participating in the Community Eligibility Provision (CEP) should continue to directly certify and code students according to the guidance provided in this document.

Economically Disadvantaged Subgroup

The economically disadvantaged (ED) subgroup for assessment, accountability, and Tennessee Investment in Student Achievement (TISA) funding is defined in law and Tennessee's Every Student Succeeds Act (ESSA) plan as a student identified as experiencing homelessness, foster care, unaccompanied youth, or migrant status, or a student meeting the direct certification eligibility guidelines established pursuant to 42 U.S.C. §§ 1751-1769, related to receiving SNAP or TANF supports.

The ED subgroup includes some, but not all, students who are eligible for school nutrition benefits.

Economically Disadvantaged Coding Updates

As of July 1, 2025, the J-code was retired, and four new codes were introduced to provide more detailed information about ED and related subgroups: SN, TO, X, and Y. More information about the proper use of these codes is provided below.

The ED subgroup includes:

- students directly certified to receive free meals via participation in the SNAP program (SN),
- students directly certified to receive free meals via receipt of TANF benefits (TO),
- students who are directly certified to receive free meals through other categorically eligible programs such as foster care (FOS01), homeless (H), migrant (I), and runaway (U) students, or
- students with extended eligibility (SN or TO) who live in a household with another student who has been directly certified via SNAP or TANF assistance programs.

The ED subgroup **does not** include:

- students who qualify for free or reduced-price meals via participation in Medicaid (MF or MR),
- students who qualify for free or reduced-price meals via household application for free (X) or reduced-price school meals (Y), or
- students who qualify for free meals via checking "foster" on household application (X).

Economically Disadvantaged Coding Guidance

School nutrition teams and SIS administrators should collaborate regularly to ensure each student's most recent coding is captured in the SIS per the school nutrition hierarchy identified above. Use the following guidance when coding students:

Code	Definition and Use
SN	Students directly certified to receive free meals via participation in the SNAP program. Students who live in a household with another student who has been directly certified via SNAP are also included.
TO	Students directly certified to receive free meals via receipt of TANF benefits. Students who live in a household with another student who has been directly certified via TANF are also included.
FOS01	Foster care students.
H	Homeless Students, see Federal Programs and Oversight (FPO) Data Manual for more information.
I	Migrant Students, see FPO Data Manual for more information.
U	Runaway Students, see FPO Data Manual for more information.

- In addition to the SN or TO codes, code students with **all** categorically eligible codes that they qualify for. This includes foster care (FOS01), homeless (H), migrant (I), and runaway (U).
- SNAP (SN), TANF (TO), foster care (FOS01), homeless (H), migrant (I), and runaway (U) status apply for the school year, so students retain the status throughout their enrollment and in subsequent enrollments during the school year once the identification is made.
- Eligibility for free meals is extended to all children in a household if one member has been directly certified under the SNAP or TANF assistance programs. These children are also considered directly certified and should be coded with the SN or TO codes.
- Eligibility is **not** extended to other children in the household if one child is categorically eligible for free meals due to his/her foster care (FOS01), homeless (H), migrant (I), or runaway (U) status.
- If a student is receiving nutrition benefits under the 30-day carryover policy, the student

should not be coded as SN or TO in your district's SIS. The SN and TO codes should be reserved for students who are directly certified as having SNAP or TANF benefits in the current school year.

Medicaid Free and Reduced-Price Meal Eligibility

Students who qualify for free or reduced-price meals via participation in Medicaid are not included in the state's definition of economically disadvantaged and:

- are not coded as SN or TO- direct certification of SNAP/TANF,
- are not part of the economically disadvantaged subgroup, and
- should be coded using the MF (Medicaid Free) or MR (Medicaid Reduced) codes.
- Eligibility for free or reduced-price meals is extended to all children in a household if one member has been directly certified as receiving Medicaid benefits. These children are also considered Medicaid participants and should be coded with the MF or MR code

Free and Reduced-Price Meal Eligibility via Application

Students who qualify for free or reduced-price meals based on family income and completion of a household application for free and reduced-price school meals:

- are not coded as SN or TO- direct certification of SNAP/TANF,
- are not part of the economically disadvantaged subgroup, and
- NEW **OPTIONAL** CODES: can be coded using the X (free school meals via application) or Y (reduced price meals via application) codes. The use of these codes provides districts with a means to track these classifications for purposes such as Title 1, Part A school eligibility purposes. CEP schools should not use the X and Y codes.

Title I, Part A: School Eligibility, Poverty Factor (Consolidated Funding Application)

For Title I, Part A School Eligibility purposes, LEAs have the following options for identifying economically disadvantaged students:

- Free and Reduced-Price Lunch
- Direct Certification
- Direct Certification x 1.6 Multiplier
- Temporary Assistance for Needy Families (TANF)
- Medicaid
- Census
- Household Survey

For the purposes of identifying economically disadvantaged counts for Title I, Part A School Eligibility purposes, Medicaid Free and Medicaid Reduced students can be included in the direct certification method. However, to use the 1.6 multiplier, Medicaid reduced students must be excluded.