Ohio | Department of Education

Ted Strickland, Governor
Deborah S. Delisle, Superintendent of Public Instruction

POLICY STATEMENT

E-Rate Audits by the Federal Communications Commission (FCC) - Cooperation with Data Collection

Source:	USDA Memo SP 04-2009 and SP 29-2008
Code:	NSLP 01-09
Audience:	All Local Education Agencies
Effective Date:	01/05/2009
Replaces:	NSLP 16-08
Program:	NSLP
Contact:	Brigette Hires, Assistant Director, NSLP

INTRODUCTION

This memorandum defines the E-Rate program and clarifies the school meals program documentation appropriate for review by E-Rate auditors to uphold student confidentiality regulations.

STATEMENT OF POLICY

A. **OVERVIEW OF THE E-RATE PROGRAM**

1. The Federal Communications Commission (FCC), through the Universal Service Administrative Company (USAC), administers the E-Rate program.
2. The E-Rate program provides discounts to schools to obtain affordable telecommunication and Internet access; the discount rates are based on the percentage of children who are approved for free and reduced price school meals.
3. USAC has contracted with private firms to conduct audits of the discount rates given to schools.
4. In conducting the E-Rate program audits, auditors have asked Local Educational Agencies (LEAs) for a list of students eligible for free or reduced price meals under the National School Lunch Program (NSLP) along with the applications for those students.
5. Local Educational Agencies (LEAs) have expressed concerns of potential violations to student confidentiality regulations in providing this information to the auditors.

B. **PROVISION OF FREE AND REDUCED PRICE SCHOOL MEALS FAMILY APPLICATION INFORMATION TO E-RATE AUDITORS AND E-RATE AUDIT PROTOCOLS**

1. The United States Department of Agriculture (USDA) has determined that release of student eligibility information to the E-Rate program auditors is

permitted under section 9(b)(6) of the Richard B. Russell National School Lunch Act (NSLA).
    a. Section 9(B)(6) allows release of certain student eligibility information to Federal education programs.
2. USDA has worked with the FCC to ensure that the E-Rate audit protocols comply with the requirements of the NSLA.
3. LEAs may share individual children's information with authorized FCC auditors if the below audit protocol guidelines are followed:
    a. Auditor compares aggregate enrollment data with aggregate free and reduced price eligibility data;
    b. For a small sample of eligible students, the auditor may review free and reduced price school meals applications and/or direct certification records;
    c. The auditor can confirm that an application or other documentation exists for each selected student; and
    d. Auditors may not retain personal student information or copies of the application forms.

C. **E-RATE AUDITOR PERMITTED ACTIONS AND LIMITATIONS**

1. Auditors may ensure the information on the application was accurately processed; i.e., that the income and the number of persons in the household were totaled correctly and that the appropriate Income Eligibility Guidance was used.
2. Auditors may confirm that the children listed on benefit issuance rosters as eligible for free or reduced meals have approved applications on file.
3. Auditors may confirm the number of children used for statistical purposes is based on approved applications.
4. Auditors cannot conduct verification to affirm the accuracy of the information on the free and reduced price school meals application, and cannot contact the household.
5. Auditors are bound by disclosure requirements, and cannot share or otherwise release individual information.
6. FCC has instructed their auditors that the LEA may redact all information from the application that does not directly show that a student has an approved application or other documentation on file.
    1. For example, if the student is identified by his/her student number, the LEA could redact the student's name, address, etc. as long as the student number and approved eligibility status were visible.

Please keep this memo on file for reference. A copy of the memo is available for downloading from the Ohio Department of Education (ODE) website at: http://www.ode.state.oh.us/ . If you have any questions regarding this memo, please contact your ODE School Meal Programs Regional Consultant.