

Certification and Verification Overview

Gary Vessels, FNS – CND
John Endahl, FNS - ORA
William Wagoner, FNS - CND
Chris Logan, Abt Associates

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Findings and Conclusions

- Program errors and the risk of erroneous payments in NSLP and SBP continue to be a problem
- Estimates of the cost of erroneous payments in school meal programs in school year 2004-05 approach \$1.8 billion
- Most payment errors result from:
 - Household misreporting
 - Administrative errors
 - Cashier errors
- Given the nature of the errors, there is no simple solution

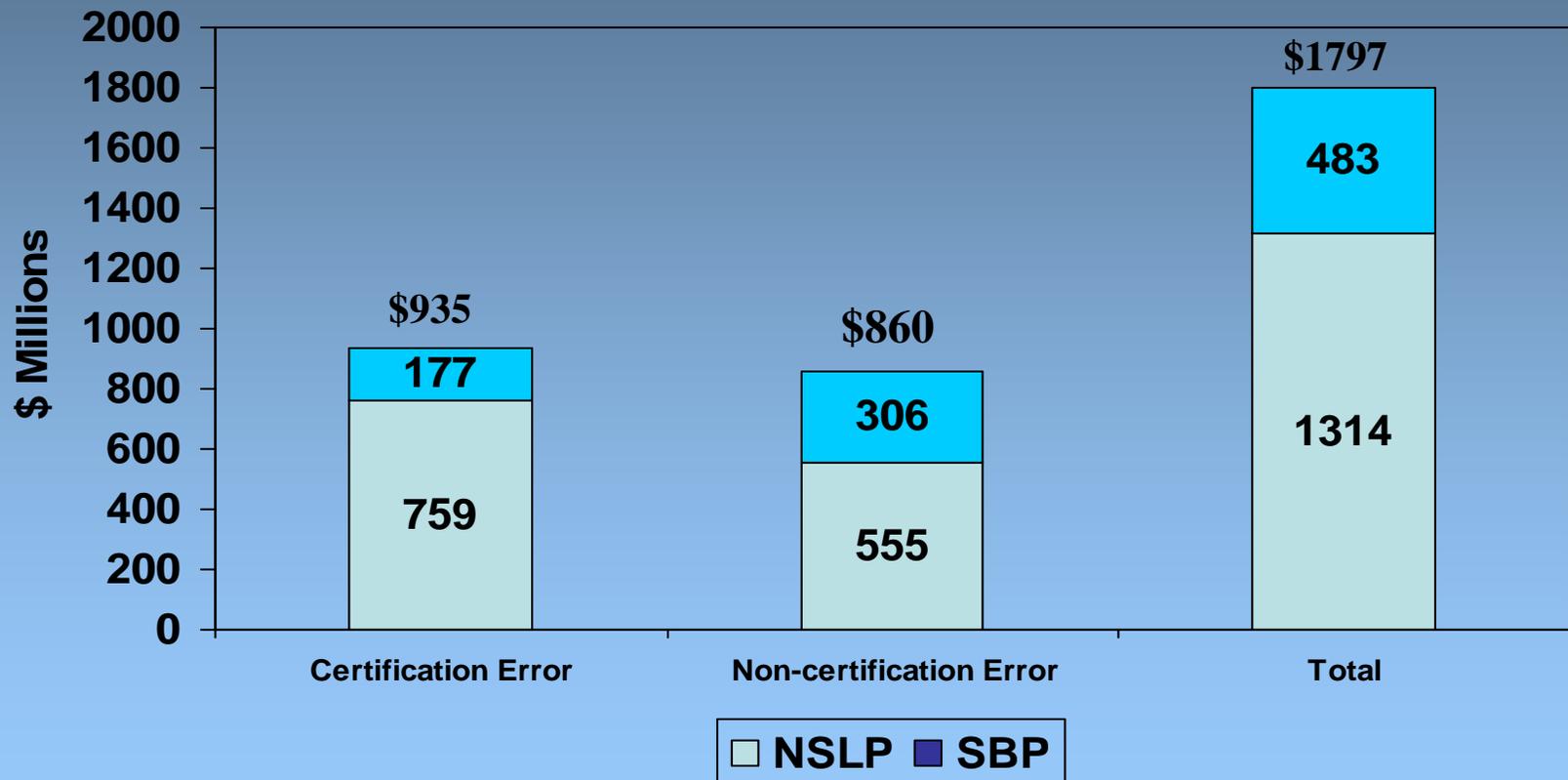


Erroneous Payment Sources

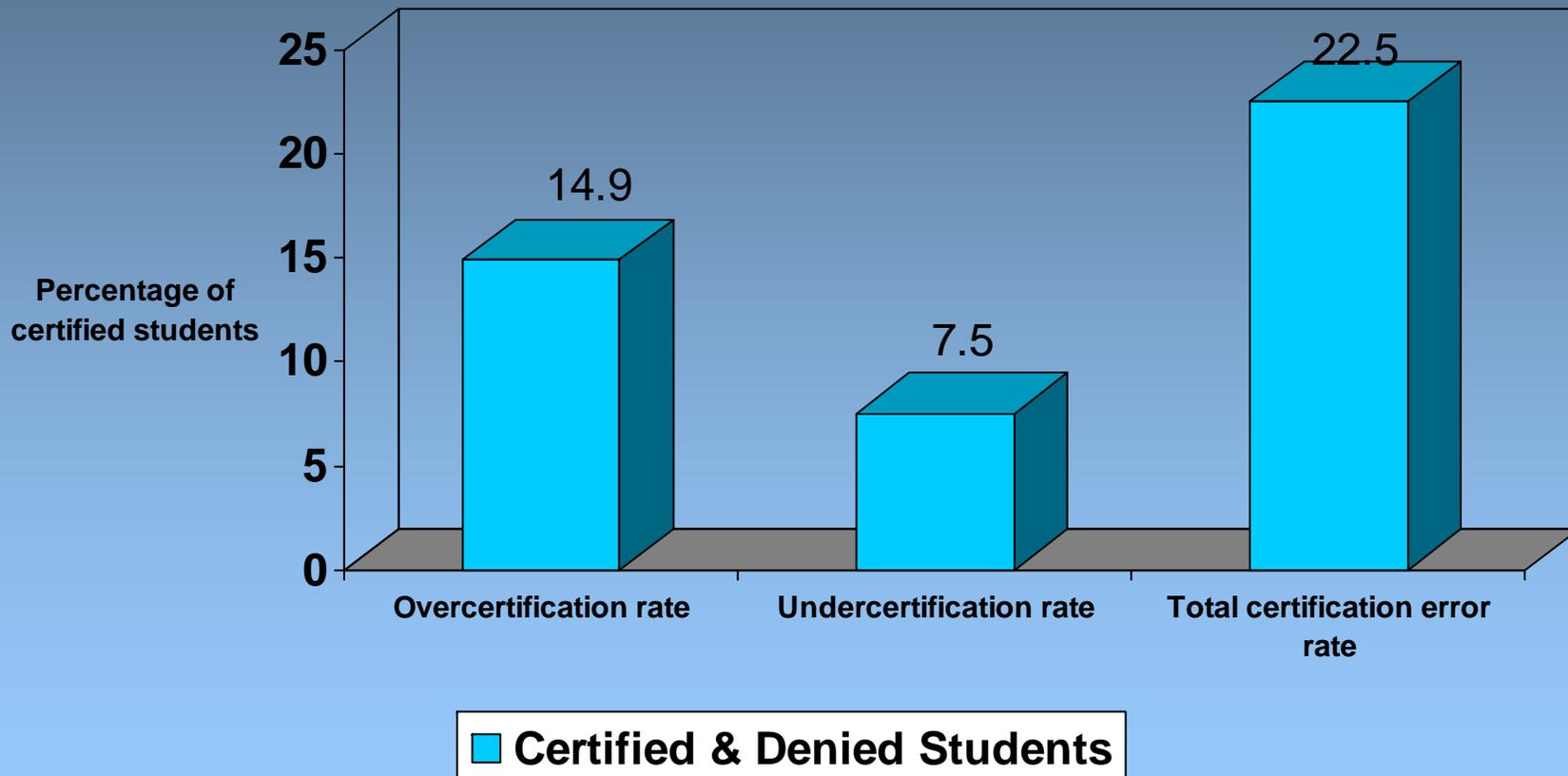
- **Students' Certification Status Misclassified**
 - Administrative error
 - Misreporting by households
- **Errors Occurring After Student Certification**
 - Cashier errors
 - Meal counting and claiming errors



Estimated Costs of Erroneous Payments in the NSLP and SBP



Certification Error Rate Estimates

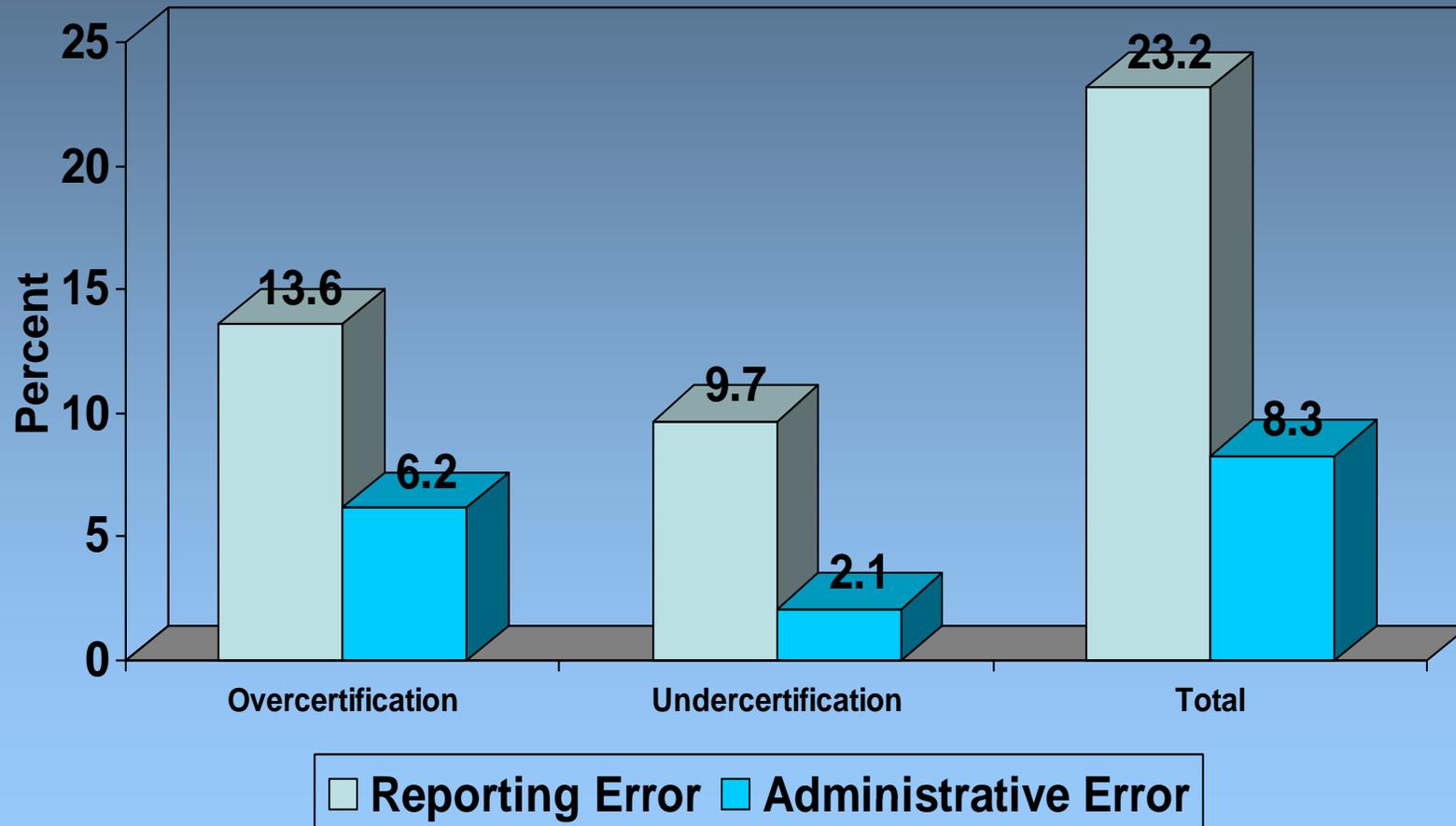


Certification Error Rate Estimates

Eligibility Status	Among students certified for free meals	Among students certified for RP meals	Among students denied F/RP meals
Free	86%	34%	19%
Reduced-Price	8	41	17
Paid	6	25	64



Reporting and Administrative Error Rates



Addressing the Erroneous Payment Problem: Practical Steps

No Simple Solution.

A successful error reduction strategy must:

- Improve accuracy without compromising access for low-income families
- Be cost-effective
- Consider the needs of other users of school meal program eligibility data



Direct Certification with the Food Stamp Program

- FNS issued a memo on July 7, 2008 (SP 27-2008)
- As of July 1, 2008, DC with the FSP is mandatory
- Exceptions:
 - Provision 2 or 3 in non-base years
 - Certain RCCIs

Resources for Direct Certification Implementation

- **Small LEAs should work with larger LEAs**
- **Individual students' information may be shared between schools and institutions participating in CNPs.**
- **We also encourage LEAs to work with their SA to implement DC**

Resources for Direct Certification Implementation

- LEAs should review Part 6 of the Eligibility Manual
- www.fns.usda.gov/cnd/Guidance/eligibilityguidance.pdf
- Funds available for direct certification grants.

Direct Certification

- Should not be a static process
- Look for continuous improvement
 - Improve frequency
 - Improve records to improve matches
 - Work with FSP to determine if any “secondary” match system can be performed
- Move away from letter method if possible