

### **Background**

From July to September 2002, the Food and Nutrition Service reviewed the free and reduced price (F/RP) eligibility determination process (i.e., application, verification, reapplication, meal ticket status) for each of 3,474 applications selected for verification in 14 large School Food Authorities in the 2001-02 school year. These SFAs enroll nearly one million children, among whom 45 percent were approved for free meals and 7 percent were approved for reduced price meals as of October 31, 2001.

### **Verification Results**

Overall results: On average, 43 percent of applications verified in study districts had their benefit levels unchanged as a result of the verification process, while 55 percent had a benefit reduction / termination and 2 percent had an increase in benefits from reduced price to free.

Respondent ineligibility: Among respondents to verification, 21 percent had a benefit reduction or termination. In random sampling districts 14 percent of respondents had a benefit reduction or termination; in focused sampling districts 40 percent of respondents had a benefit reduction or termination. Four percent of respondents to verification had a benefit increase from reduced-price to free meal eligibility.

Reasons for benefit change: Non-response to the verification process accounted for most of the applications that had benefits reduced or terminated. Seventy-seven percent of benefit reductions / terminations (BRT) in focused sampling districts were due to non-response while 80 percent of all BRTs in random sampling districts were the result of non-response.

Random sampling SFAs had a higher rate of benefit increase from reduced price to free (3 percent) compared to focused sampling SFAs (1 percent).

Results from income applications v. categorical applications: Income and household size applications: Among applications approved on the basis of income and household size selected for verification, 57 percent had benefits reduced or terminated. Among respondents, 23 had their benefits reduced or terminated. The average rate of benefit reduction or termination among respondents was lower in random sampling districts (18 percent) than in focused sampling districts (34 percent).

Categorically approved applications - where households that report a Food Stamp / Temporary Assistance for Needy Families / Food Distribution Program on Indian Reservations (FS/TANF/FDPIR) case number as the basis of their eligibility - were less likely to have a benefit reduction or termination as a result of the verification process than income and household size applications. Among categorically-approved applications, there was a 30 percent rate of benefit reduction / termination compared to a 57 percent rate among income and household size applications.

### **Accuracy of SFA review of applications and verifications**

Application review: On average, 94 percent of initial approvals by SFAs for free and reduced price meal benefits where applicants reported household income and size were accurate based on information provided on the applications while 6 percent of initial approvals were inaccurate.

Verification determinations: 92 percent of verification decisions by SFAs were appropriate - consistent with the documentation provided by

parents -- and 8 percent of verification decisions were inappropriate.

Meal ticket status: Among children whose applications and verifications we reviewed, the end of year meal ticket status was accurate in 83 percent cases while it was inaccurate in 17 percent of cases.

Direction of inaccuracy: Over 75 percent of all SFA administrative errors identified in this study resulted in households being approved for a greater level of benefit than was supported by the materials provided by households to SFAs. Less than 25 percent of all errors resulted in households being approved for a lower level of

benefit than to which they were entitled based on material they provided SFAs.

Reapplication of non-responders to verification 29 percent of households that had their benefits terminated in the verification process reapplied later in the 2001-02 school year in study SFAs. An average of 93 percent of such reapplications were approved for free or reduced price meal benefits, while 7 percent were denied.

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