VERIFICATION REPORTING

Changes to the FNS-742

Verification Report

June 26, 2013

Why has the FNS-742 changed?

- **Expiration of the form**

- **Healthy Hunger-Free Kids Act of 2010 changed the Program requirement**

- **Need for more data collection**

- **Results of NSLP/SBP Access, Participation, Eligibility and Certification (APEC) 2007 study**

Key Verification Documents

- **National School Lunch Act, Section 9**

- **7 CFR 245.6a "Verification requirements"**

- **7 CFR 210.15 "Reporting and Recordkeeping"**

- *Eligibility Manual for School Meals (August 2012)*
  - **Part 8: "Verification"**
  - **Part 9: "Direct Verification"**

Where is Verification data used?

- State agency's direct certification rate;

- Improper payment reports;

- Non-Response Rate;

- Office of Policy Support (OPS) studies.

Roles in the Verification Process

- **The SFA, SA, RO, and FNS all have key roles in the process**

- **SFA – responsible for verification activities**

- **SA – aggregates data and submits to FNS; provides training to SFAs on achieving better verification results**

- **RO – liaises with SA to resolve lingering inconsistencies**

- **FNS-HQ – analyzes data and submits a Report to Congress**

REPORTING SYSTEM FOR THE NEW FNS-742

FPRS – Food Programs Reporting System

- **For SY 2013-14, FNS-742 will be reported through the FPRS**

- **SAs are familiar with FPRS and use it to report FNS-10, FNS-44, FNS-777, etc.**

- **Different, however, from the process for these forms, the FNS-742 will be an Excel upload**

AN OVERVIEW OF THE CHANGES TO FNS-742

A brief overview of the changes.

- **Report's layout is different**

- **Report has 5 separate sections**

- <u>**All**</u> **SFAs participating in the NSLP must complete the new form in the applicable sections**

- **SFA's with alternate provisions must complete the FNS-742 report in the applicable sections**

5 Sections of new FNS-742 Report

- **Section 1: Total number of schools, RCCIs, and enrolled students**

- **Section 2: SFAs with alternate provisions**

- **Section 3: Students approved free but not subject to verification**

- **Section 4: Students approved Free/Reduced via household application**

- **Section 5: Verification Results**

A REVIEW OF FNS-742

General Instructions

Department of Agriculture, Food and Nutrition Service

School Food Authority (SFA) Verification Collection Report

State agencies must report the information on this form ANNUALLY for each SFA with schools operating the National School Lunch Program (NSLP) and/or the School Breakfast Program (SBP).

All SFAs, including SFAs with all schools exempt from verification requirements, must complete applicable sections.

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it contains a valid OMB control number. The valid OMB number for this collection is 0584-0026. The time required to complete this information collection is 45 minutes per response, including the time to review instructions, search existing data resources, gather the data needed and complete and review the information collection.

State Agency Name:	SFA ID#:	Type of SFA: ☐ Public ☐ Nonprofit/Private	School Year: From: 20___ To: 20___
SFA Name:		SFA City:	SFA Zip code: ☐☐☐☐☐

13

What's Changed?

- Title: SFA Verification Collection Report

- New items: SFA City and Zip Code

Example of General Instructions:

Department of Agriculture, Food and Nutrition Service

School Food Authority (SFA) Verification Collection Report

State agencies must report the information on this form ANNUALLY for each SFA with schools operating the National School Lunch Program (NSLP) and/or the School Breakfast Program (SBP).
All SFAs, including SFAs with all schools exempt from verification requirements, must complete applicable sections.

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it contains a valid OMB control number. The valid OMB number for this collection is 0584-0026. The time required to complete this information collection is 45 minutes per response, including the time to review instructions, search existing data resources, gather the data needed and complete and review the information collection.

State Agency Name:	SFA ID#:	Type of SFA:	School Year:
State Agency	CO165671	☒ Public ☐ Nonprofit/Private	From: 20 13 To: 20 14

SFA Name:		SFA City:	SFA Zip code:
Midstate Central School District		Midstateville	4 4 5 4 4

SECTION 1

Section 1: Total Schools, RCCIs, and Enrolled Students

	Total Schools, Residential Child Care Institutions (RCCIs) and Enrolled Students	**All SFAs must report Section 1**	A. Number of Schools OR Institutions	B. Number of Students
Section 1		**1-1: Total schools** *(Do not include RCCIs)*:		
		1-2: Total RCCIs *(Do not include schools counted in 1-1)*:		
		1-2a: RCCIs with day students *(Report ONLY day students in 1-2aB)*:		
		1-2b: RCCIs with NO day students:		

What's Changed in Section 1

- All SFAs with schools or RCCIs operating the NSLP and/or SBP must complete this section;
- Break out of data:
  - Schools only
  - RCCIs only
    - RCCIs with day students
    - RCCIs with NO day students

First Example of Section 1:

Section 1	Total Schools, Residential Child Care Institutions (RCCIs) and Enrolled Students	**All SFAs must report Section 1**	A. Number of Schools OR Institutions	B. Number of Students
		1-1: Total schools *(Do not include RCCIs)*:	0	0
		1-2: Total RCCIs *(Do not include schools counted in 1-1)*:	5	265
		1-2a: RCCIs with day students *(Report ONLY day students in 1-2aB)*:	4	100
		1-2b: RCCIs with NO day students:	1	25

RCCI	Day students	Residential students	All students
1	50	10	60
2		25	25
3	30	30	60
4	5	100	105
5	15		15
Total	**100**	**165**	**265**

Second Example of Section 1:

Section 1	Total Schools, Residential Child Care Institutions (RCCIs) and Enrolled Students	**All SFAs must report Section 1**	A. Number of Schools OR Institutions	B. Number of Students
		1-1: Total schools (Do not include RCCIs):	18	1,623
		1-2: Total RCCIs (Do not include schools counted in 1-1):	0	0
		1-2a: RCCIs with day students (Report ONLY day students in 1-2aB):	0	0
		1-2b: RCCIs with NO day students:	0	0

SECTION 2

Section 2: SFAs with schools operating alternate provisions

		A. Number of Schools AND Institutions	B. Number of Students
Section 2	SFAs with schools operating alternate provisions	**ONLY SFAs with alternate provisions must report Section 2**		
		2-1: Operating Provision 2/3 in a BASE year for NSLP and SBP:		
		2-2: Operating Provision 2/3 in a NON BASE year for NSLP and SBP:		
		2-2a: Provision 2/3 students reported as FREE in a NON BASE year:		
		2-2b: Provision 2/3 students reported as REDUCED PRICE in a NON BASE year:		
		2-3: Operating the Community Eligibility Option:		
		2-4: Operating other alternatives for NSLP and SBP:		
		2-5: Operating an alternate provision(s) for only SBP or only NSLP:		

What's Changed in Section 2:

- Number of schools and institutions, and the number of students in school operating under an alternate provision;

- Provision 2/3, base year and non-base year;

- Community Eligibility;

- Other alternate provisions;

- Those schools offering both NSLP and SBP, vs. those operating only one of these programs;

Example of Section 2:

		ONLY SFAs with alternate provisions must report Section 2	A. Number of Schools AND Institutions	B. Number of Students
Section 2	SFAs with schools operating alternate provisions	**2-1: Operating Provision 2/3 in a BASE year for NSLP and SBP:**	2	435
		2-2: Operating Provision 2/3 in a NON BASE year for NSLP and SBP:	3	656
		2-2a: Provision 2/3 students reported as FREE in a NON BASE year:		426
		2-2b: Provision 2/3 students reported as REDUCED PRICE in a NON BASE year:		98
		2-3: Operating the Community Eligibility Option:	1	122
		2-4: Operating other alternatives for NSLP and SBP:	0	0
		2-5: Operating an alternate provision(s) for only SBP or only NLSP:	1	97

SECTION 3

Section 3: Students approved as FREE eligible NOT subject to verification

Section 3	Students approved as FREE eligible NOT subject to verification	****ALL SFAs must report Section 3 or check box 3-1 if applicable**** **3-1:** ☐ Check the box only if all schools and/or RCCIs in the SFA were not required to perform direct certification **with SNAP** (i.e. NON BASE year Provision 2/3 for all schools)	B. Number of FREE Students
		3-2: Students directly certified through Supplemental Nutrition Assistance Program (SNAP): *Do **not** include students certified with **SNAP** through the letter method.*	
		3-3: Students directly certified through other programs: *Include those directly certified through Temporary Assistance for Needy Families **(TANF)**, Food Distribution Program on Indian Reservations **(FDPIR)**, or Medicaid (if applicable); those documented as homeless, migrant, runaway, foster, Head Start, Pre-K Even Start, or non-applicant but approved by local officials.* **DO NOT include SNAP students already reported in 3-2.**	
		3-4: Students certified categorically FREE eligible through SNAP letter method: *Include students certified for free meals through the family providing a letter from the **SNAP** agency.*	

What's Changed in Section 3:

- **The <u>break out</u> of data:**

  - **Students certified using SNAP;**

  - **All other certified students (e.g. TANF, FDPIR); and**

  - **Those certified through SNAP letter method.**

Line 3-2

3-2: Students directly certified through Supplemental Nutrition Assistance Program (SNAP): *Do **not** include students certified with **SNAP** through the letter method.*

Line 3-2 is very important for SNAP direct certification performance rate calculations

Direct Certification Data Element

- Include <u>all</u> SNAP direct certifications in this count.

- If a student is SNAP directly certified along with another program (i.e. SNAP/TANF), classify it as a SNAP direct certification. Include it in the count on this line, not on another line—SNAP takes precedence.

- If a student is extended eligibility for free meals because someone else in the household receives SNAP, classify it as SNAP direct certification, and include it in this count.

Line 3-2

3-2: Students directly certified through Supplemental Nutrition Assistance Program (SNAP): *Do <u>not</u> include students certified with **SNAP** through the letter method.*

Direct Certification Data Element

What if the Student had initially been certified in another way?

- If the student shows up on the SNAP direct certification list by the last operating day in October (even if initially certified in another way), classify it as a SNAP direct certification and include it in this count.

  . *Otherwise . . .*

- Do <u>NOT</u> include SNAP "letter method" counts here.
- Do <u>NOT</u> include SNAP students certified using case numbers written on an application.

Example of Section 3:

Section 3	Students approved as FREE eligible NOT subject to verification	**ALL SFAs must report Section 3 or check box 3-1 *if applicable*** 3-1: ☐ Check the box only if every school/RCCI in the SFA was not required to perform direct certification **with SNAP** *(i.e. NON-BASE year Provision 2/3 for all schools)*	**B. Number of FREE Students**
		3-2: Students directly certified through Supplemental Nutrition Assistance Program (SNAP): *Do* **NOT** *include SNAP letter method certifications in this SNAP count, report these in 3-4B below.*	388
		3-3: Students directly certified through other programs: *Include those directly certified through Temporary Assistance for Needy Families (**TANF**), Food Distribution Program on Indian Reservations (**FDPIR**), or Medicaid (if applicable); those documented as homeless, migrant, runaway, foster, Head Start, Pre-K Even Start, or non-applicant but approved by local officials.* **DO NOT include SNAP students already reported in 3-2**	27
		3-4: Students certified Categorically FREE eligible through SNAP letter method: *Include students certified for free meals through the family's providing a letter from the **SNAP** agency*	2

How 3-2 was calculated

Method of Certification	# Students
SNAP Directly Certified	340
SNAP/Combo (ie SNAP/TANF) Directly Certified	21
SNAP Extended Eligibility	15
Converted to SNAP Direct Certified by last operating day in October after shows up on SNAP Direct Certification list	12
Total SNAP Directly Certified	388

SECTION 4

Section 4: Students approved as FREE or REDUCED PRICE eligible through a household application

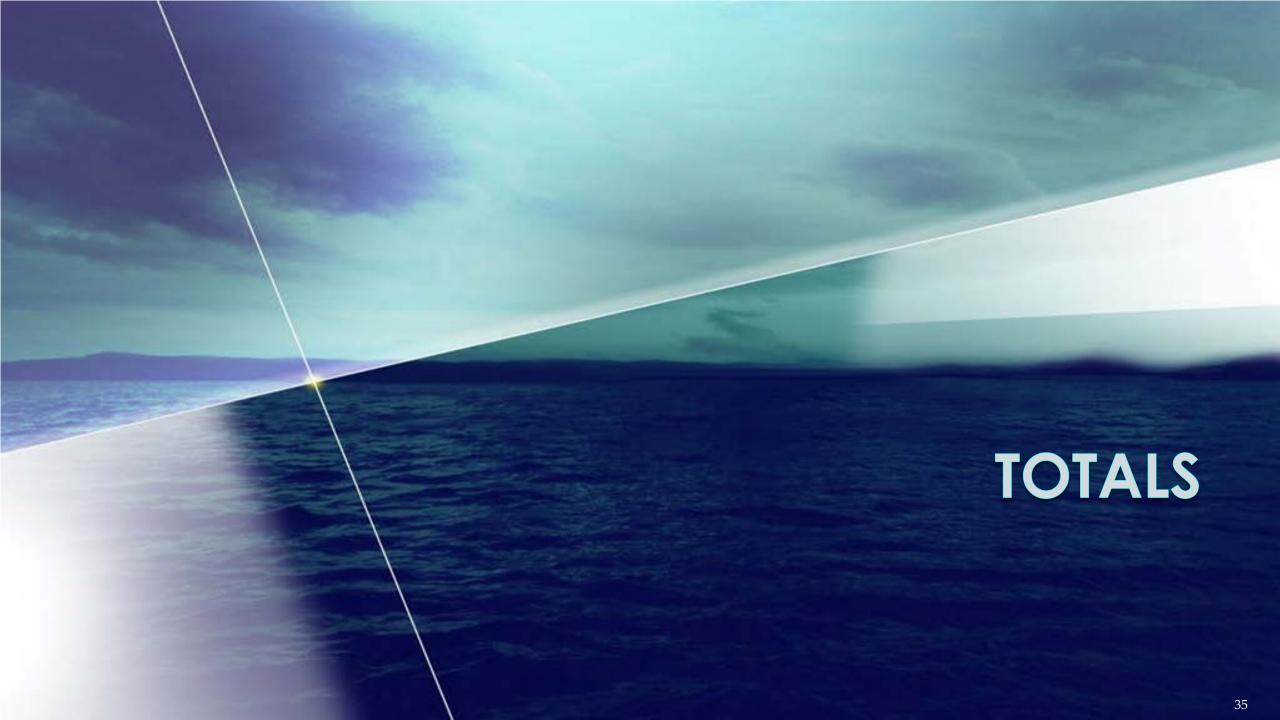| Section 4	Students approved as FREE or REDUCED PRICE eligible through a household application	**ALL SFAs collecting applications must report Section 4**	A. Number of Applications	B. Number of Students
		4-1: Approved as categorically FREE Eligible: *Based on those providing documentation (e.g. a case number for SNAP, TANF, FDPIR on an application)*		
		4-2: Approved as FREE eligible: *Based on household size and income information*		
		4-3: Approved as REDUCED PRICE eligible: *Based on household size and income information*		

What's Changed in Section 4:

No Changes

But what's important to remember is:

- **All schools collecting household applications must report this section**
  - Including schools and/or RCCIs in a Provision 2/3 base year
- **Report number of applications (A) approved <u>as of October 1st</u>**
- **Report number of students (B) as of the <u>last operating day in October</u>**

Example of Section 4:

Section 4	Students approved as FREE or REDUCED PRICE eligible through a household application	**ALL SFAs collecting applications must report Section 4**	A. Number of Applications	B. Number of Students
		4-1: Approved as categorically FREE Eligible: *Based on those providing documentation (e.g. a case number for SNAP, TANF, FDPIR on an application)*	427	835
		4-2: Approved as FREE eligible: *Based on household size and income information*	134	191
		4-3: Approved as REDUCED PRICE eligible: *Based on household size and income information*	57	83

TOTALS

T-1 and T-2 – what does it mean?

T-1: Total FREE Eligible Students Reported:		T-2: Total REDUCED PRICE Eligible Students Reported:	

- **T-1 = Total FREE eligible students reported**

- **T-2 = Total REDUCED PRICE eligible students reported**

T-1 = Total Free Eligible Students Reported

T-1: Total FREE Eligible Students Reported:

- ⊙ **As reported on the FNS-742 add the following together:**

    Students directly certified through SNAP (3-2)

\+ Students directly certified through other programs (3-3)

\+ Students certified categorically FREE eligible through SNAP letter method (3-4)

\+ Approved as categorically FREE Eligible (4-1)

\+ Approved as FREE eligible: *Based on household size and income information* (4-2)

\+ (if applicable): Provision 2/3 students reported as FREE in NON BASE year (2-2a)

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Total FREE Eligible Students Reported

T-2 = Total Reduced Eligible Students Reported

T-2: Total REDUCED PRICE Eligible Students Reported:

- ⊙ **As reported on the FNS-742 add the following together:**

  Approved as REDUCED PRICE eligible (4-3)

  + (if applicable): Provision 2/3 student reported as REDUCED PRICE in a NON BASE year (2-2b)

  _____

  Total REDUCED PRICE Eligible Students Reported

SECTION 5

ALL SFAs must report Section 5 or check box 5-1 if applicable

5-1: ☐ Check the box if ALL schools and/or RCCIs are exempt from verification (see instructions for list of exemptions). If 5-1 is checked, no further reporting in Section 5 is required.

5-2: Was verification performed and completed?

☐ Yes, completed by November 15th
☐ Yes, completed after November 15th
☐ No, verification was NOT performed or the process was not completed.

5-3: Type of Verification process used:

1. ☐ Standard (Lesser of 3% or 3,000 error-prone)
2. ☐ Alternate one (Lesser of 3% or 3,000 selected randomly)
3. ☐ Alternate two (Lesser of 1% or 1,000 error prone applications PLUS lesser of one-half of one percent or 500 applications with SNAP/TANF/FDPIR case numbers)

If 1 or 3 is checked in 5-3, report 5-4. If 2 is checked in 5-3, enter "N/A" in 5-4.

5-4: Total ERROR PRONE applications: *Report all applications as of October 1st considered error prone*

5-5: Number of applications selected for verification sample:

ALL SFAs must report 5-7 or check box 5-6 if applicable

5-6: ☐ Check the box if direct verification was not conducted in the SFA, (i.e. not one of the schools and/or RCCIs in the SFA performed direct verification). If 5-6 is checked, skip 5-7.

	A. Number of Applications	B. Number of Students
Report if FREE and/or REDUCED PRICE eligibility is confirmed through direct verification with SNAP/TANF/FDPIR/MEDICAID as of November 15th — **5-7: Confirmed through direct verification:**		

5-8: Results of Verification by Original Benefit Type

For each original benefit type (A, B, & C), report the number of applications and students as of November 15th for each result category (1, 2, 3, & 4). Do NOT include students and applications already reported in 5-7A or 5-7B.

A. FREE-Categorically Eligible *Certified as FREE based on SNAP/TANF/FDPIR documentation (e.g. case number) on application*			B. FREE-Income *Certified as FREE based on income/household size application*			C. REDUCED PRICE-Income *Certified as REDUCED PRICE based on income/household size application*		
Result Category	a. Applications	b. Students	Result Category	a. Applications	b. Students	Result Category	a. Applications	b. Students
1. Responded, NO CHANGE:			1. Responded, NO CHANGE:			1. Responded, NO CHANGE:		
2. Responded, Changed to REDUCED PRICE:			2. Responded, Changed to REDUCED PRICE:			2. Responded, Changed to FREE:		
3. Responded, Changed to PAID:			3. Responded, Changed to PAID:			3. Responded, Changed to PAID:		
4. NOT Responded, Changed to PAID:			4. NOT Responded, Changed to PAID:			4. NOT Responded, Changed to PAID:		

VC-1: Total questionable applications verified for cause (Enter "N/A" if not applicable): *Report the number of applications as of November 15th verified for cause in addition to the verification requirement.*

What's Changed in Section 5:

- **Identifying if ALL schools and/or RCCIs are exempt from verification (5-1)**

- **Indicating if verification was performed and completed on time (5-2)**

- **Reporting the number of error prone applications (5-4)**

What's Changed in Section 5 (Cont).

- Reporting the total number of applications selected for verification (5-5)

- Reporting the results of direct verification (5-6 and 5-7)

- <u>Removed</u> question "Reapplied and Reapproved on or before Feb. 15"

- Reporting on the number of applications verified for cause (VC-1)

Remain unchanged in Section 5:

A few things remained unchanged in Section 5:

- **Identifying the type of verification process used (5-3)**
- **Reporting the results of verification (5-8)**
  - Number of applications selected for verification for free and reduced-price
  - Number of students selected for verification approved for free or reduced-price benefits
  - Changes in eligibility category due to verification

Example of Section 5 (5-2 thru 5-5):

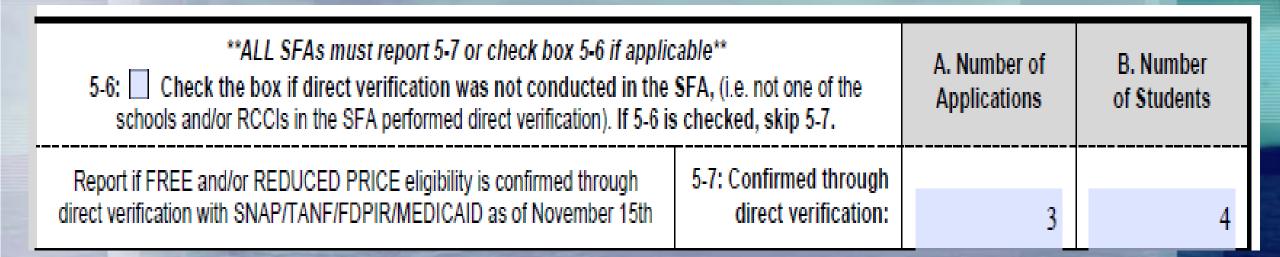**5-2: Was verification performed and completed?**

- [X] Yes, completed by November 15th
- [ ] Yes, completed after November 15th
- [ ] No, verification was NOT performed or the process was not completed.

5-3: Type of Verification process used:

1. [X] Standard (Lesser of 3% or 3,000 error-prone)
2. [ ] Alternate one (Lesser of 3% or 3,000 selected randomly)
3. [ ] Alternate two (Lesser of 1% or 1,000 error prone applications PLUS lesser of one-half of one percent or 500 applications with SNAP/TANF/FDPIR case numbers)

If 1 or 3 is checked in **5-3**, report **5-4**. If 2 is checked in **5-3**, enter "N/A" in **5-4**.	**5-4: Total ERROR PRONE applications:** *Report all applications as of October 1st considered error prone*		**5-5: Number of applications selected for verification sample:**	
		284		19

Example of Section 5 (5-6 thru 5-7):

ALL SFAs must report 5-7 or check box 5-6 if applicable		A. Number of Applications	B. Number of Students
5-6: ☐ Check the box if direct verification was not conducted in the SFA, (i.e. not one of the schools and/or RCCIs in the SFA performed direct verification). If 5-6 is checked, skip 5-7.			
Report if FREE and/or REDUCED PRICE eligibility is confirmed through direct verification with SNAP/TANF/FDPIR/MEDICAID as of November 15th	5-7: Confirmed through direct verification:	3	4

NOTE: Directly verified applications and students must NOT be reported in question 5-8.

Question 5-8: Verification Results of Household Applications

5-8: Results of Verification by Original Benefit Type

For each original benefit type (A, B, & C), report the number of applications and students as of November 15th for each result category (1, 2, 3, & 4). Do NOT include students and applications already reported in 5-7A or 5-7B.

A. FREE-Categorically Eligible			B. FREE-Income			C. REDUCED PRICE-Income		
Certified as FREE based on SNAP/TANF/FDPIR documentation (e.g. case number) on application			Certified as FREE based on income/household size application			Certified as REDUCED PRICE based on income/household size application		
Result Category	a. Applications	b. Students	Result Category	a. Applications	b. Students	Result Category	a. Applications	b. Students
1. Responded, NO CHANGE:			1. Responded, NO CHANGE:			1. Responded, NO CHANGE:		
2. Responded, Changed to REDUCED PRICE:			2. Responded, Changed to REDUCED PRICE:			2. Responded, Changed to FREE:		
3. Responded, Changed to PAID:			3. Responded, Changed to PAID:			3. Responded, Changed to PAID:		
4. NOT Responded, Changed to PAID:			4. NOT Responded, Changed to PAID:			4. NOT Responded, Changed to PAID:		

Verification is Complete When:

- Household provides adequate documentation of income or categorical eligibility–
- Household requests, verbally or in writing, to be changed to paid and notification sent
- Case numbers provided do not match any household member and notification sent
- Appeal process does not affect response

Responded vs. Not Responded

Responded Means:

The household provided sufficient documentation.

This includes verbal or written notification that the household declines benefits.

Not Responded Means:

The household did not provide sufficient documentation or the household did not provide a response.

Example of Section 5 (5-8):

5-8: Results of Verification by Original Benefit Type

For each original benefit type (A, B, & C), report the number of applications and students as of November 15th for each result category (1, 2, 3, & 4). Do NOT include students and applications already reported in 5-7A or 5-7B.

A. FREE-Categorically Eligible *Certified as FREE based on SNAP/TANF/FDPIR documentation (e.g. case number) on application*			B. FREE-Income *Certified as FREE based on income/household size application*			C. REDUCED PRICE-Income *Certified as REDUCED PRICE based on income/household size application*		
Result Category	a. Applications	b. Students	Result Category	a. Applications	b. Students	Result Category	a. Applications	b. Students
1. Responded, NO CHANGE:	10	13	1. Responded, NO CHANGE:	19	27	1. Responded, NO CHANGE:	4	5
2. Responded, Changed to REDUCED PRICE:	0	0	2. Responded, Changed to REDUCED PRICE:	1	2	2. Responded, Changed to FREE:	1	1
3. Responded, Changed to PAID:	1	1	3. Responded, Changed to PAID:	1	1	3. Responded, Changed to PAID:	1	2
4. NOT Responded, Changed to PAID:	2	3	4. NOT Responded, Changed to PAID:	5	7	4. NOT Responded, Changed to PAID:	0	0

VERIFICATION FOR CAUSE

Applications Verified for Cause

> VC-1: Total questionable applications verified for cause (Enter "N/A" if not applicable):
> *Report the number of applications as of November 15th verified for cause in addition to the verification requirement.*
>
> 2

- **VC-1: Report the total number of household applications verified for cause, as of Nov. 15th, if applicable;**

- **These applications are outside the standard verification process; i.e., they are NOT considered part of the required sample size;**

- **You must include the results of verification for cause by original benefit type in 5-8.**

More information can be found at:

CND
http://www.fns.usda.gov/child-nutrition-programs

CND policy:
http://www.fns.usda.gov/cnd/governance/policy.htm

Eligibility Manual for School Meals:
http://www.fns.usda.gov/cnd/guidance/EliMan.pdf