

	<h2>THE VERIFICATION PROCESS</h2> <p>SY 2023-2024</p>
	<p>Presented by NYSED Office of Child Nutrition</p>

Welcome to the Verification Process webinar, hosted by the New York State Education Department Office of Child Nutrition. Presenting today is Andrea Pais and Sara Hayes will be answering questions at the end of the presentation.

*If you have any questions during the presentation, please type them into the question box. We will review them at the end.*

*Following today's presentation, you will receive an email containing the slides for today's webinar. If you do not receive them, please email [CNTraining@nysed.gov](mailto:CNTraining@nysed.gov)*

A copy of the webinar will also be posted and available on the CN website. As always, if you have any questions, please contact your Child Nutrition Program Representative or email [CN@nysed.gov](mailto:CN@nysed.gov).

# Today's Agenda

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Verification Resources

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Income Verification Process

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Establishing Verification Pool

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Determining Sampling Method

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Selecting Applications to Verify

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Confirmation Review

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Notification and Results of Verification

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Fragile Households and Verification for Cause

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Verification Collection Report

Today's presentation will go through the entire verification process from start to finish.

# Income Verification

## Process:

- Annual requirement
- Must be completed by November 15th
- Keep all documents on file
  - Number applications on file
  - Number applications to verify
  - Confirmation review documentation
  - Summary of process and results

## Not Required For:

- SFAs with all buildings in Community Eligibility Provision (CEP)
- SFAs with all buildings in non-base year Provision 2
- SFAs claiming **paid reimbursement only**
- SFAs only in the Special Milk Program
- Residential Child Care Institutions with no day students

Federal regulations require that all school food authorities conduct verification if they participate in the School Breakfast Program or the National School Lunch Program and collect free and reduced-price applications. Verification is an annual process of selecting and verifying a sample of approved free and reduced price meal applications that are on file as of October 1<sup>st</sup>, this process is completed by November 15th of each year.

Verification is only required when eligibility is determined through the application process, not through the Direct Certification Matching Process (DCMP).

SFAs are required to keep all supporting documentation of the verification process on file. This includes the number of applications the SFA has on file as of October 1st, the number of applications required to be verified, documentation that a confirmation review was conducted, and the summary of the process and all results.

Verification is **not** required for:

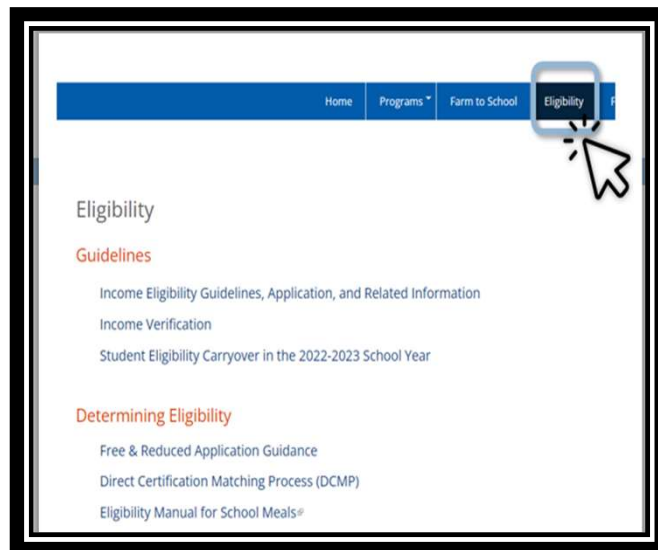
- SFAs with all buildings participating in Community Eligibility Provision (CEP)
- SFAs with all buildings participating in the non-base year of Provision 2
- SFAs claiming students in the paid reimbursement category only.
- Schools participating in the Special Milk Program only.
- Residential Child Care Institutions (RCCIs) with no day students

# Eligibility Tab

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Access the [Eligibility Tab](#) for:

- Income Verification
- Eligibility Manual for School Meals
- Income Eligibility Guidelines
  - Language Translations



All information pertaining to verification can be accessed from the Eligibility Tab found on the blue ribbon of the Child Nutrition website. This tab contains the information on the guidelines to be followed when conducting income verification and prototype forms.

Also linked on the eligibility tab is the 2017 USDA Eligibility Manual for School Meals. This manual provides comprehensive information on federal requirements, policies, and procedures, and is intended to help SFAs accurately determine, certify, and verify children's eligibility for free or reduced-price school meals.

Located under Income eligibility guidelines, applications and related information, there is a link to language translations. Click on the translated application link to be brought to USDAs website for prototype income verification letters.

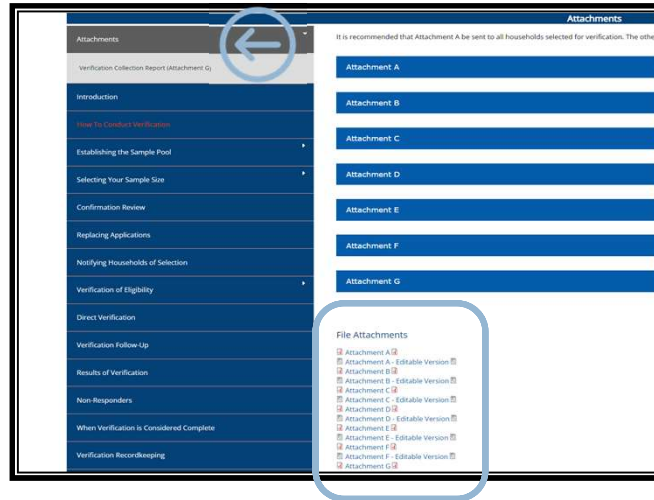
# Eligibility Tab-Income Verification

## Contains:

- Instructions and procedures
- Listing of SFAs permitted to use alternate sampling method
- Q & A

## Attachments:

- Prototype letters/forms



On the eligibility tab, under the income verification link you will find the verification booklet that provides instructions and procedures, a listing of SFAs required to conduct verification which includes an indicator of the allowable sampling methods and common questions and answers to help guide you through the verification process.

Also available are the prototype letters used in the verification process. Child Nutrition recommends the use of the provided prototype letters as they contain the required information and updated USDA non-discrimination statement.

# Step 1: Establish Sample Pool

- Determine the Verification Sample Pool (Start October 1):
  - **Newly** approved free and reduced applications, SFA-wide (pieces of paper):
    - Income applications
    - Applications listing a case number
    - Applications with the foster child box checked

2023-2024 Application for Free and Reduced Price School Meals

To apply for free and reduced price meals for your children, read the instructions on the back, complete **only one** form for your household, sign your name and return it to the address listed below. Call [alabama.gov/food](http://alabama.gov/food), if you need help. Additional names may be listed on a separate paper.

Return Completed Applications to: (School Name) (Street Name) (City, State, Zip Code)

List all children in your household who attend school.

Student Name	School	Grade/Teacher	Foster Child	Homeless, Migrant, Runaway
			<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>

Report all income for ALL Household Members (list the date if you completed child ID)

All Household Members (including yourself and all children that have income)

Name of household member	Earnings from work (before deductions) Amount / How Often	Child Support, Alimony Amount / How Often	Pensions, Retirement Payments Amount / How Often	Other Income, Social Security Amount / How Often	No Income
	\$ /	\$ /	\$ /	\$ /	<input type="checkbox"/>
	\$ /	\$ /	\$ /	\$ /	<input type="checkbox"/>
	\$ /	\$ /	\$ /	\$ /	<input type="checkbox"/>
	\$ /	\$ /	\$ /	\$ /	<input type="checkbox"/>
	\$ /	\$ /	\$ /	\$ /	<input type="checkbox"/>

Total Household Members (Children and Adults)  Last Four Digits of Social Security Number: XXX-XX-XXXX-XXXX

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Home Address: \_\_\_\_\_ Home Phone: \_\_\_\_\_

Work Address: \_\_\_\_\_ Work Phone: \_\_\_\_\_

Emergency Contact: \_\_\_\_\_

Race (Check one or more):  American Indian or Alaskan Native  Asian  Black or African American  Native Hawaiian or Other Pacific Islander  Other

**DO NOT WRITE BELOW THIS LINE - FOR SCHOOL USE ONLY**

Special Income Categories (Only certain other multiple income beneficiaries are reported as beneficiaries)

Month X 21, Every Two Weeks (bi-weekly) X 26, Twice Per Month X 24, Monthly X 12

SNAP/TANF Income  Total Household Income from Other \_\_\_\_\_ Household Size \_\_\_\_\_

Income from Assets  Reduced Price Meals  Second Child \_\_\_\_\_

Free Meals  Other \_\_\_\_\_

Number of Remaining Children \_\_\_\_\_ Their Names: \_\_\_\_\_

We will now go through each step of the Verification Process.

## Step One is to establish the verification sample pool.

To establish this sample pool, count the number of newly approved free and reduced applications, throughout your entire SFA, on file as of October 1st.

This includes newly approved income applications, applications listing a case number and applications with the foster child box checked where letters from a social services or placement agency were not submitted.

## Establish Sample Pool (continued)

- The following should not be included in your verification sample pool:
  - Direct Certification Match
  - Homeless, migrant, runaways, or Head Start
  - Foster children deemed eligible based on a letter from the State or local placement agency
  - Carry-over applications from previous year
  - Denied Applications

The following should not be included in your income verification sample pool:

- Households that are directly matched through the direct certification matching process or those students who have been identified as living in the same household as the certified student that receives SNAP or Medicaid benefits.
- Runaway or Homeless children who have been identified by your district's McKinney-Vento school district liaison
- Migrant children who have been identified by the district's Migrant Education Program
- Children participating in Head Start/Even Start
- Foster children who are identified by a list or letters from the social services and voluntary placement agencies

Also, do not include any applications for students whose eligibility were carried over for the 30 operating days in your verification pool. These carryover applications are not to be verified in this school year because they were subject to verification in the prior year.

Lastly, do not include Denied Applications in your sample pool. Remember, only

newly approved free and reduced applications on file as of October 1<sup>st</sup> are subject to verification.

## Step 2: Determine the Sampling Method

Response rate from the last school year determines how you should conduct income verification for current year:

- Error Prone Method
  - less than 80% response rate to verification last SY
  - Must be used if you are coming off Provision 2
  - Must be used if you are in first year of operation
  
- Alternate Options
  - If 80% or more response rate to verification last SY:
    - Random Method
    - OR
    - Focused Method



Step 2 is to determine the Sampling Method that you will use to select the applications to verify.

An SFAs response rate from the last school year will determine how you should conduct income verification for the current school year.

If less than 80% of households selected responded to verification efforts last year or if you are a school in your first year of operation or if you are coming off of Provision 2 you must use the Error-prone sampling method for the current school year.

If 80% or more households responded to verification efforts last year, applications to be verified can be chosen randomly or by using the focused method.

We will be discussing each of these methods in detail. A listing of all SFAs required to conduct verification and the sampling method allowed is posted on our website with the verification information.



## Error Prone Method

- Verify 3% of applications that fall within \$24/week, \$100/month or \$1200/year of the eligibility limit
- Always round up
- Do not verify more applications than required
- When initially approving applications, it may be helpful to flag error prone applications to help facilitate the process.



We are going to start with explaining the error prone sampling method.

With the error prone method, SFAs must verify 3% of the approved applications on file as of October 1st. Applications to be verified must meet the definition of an Error Prone Application. Error Prone Applications are defined as those with a reported income within \$24 per week, \$100 per month or \$1,200 per year of the applicable Income Eligibility Guidelines. Please note that the number of error prone applications you received will need to be reported on the verification collection report.

When approving free and reduced price applications, it may be helpful for the approver to mark, highlight or tag applications that meet the error prone definition.

This way, when starting the income verification process and potentially finding out that the error prone sampling method needs to be used, the applications that are error prone have already been identified.

## Error Prone Method (continued)

Example:

210 applications

3% of 210 = 6.3. Round up to 7

- Choose 7 error-prone applications
  - ▣ If less than 7 error-prone available, select all that are available
  - ▣ The remaining amount needed would be selected at random



Lets look at the example on the screen.

If there are 210 new applications on file as of October 1st. Take 210 and multiply this by 3% which would equal 6.3.

You must always round up. So you would round 6.3 up to 7 applications to be verified.

Then choose 7 error prone applications that meet the error prone selection method. If there are only 3 error prone applications, for example, those 3 applications must be selected and the remaining 4 applications will be selected at random.

## Random Method (Alternate 1)

- 3% of the total number of approved applications on file as of October 1<sup>st</sup> selected at random
  
- Random sample must include both:
  - ▣ Income applications
  - ▣ Categorical applications
    - Applications that indicated a SNAP/TANF/FDPIR case number but not on direct certification matching list
    - Foster box on the application without supporting documentation

Now we will discuss the first alternate sampling method, the Random Method.

When using the random method, SFAs must verify 3% of the total number of approved applications on file as of October 1st.

The applications to be verified must be selected randomly. The random sample should include both income applications and categorically eligible applications. These include foster children applications where they checked the foster box but didn't supply supporting paperwork or for children receiving SNAP/TANF/FDPIR benefits whose names do not appear on the direct certification matching list.

## Focused Method (Alternate 2)

- 1% of all approved error prone applications (income and SNAP/TANF/FDPIR or Foster applications) PLUS the lesser of .5% approved applications which reported a SNAP/TANF/FDPIR case number
  
- Example:
  - 900 total approved applications
  - 600 approved with just a SNAP/TANF/FDPIR case number, 300 income applications
  - Separate applications into two piles: income group and case number group
  - $.01 (1\%) \times 900 = 9$ 
    - Select 9 error prone income applications to verify
  - $.005 (.5\%) \times 600 = 3$ 
    - Select 3 applications with case numbers to verify
  - **12 total verified applications**

The Second Alternate Sampling Method is the Focused Method.

To determine the number of applications to be verified based on this method, you will take 1% of the total number of approved applications that are error prone PLUS the lesser of .5% of approved case number applications.

Lets simplify this by completing an example:

If the SFA has 900 total SFA applications on file, first sort the applications into two piles—the income applications and the case number applications. From this, it has been determine that 600 applications have case numbers and 300 applications were approved based on income. Not take 1% multiplied by 900 and get 9 applications to verify.

From the income applications pile, choose 9 applications to verify that are error prone. If there are not enough error prone applications, select the error prone applications and the remaining ones chosen randomly.

Next, determine the amount of case number applications to verify based on .5% of the total case number applications. .5% multiplied by 600 gives results in 3 case number applications to verify.

So all together a total of 12 applications will be verified.

## Step 3: Select Applications to Verify



### Remember to:

- Always round up
  - 6.1= 7 applications
- Do not verify any more or any less than required sample size
- Check computerized systems for accuracy
- Refer to the Income Verification guidance

Step 3 is to select the applications to verify.

Remember to always round up and to never verify any more or any less than the required sample.

If using a computerized system to assist with the verification process, always double check your system to ensure that the correct number of applications to be verified is chosen.

Refer to the Child Nutrition website, eligibility tab for guidance on verification.

## Step 4: Confirmation Review



Take the applications that have been selected for verification and have them reviewed by **a second reviewing official** to ensure the application was initially approved correctly



Second reviewing official **cannot** be:

FSMC employee  
Original reviewing official  
Original verification official



Confirmation Review is not required if computer software was used to approve applications



After the applications have been selected for verification, a confirmation review must be conducted. An individual other than the original reviewing official must review each approved application selected for verification to ensure that the initial determination was accurate.

This Second Reviewing Official cannot be a management company employee, the original reviewing official or the verification official.

A confirmation review is not required if a technology based Point of Sale system is used to approve applications.

Make sure documentation of the confirmation review is maintained on file with income verification paperwork.

## Confirmation Review Outcomes

- No change in status
  - ▣ application was approved correctly
  - ▣ SFA verifies application
- Changed from Reduced to Free
  - ▣ Immediately change benefits
  - ▣ Notify household of change
  - ▣ Verify application
- Changed from Free to Reduced
  - ▣ Do not change status
  - ▣ Verify application
- Changed from Free or Reduced to Paid
  - ▣ Immediately notify household of change in benefits
  - ▣ Do **not** verify application
  - ▣ Select another free or reduced application to verify
  - ▣ Conduct 2nd review of newly selected application



During the confirmation review, if the second reviewing official finds that the application was originally approved correctly, the verification official would proceed with verifying the application.

If they find the application was incorrectly approved, one of the following actions must be taken:

2. If the status changes from **free to reduced**:

- a. Do not change the child's status
- b. Proceed with verifying the application

3. If the status changes from **reduced to free**:

- a. Make the increased benefits available immediately
- b. Notify the household of change in benefits
- c. Verify the application

4. If the status changes from free or **reduced price to paid**:

- a. Immediately send the household a notice of adverse action
- b. Do not verify the application
- c. Select a similar application (example—another error prone application) to verify
- d. Begin the verification process with the newly selected application. The second reviewing official must review the application

## Step 5: Household Notification and Verification of Eligibility

### SFAs must verify all sources of income during verification of eligibility

- Acceptable Documentation:
  - Pay stub(s)
  - TANF or SNAP recertification letter with eligibility dates listed
    - An EBT card **cannot** be accepted as documentation
  - Collateral Contact (ex. employer, pastor, etc.)
  - Letter/documentation from Foster agency
  - W-2's for self-employed **only**

123 - John R. Doe				Pay Period 06/02/06 to 06/16/06		Required Deductions	
<b>Earnings</b>				Retiree Income Tax	00.00	00.00	
Hours	Rate	This Period	YTD	FICA - Medicare	06.08	12.16	
50	9.00	450.00	900.00	WF State Income Tax	00.00	00.00	
<b>Gross Pay</b>				FICA - Social Security	29.92	51.84	
				<b>Other Deductions</b>			
				Health Insurance	00.00	00.00	
				401k	00.00	00.00	
				Parking	00.00	00.00	
				<b>NET PAY</b>	<b>\$418.00</b>	<b>\$836.00</b>	

Your Employer 1234 Some Street Milwaukee, WI 5320000		Check Number: XXXXXX Pay Date: 06/16/06
PAY: ***Four hundred eighteen dollars and 00 cents*****\$418.00		
To the Order of John R. Doe 555 Some Street Milwaukee, WI 53200		

SFAs must make at least **1 follow up attempt to contact families** who fail to respond

Households selected for verification must be notified that they have been chosen for verification. Prototype letters are available on our website and contain the required information. Separate letters are available for the type of application being verified, income application vs categorical application.

All sources of income listed on the application must be verified.

Generally, the household is providing proof of income that was listed on the application at the time it was submitted and approved. However, the household can provide proof of income for any point between the time the application was completed and when the documentation was requested.

If households fail to respond, you must make one additional attempt to contact them; via letter, email, or phone call, and document your efforts.

It may be helpful to utilize the SED Verification Recordkeeping Summary form to document verification efforts. This is located on the CN Website in the attachments section on the income verification section.



## Step 6: Results of Verification

Changes in eligibility:

- **Increase in benefits**
  - Changes must be made within 3 operating days
  - Example: reduced status to free status
- **Decrease in benefits/households that failed to respond**
  - Families must be given 10 calendar days written notice
  - Example: reduced status to paid status



Changes in benefits must be made for **ALL** family members

The next step is notifying the families of the results of verification using the Letter of Verification Results and Change in Eligibility prototype letter.

If benefits will increase as a result of verification, for example the family was in the reduced category and now will be changing to the free category, changes must be made within 3 operating days.

If benefits will decrease, for example the family was in the reduced category and is now going to the paid category, the household must be given 10 calendar days written notice before the change takes effect.

If the household provides information that confirms their eligibility within the 10 calendar days, the family must continue to receive benefits. If there is no response, benefits must be terminated on day 11.

Households that appeal the reduction or termination of benefits within the 10-calendar day notice must continue to receive benefits until the decision of the hearing official is made.

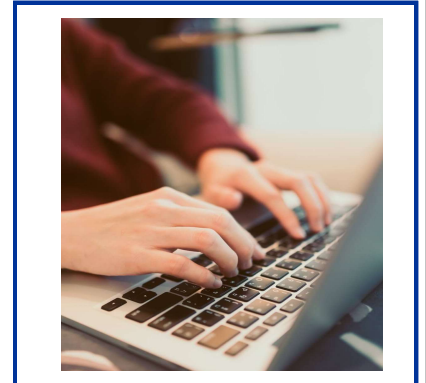
Be sure to make changes for **all** household members.

# Direct Verification

- Use of public records to verify assistance program participation
- Reduces termination of eligible families

To complete a Direct Verification:

- Access the New York State Identification System (NYSSIS)
- Use the search tool to verify students' eligibility with a minimum of **3 unique identifiers** (i.e. DOB, address, name)
- Keep a record of directly verified students on file for review
  
- Report data on **Income Verification Collection Report (Attachment G)**



Direct verification is the use of records from public agencies to verify children's eligibility for meal benefits. Direct verification is an optional method in order to help expedite the verification process.

SFAs must use Direct Verification prior to contacting families for verification documentation. If information obtained through this process verifies that the household is participating in SNAP or Medicaid, no additional verification is required. The eligibility status of the child or children listed on the application is considered verified.

If information does not verify eligibility, the SFA must proceed with regular verification activities.

SFAs must keep a record of directly verified students on file for review. Results of Direct Verification must be reported on the Income Verification Collection Report.

# Fragile Households

- Household that may be having major hospitalization, and/or health issues or tragic events
- SFAs may replace up to 5% of sample with other approved applications



The SFA may, on a case-by-case basis, replace up to 5% of the applications selected for verification.

Applications may be replaced when the SFA believes that the household selected is a “fragile household” and would be unable to satisfactorily respond to the verification request.

For example, a fragile household could be a family that has been selected for verification but is known that a household member has been in the hospital for an extended period of time and may have difficulty responding.

If a household has been deemed fragile, document why the application was not verified.

Any application that is removed must be replaced with another approved application selected on the same basis. For example, an error prone application must be substituted for a withdrawn error prone application.

The newly selected application must then go through the verification process.

## Verification for Cause



- Any application reported as questionable must be verified for cause
- Reported on the Verification Collection Report (Attachment G)
- Do not count towards sample size for annual verification requirements
- Follow normal Income Verification procedures

If an SFA is aware of additional income or persons in the household, SFAs are required to verify the application. This is known as “verification for cause.”

Applications that are verified “for cause” are in addition to the annually required verification process.

SFAs must verify “for cause” those applications that are reported to be questionable, even if the reporting source of the information is anonymous.

The number of applications verified “for cause” and the results of those applications must be reported on the Verification Collection Report

The applications “verified for cause” do not contribute toward your required sample size for the annual verification requirement. These applications are counted separately from your sample size.

# Income Verification Collection Report (Attachment G)

**SFAs must report data on verification using the Income Verification Collection Report in the Child Nutrition Management System (CNMS)**

Timeline for the verification process:

- **October 1<sup>st</sup>** - Start Verification Process
- **November 15<sup>th</sup>** - Complete Verification Process
- **December 15<sup>th</sup>** - Submit Income Verification Report on CNMS

Tutorial on how to complete the report on training tab

Now that all verification applications are completed, the last and final step is completing and submitting the Verification Collection Report, also referred to as Attachment G.

Remember that you will start the verification process on October 1st and have it completed, with verification outcome letters sent out, by November 15th. The verification collection report is due by December 15<sup>th</sup>.

SFA's are required to submit the verification Collection Report by December 15<sup>th</sup> through Child Nutrition Management System, CNMS.

Failure to submit the report by December 15<sup>th</sup> will result in your Program being placed on reimbursement hold.

It is essential that the reports are submitted on time because SED is required to report the results to USDA.

The verification collection report contains several sections where SFAs report the number of applications on file, how many were verified and the results of verifying those applications. A detailed tutorial presentation with step by step instructions on how to complete this report is available on the child nutrition website under the training tab, click tutorials.

## Questions?

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--- Or ---

Contact your

**CN Representative**

for questions specific to your SFA



Thank you for participating in this webinar today.

We will now answer the questions that have been submitted throughout today's presentation.

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