Missouri
DEPARTMENT OF ELEMENTARY & SECONDARY
EDUCATION™

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Division of Financial and Administrative Services

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DATE: September 27, 2013
TO: Authorized Representative, School Nutrition Programs
FROM: Karen Wooton, Coordinator, School Food Services
SUBJECT: Verification Requirements and the Verification Report, 2013-2014 School Year

This correspondence provides an overview of the verification requirements. The date for determining the verification sample size is October 1. The date for the completion of the verification process is November 15. School officials verifying income eligibility for free and reduced price meals must allow households to provide documentation of income for any point in time between the month prior to application and the time the household is required to provide income documentation.

A NEW version of the Verification Report will be available via the School Food Services web application system and must be submitted by December 15, 2013. The primary change for the development of the new version of the form is due to the need to capture data related to Direct Certification with Food Stamp participants (nationally known as the Supplemental Nutrition Assistance Program – SNAP) as required by the Healthy, Hunger-Free Kids Act of 2010. Please note, the new Verification Report will require separate reporting of students directly certified through SNAP versus students directly certified through other programs.

The type of verification conducted at each Local Education Agency (LEA) depends on the 2012-2013 school year *non-response rate*.

Non-response rate refers to the percentage of approved household applications selected for verification for which verification information was not obtained. Households providing notification to the LEA that they will not be providing documentation are considered a non-response. This percentage is determined from the number of approved applications selected for verification during the previous school year.

Verification Methods:
Basic Sample Size Method
LEAs that had a *non-response rate* of 20 percent or more for 2012-2013 school year **must use** the Basic Sample Size method for the verification process. A list of LEAs that had a non-response rate of 20% or more is on the School Food Service website. Please check the list to determine if your LEA **must** use the Basic Sample Size method. SFS calculates the percentage from the 2012-2013 Verification Report.

The sample size is determined by selecting 3 percent or 3000 (whichever number is less) of all approved applications. The basic sample must be drawn from *error-prone* applications (applications indicating *income within $100 monthly or $1200 annually* of the maximum amount allowed for a household of a specific size to receive free or reduced price meal benefits). If there are not enough error-prone applications to meet the required sample size, additional applications must

be randomly selected from the remaining approved applications. If there are more error-prone applications than needed to meet the required sample size, the sample is selected using any method that is equitable and ensures that the same households are not selected each year.

Alternate Sample Size Methods
LEAs that had a *non-response rate* less than 20 percent for the 2011-2012 school year may use one of the Alternate Sample Size methods.

Alternate I (Random):
The sample size is determined by selecting 3 percent or 3000, whichever is less, of all approved applications selected at random.

Alternate II (Focused)**:**
The sample size is determined by selecting 1 percent of all approved applications or 1000 (whichever is less) with sample selected from error-prone applications; **plus** the lesser of .5 percent (half of 1 percent) or 500 applications approved on categorical eligibility (Food Stamp or Temporary Assistance). If there are not enough error-prone applications LEAs must select the remainder to be verified from applications with monthly incomes closest to the eligibility guidelines.

Verification Sample Size:
LEAs must verify the exact number of applications calculated by the sample formula and may do no more. When calculating the sample size, round all fractions or decimals up. While the verification sample cannot exceed the statutory limits, LEAs still have an obligation to verify questionable applications (for cause). For cause may include but is not limited to situations where school officials have knowledge of household circumstances that would cause them to verify the information on the application. Verification conducted "for cause" is done in addition to the required verification sample size.

Confirming Official:
The *Confirming Official* refers to an individual other than the original determining official who must review all selected verification applications for correct initial determination prior to conducting any other verification activity. A confirming official is not required for LEAs that use a technology based system with a high degree of accuracy for approval of applications. Any LEA that has an automated system processing applications must contact SFS to determine if the system qualifies for the exemption from a confirming official.

Follow-up Activities:
The LEA must make at least one attempt to obtain the necessary verification information from households that fail to respond to the initial request for verification. The attempt may be made through the mail, by telephone, by e-mail, or through personal contact. The LEA must document any attempts and the results. If the LEA is unable to verify the household's eligibility status after the follow-up attempt(s), the household's benefits must be terminated through a written notice of adverse action.

LEAs must provide households a means of asking questions about verification by telephone without the household incurring a charge for the call. The LEA may establish a toll-free number or allow the household to reverse the charges if any households are outside the local calling area. The LEA may also provide different telephone numbers for each local calling area. The school or LEA should determine the appropriate person to respond to requests for verification assistance. The household must be able to contact a school or LEA official who can either directly assist them or can refer the

caller to a specific person for help. If the household is unable to obtain assistance during their initial call, an LEA or school official must attempt to initiate further contact.

The LEA may contract with a third party to assist with the required follow-up activity. Any third party is subject to the confidentiality requirements outlined in the current regulations.

Declining 5 Percent of Sample Selection:
On individual case review, LEAs may decline up to 5 percent of their verification sample and replace them with other approved applications. Applications may be replaced when the LEA believes that the household would be unable to satisfactorily respond to the verification requests.

Summary of the Verification Process:

- On October 1, count the approved applications for free or reduced price meals.
- Determine the 2012-2013 school year non-response rate.
- Select the verification method that must/will be used.
- Calculate the number of applications that must be verified. (Round all decimals up.)
- Select the applications for verification.
- Of the applications selected, the *confirming official* should confirm the accuracy of the original approval.
- Once the required confirmation review is completed, the LEA will proceed with verification if the initial determination was correct. If the initial determination was incorrect, but the household is still eligible for benefits, the LEA must correct the household's status, notify the household of the change and then proceed with verification. If the initial determination was incorrect and the household is no longer eligible for benefits, the LEA must correct the household's status, notify the household of the change and the application is no longer eligible for verification. If the household's status changes from free or reduced price to paid or from free to reduced price, a notice of adverse action is required. Any application that is not subject to verification must be replaced by a similar application.
- Notify households of selection for verification; and/or provide written contact to the local Food Stamp/Temporary Assistance office for confirmation of benefit eligibility.
- Examine documents submitted by households; and/or review results of the local Food Stamp/Temporary Assistance office contact.
- Notify households of continued benefits/changes in benefit level.
- Verification must be completed by November 15, 2013.
- Submit the Verification Report via the School Food Service Web Application system by December 15, 2013.

If you have questions regarding verification please contact School Food Services at 573-751-3526 or schoolfood@dese.mo.gov.