

Verification of Eligibility

in the National School Lunch Program

Participant Guide



Food and Nutrition Division
National School Lunch Program



TEXAS DEPARTMENT OF AGRICULTURE
COMMISSIONER SID MILLER

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www.SquareMeals.org

Resources

ICN – Institute of Child Nutrition – <https://thicn.org>

TDA – Texas Department of Agriculture – www.squaremeals.org

- ARM Section 3
- ARM Section 4
- ARM Section 6
- Texas ELMS resources -
<http://squaremeals.org/Programs/NationalSchoolLunchProgram/TexasELMS.aspx>
- TX-UNPS – <https://txunps1.texasagriculture.gov/txunps/Splash.aspx>

USDA – United States Department of Agriculture – www.fns.usda.gov/cnd

- Eligibility Manual for School Meals – www.fns.usda.gov/eligibility-manual-school-meals
- Food Buying Guide for Child Nutrition Programs – <https://www.fns.usda.gov/tn/food-buying-guide-for-child-nutrition-programs>
- TEAM Nutrition – <https://www.fns.usda.gov/tn/team-nutrition>

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Introduction

Verification: Exploring the Process

ADDITIONAL RESOURCES

- TDA - *Sections 3, 4 and 6 of the TDA Administrator's Reference Manual*
- USDA - *Eligibility Manual for School Meals, Determining and Verifying Eligibility*

Class Overview

As a result of attending this session and achieving the objectives, participants will be able to properly apply their knowledge of required verification processes and required reporting to ensure CE's are in compliance with USDA regulations.

This training is adapted from the United States Department of Agriculture's (USDA's) Eligibility Manual for School Meals, July 2017. Authority for these requirements is found in the Code of Federal Regulations, 7 CFR Part 245, and other Food and Nutrition Service Departmental regulations and instructions.

NOTE: USDA and TDA update forms periodically. Always search on squaremeals.org for the latest version of the forms referenced in this training.

Acknowledgement Statement

You understand and acknowledge that the training you are about to receive does not cover the entire scope of the program and that you are responsible for knowing and understanding all handbooks, manuals, alerts, notices and guidance as well as any other forms of communication that provide further guidance, clarification or instruction on operating the program.

Housekeeping



Who Should Attend this Class?

Target Audience(s)

Those who conduct or oversee verification, including required reporting may include the following school nutrition professionals:

- Verifying Officials
- Administrative personnel
- Business or financial managers
- Directors
- School administrators

Class Outline

Topics	Estimated Time
Topic 1: Verification Timeline	.25 hrs.
Topic 2: Establishing the Sample	1 hr.
Topic 3: Verifying Required Documentation	.75 hr.
Topic 4: Completing Verification	.50 hrs.
Total Class Time	2.5 hrs.

Course Objectives

By the end of this course participants will have an understanding of the required activities to complete the annual verification process and do the following:

- Implement timelines related to verification activity due dates
- Identify the different methods for selecting a sample for verification
- Differentiate acceptable documentation obtained to verify student eligibility
- Outline steps to complete the verification process including required reporting

Abbreviations and Definitions

AR – Administrative Review
AR – Authorized Representative
ARM – Administrator’s Reference Manual
CE – Contracting Entity
CEP – Community Eligibility Provision
DC – Direct Certification
DV – Direct Verification
EBT – Electronic Benefit Transfer
EDG – Eligibility Determination Group
FDPIR – Food Distribution Program on Indian Reservations
FSMC – Food Service Management Company
FSSA – Family Subsistence Supplemental Allowance
IEG – Income Eligibility Guidelines
NFIP – National Flood Insurance Program
NRR – Non Response Rate
NSLA – National School Lunch Act
NSLP – National School Lunch Program
P2 – Provision 2
PIN – Personal Identification Number
PVR – Preliminary Verification Report
RCCI – Residential Child Care Institution
SA – State Agency
SBP – School Breakfast Program
SCHIP – State Children’s Health Insurance Program
SNAP – Supplemental Nutrition Assistance Program
SSI – Social Security Income
TANF – Temporary Assistance to Needy Families
TDA – Texas Department of Agriculture
HHSC – Texas Health and Human Services Commission
Texas ELMS – Texas Eligibility List Management System
TX-UNPS – Texas Unified Nutrition Programs System
USDA – United States Department of Agriculture

Abbreviations and Definitions

A complete list of definitions can be found in the ARM section 6.

Categorical Assistance Eligible Program - Program benefits for a student are based on the student or any household member's participation in SNAP, TANF, FDPIR, or, if directly certified in the Texas ELMS, Medicaid Free and Medicaid Reduced.

Confirmation Review - Process used to ensure that the initial eligibility determination was accurate for all household applications selected for verification.

Current Income - Gross income received by a household, before deductions, for the current month, or the amount projected for the first month for which the household application is filled out, or for the month prior to household application.

DC List, Texas ELMS - List of students that have been directly certified using the Texas ELMS for NSLP or SBP. Texas CE's match the names of enrolled students' households that qualify for SNAP, TANF, Medicaid Free and Medicaid Reduced eligibility.

Direct Certification - Determination of eligibility for free or reduced-price meals based on documentation obtained directly from a state or local agency or authorized program representative. When a student is directly certified, the household does not need to submit a school meal application.

Direct Verification - Use of records from public agencies to verify children's eligibility for free and reduced-price benefits.

Eligibility Determination Group Number (EDG#) - Identification number provided by Texas Health and Human Services for households receiving Supplemental Nutrition Assistance Program (SNAP which includes Disaster SNAP or D-SNAP) or Temporary Assistance for Needy Families (TANF) benefits.

Error Prone Household Application - Household application that includes an income amount that is within \$100 per month (\$1200 per year) of the applicable Income Eligibility Guidelines (IEG).

Extended Eligibility of Categorical Eligibility - Student who is categorically eligible because the student lives in a household where a household member participates in a program that extends eligibility to other household members.

Gross Income - All money earned before such deductions as income taxes, employee's Social Security taxes, insurance premiums, and bonds.

Income Eligibility Guidelines (IEGs) - The household size and income levels for determining eligibility for free and reduced-price meals. IEGs are published annually by the U.S. Department of Agriculture (USDA).

Random Sampling - Process for giving each household application an equal chance of being selected for verification. A statistically valid sample is not required.

Sampling Pool - The total number of applications approved as of October 1.

Sample Size - The number of applications to be verified

Topic 1: Verification Timeline

What is Verification?

Verification is the required annual process of confirming the information on a sampling of applications approved for free or reduced-price meal benefits.

Verification must include confirmation of either:

- Income eligibility;
- Receipt of assistance under SNAP, TANF, Medicaid, FDPIR, Medicaid Free/Reduced: or
- Other Source Categorical Eligibility

Verification must also include confirmation of any other information required on the application, such as household size.

Who conducts the verification process?

This person must be designated in the CE's application packet in TX-UNPS.

Meeting the Verification Deadline Tips



Keep a Calendar



Manage Your Time



Develop a Written Plan



Provide Backup to Your Staff

CEs must maintain a written description of their verification process to upload during the offsite portion of the Administrative review.

Verification Timeframes



Important Dates

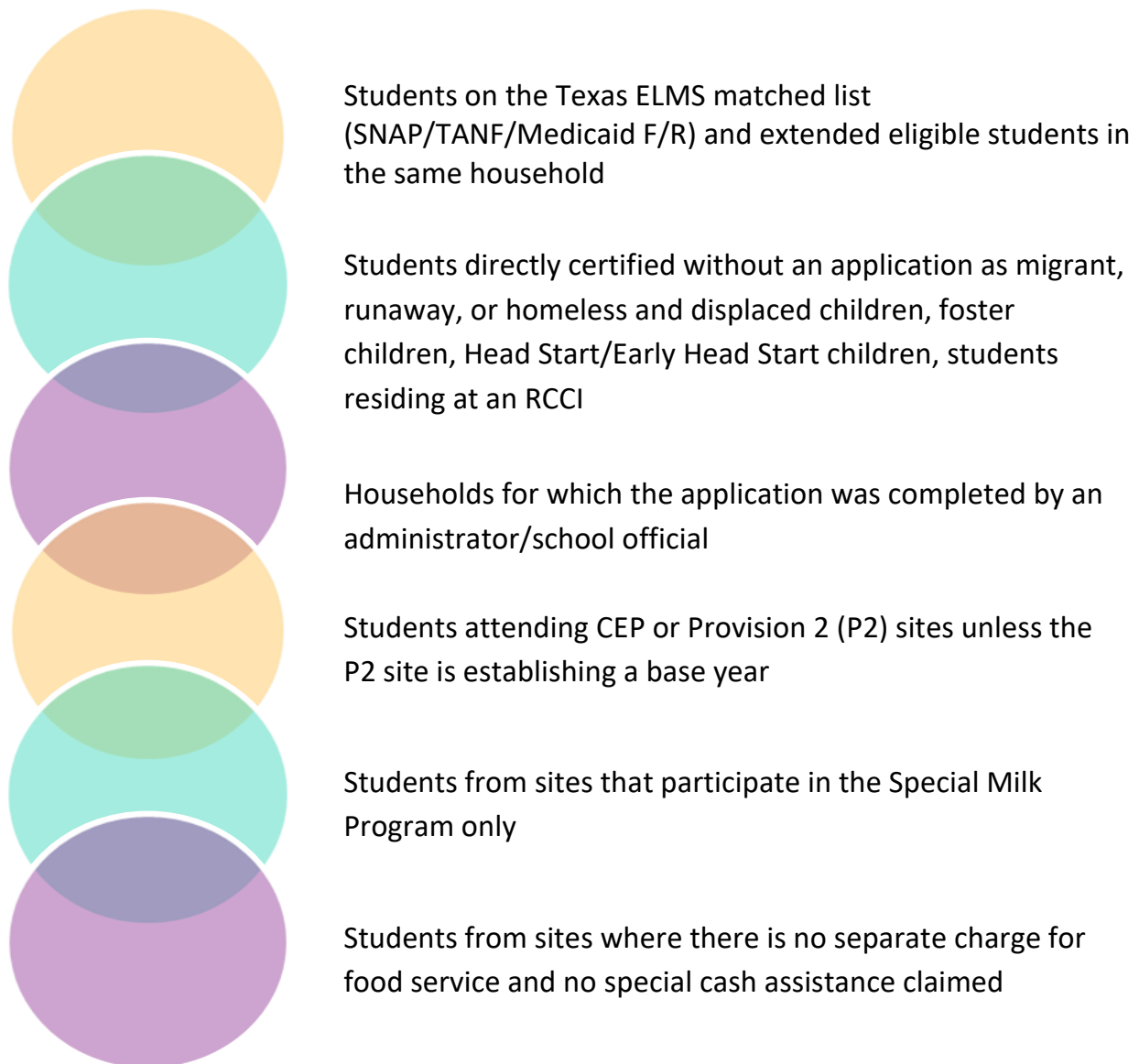
Directions: Write down the correct due dates in the blanks below.

- _____ CEs may begin verifying applications by counting the number of active approved applications on file. If CEs start early, the CE should use a preliminary sample size based on the previous year's sample number.
- _____ CEs must select a sample size for verification based on the number of approved applications.
- _____ CEs must determine the total number of students enrolled for the current SY as of this date.
- _____ CEs must complete the verification process. All CES must submit the Preliminary Verification Report in TX-UNPS.
- _____ CEs submit the SFA Verification Collection Report FNS-742 in TX-UNPS.

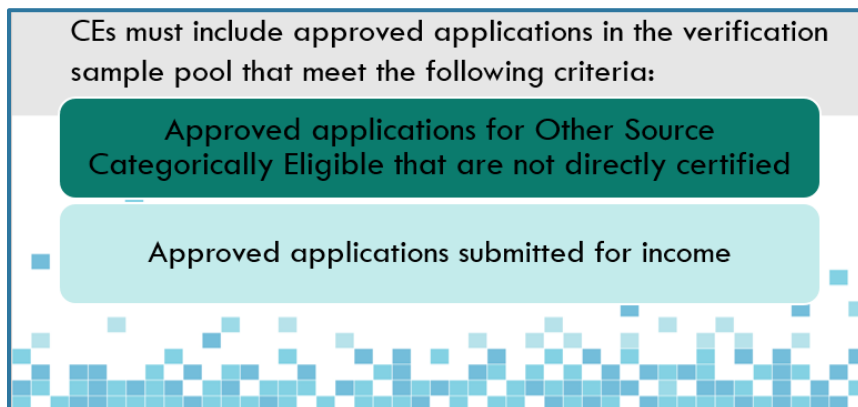
Topic 2: Establishing the Sample

Students Excluded from Verification

The sample pool does not include students in the household that are determined eligible through the direct certification process and will not have an application on file. Information about the student's eligibility is provided by an outside agency or official. The following categories of children are not subject to verification.



Verification Sample Pool



Verification *For Cause*



CEs should verify applications *For Cause*, on a case-by-case basis, when the school is aware of additional income or persons in the household and/or known or available information indicates that there is a mistake or misrepresentation on the application.

A CE must not verify more than the determined required sample size. CEs do not count any applications verified *For Cause* toward the required verification sample size. Verification for cause can be conducted at any time during the school year.

TIPS: Applications verified *For Cause* are NOT considered part of the required sample size. Include the results of verification *For Cause* by original benefit type in the appropriate category in 5-8 of the *SFA Verification Collection Report FNS-742*.

TDA recommends that the CE consult with legal counsel in establishing the parameters of verification *For Cause* for CE employees.”

Notes

Establishing a Sample Size

CEs are required to determine the verification sample size based on total number of applications approved by the CE on October 1 of each year. The sample size is the total number of applications that must be selected for verification (verification *For Cause* applications are selected in addition to the required sample size).

- CEs may not verify more applications than the required sample size.
- CEs must use the standard sample size method unless they qualify to use one of the alternate sample size methods.
- New CEs with no verification history must use the standard (error-prone) method for selecting a sample size for verification.

What are the three methods for selecting a sample size for verification?

(Circle the correct answer)

Standard Method

Alternate 3 Method

Alternate 1 Method

For Cause Method

Confirmation Method

Alternate 2 Method

The allowable method is based on the CE's "non-response rate (NRR) for the last verification year.

How is the "non-response rate" determined?

Number of households selected for verification that did not respond in the last verification year

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Number of applications selected for verification in the last verification year

Conditions to Use an Alternate (1 or 2) Sample Size Method:

Lowered NRR: less than 20% non-response rate for verification requests from the last verification year.

Improved NRR: CEs with more than 20,000 students approved by household applications as of October 1 **and** have at least a 10 percent decrease in the non-response percentage between Year 1 and Year 2.

For Example: The NRR for the last verification year must reflect an improvement (decrease) of at least **10** percent from the year prior to the last verification year to qualify to use an alternate method for verification in the current school year.

Sample Size Methods

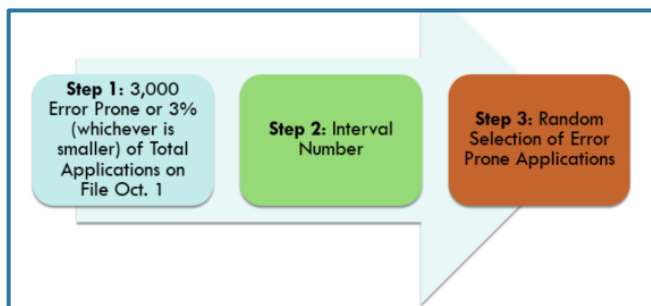
Standard Sample Size Method

CEs that do not qualify for the alternate sample size (1 or 2) method must use the standard (error-prone) sample size method.

What is an error-prone application?

For an application to be considered error prone, households must report incomes within \$100 per month or \$1,200 per year of the most current Income Eligibility Guidelines (IEGs).

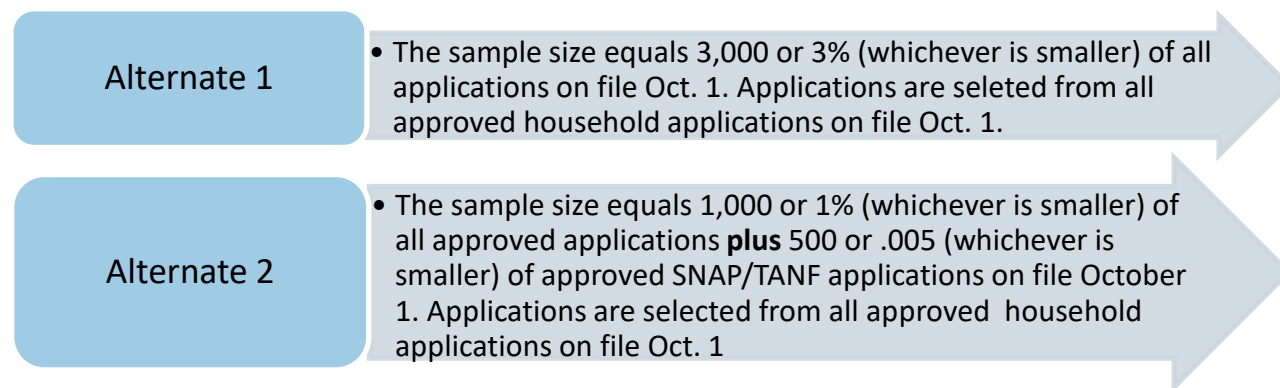
Standard Sample Size Method



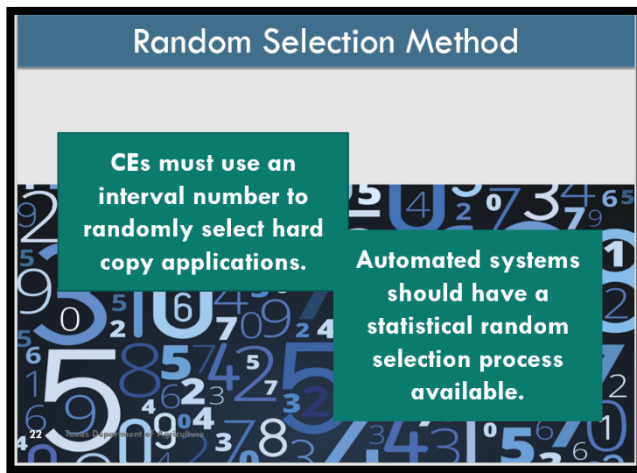
CEs that use the standard sample size must select applications for verification from _____ first and use non-error-prone applications to complete the sample size if there are not enough error-prone applications.

Alternate Sample Size Methods

CEs may use the alternate sample size (1 or 2) method if they meet a lowered or improved non-response rate. The alternate sample size methods allow CEs to possibly reduce the number of current applications the CE is required to verify.



Random Selection Method



$(\text{Total Number of Applications in the Verification Pool}) \div (\text{Sample Size}) = \text{Interval Number}$

How to Manually Select a Random Sample

Divide the total number of approved applications on file in the CE by the sample size to determine the selection interval.

For example, if there are 300 applications on file and you are required to verify 9, divide 300 by 9 = 33.3. In this case, the selection interval is 33 using standard rounding.

Number all applications and randomly select one application from the total approved. After that, in the example above, you would choose every 33rd application until 9 applications have been selected.

Automated systems should have a statistical random selection process available to use during Verification to select applications based on the specific Sample Size Method.

Notes:

Standard Sample Size Activity

Directions: Complete activity below using ISD information and the worksheet below.

Use the following information to determine the error prone sample size Sunnyville ISD must verify this year:

Applications on File as of October 1st	
Non-error-prone income eligible applications	40,674
Error-prone income eligible applications	1,000
SNAP/TANF case number eligible applications	21,132

1. How many error prone applications will Sunnyville ISD need to verify?

Hint: 3% of all applications or 3,000 applications, whichever is less. (Round all decimals upward.)

2. Is the amount of error prone applications on file enough to meet verification requirements?

3. If not, what do we need to do?

Standard (Error Prone) Sampling Worksheet

Required Sample Size

_____ Total number of approved applications on file on October 1
(free, reduced-price income and plus SNAP/TANF = Sample)

X _____ 0.03

= _____ or 3,000 applications, whichever is less (Round all decimals upward).

TIP: CEs should use *the Verification Sample Method Worksheet* available in TX-UNPS Download Forms, SNP-123 Verification Report Resources.

Confirmation Review



What is the confirmation review and who is responsible for it?

The confirmation review is the process where CEs confirm that all applications selected for verification or verification *For Cause* were correctly approved for meal benefits. The confirmation review takes place before verification is conducted and is performed by the confirming official.

The Confirming Official must review all the selected applications for the verification sample and the applications selected *For Cause* to ensure that the initial eligibility determination was accurate.

There are two ways that the confirmation review may be conducted:

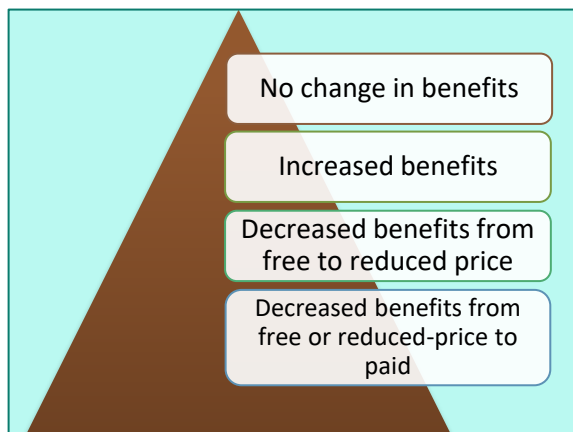
1. As part of the certification process (100% of applications confirmed) or
2. As part of the verification process (only those applications selected for verification confirmed).

NOTE: Any CE that conducts a confirmation review at the time of eligibility determination does not need to conduct a confirmation review during verification.

Technology-Based Verification System

The requirement for a confirmation review may be waived if the CE has a technology-based system that demonstrates a high-degree of accuracy. Any CE that has an automated system for processing household applications may submit a Technology Based Waiver request in TX-UNPS, Download Forms, SNP-000 Request for Exemptions/Waivers, Technology Based Waivers.

Confirmation Review Outcome



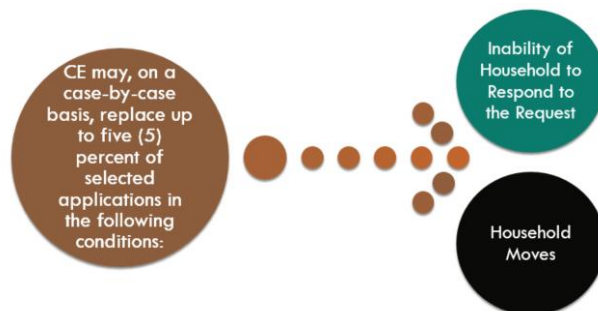
Notes

- **No Change in Benefits:** If the confirmation review shows the initial eligibility was correct for the household application, the CE must complete the verification process for the household application.
- **Increased benefits:** If the confirmation review indicates an increase in benefits for the household the CE must take the following actions:
 - Make the increased benefits available immediately.
 - Notify the household of the increased benefits.
 - Complete verification process for the household application.
- **Decreased Benefits from Free to Reduced price:** If the confirmation review indicates a decrease in benefits from free to reduced price the CE must take the following actions:
 - Leave the household's eligibility status at its initial determination.
 - Complete the verification process for the household application.
- **Decreased Benefits from Free or Reduced-Price to Paid:** If the Confirmation review indicates a decrease in benefits from free or reduced price to paid, the CE must take the following actions:
 - Notify the household of adverse action immediately.
 - Remove the household application from the verification sample pool.
 - Select a similar household application to replace it in the verification sample pool.
 - Complete the verification process for the newly selected household application.

Replacement Applications

After completing the confirmation reviews, the CE may, on a case-by-case basis replace up to five (5) percent of selected household applications.

Conditions for replacing household applications for Verification:



- **Inability of Household to Respond to the Request:** The CE believes the household is unable to satisfactorily respond to the verification request. Households in this circumstance are commonly called fragile households.
 - For Example: There is a death in the household, or the household is adversely affected by a disaster.
- **Household Moves:** A household moves before the verification process can be completed. When a household selected for verification is found to be directly certified before the household can provide documentation of eligibility, the CE does not have to replace the household application in the verification sample pool.

Rule of Thumb for Replacing Applications

- Round up to the next whole number when calculating the five percent of applications that may be replaced.
- If five (5) percent is less than one, one application may still be replaced.
- Replace the application with another approved application selected on the same basis—i.e., an error-prone application must be replaced by an error-prone application.
- Conduct a confirmation review of the newly selected application before verifying the application.

NOTE: Once the required number of applications have been pulled for verification, a CE does not have to pull more applications for verification even if the benefits issued to a household change as a result of verification.

Notes

Topic 3: Verifying Required Documentation

Direct Verification

Direct Verification (DV) is the use of public records to verify a student's eligibility for free or reduced price meals. DV must be conducted prior to household notification. If the application is directly verified no notice is sent to the household.



Direct Verification must be conducted prior to sending notification of verification letters. The Direct Verification module in Texas ELMS opens October 1 and will close November 15.

What does Direct Verification do?

The process uses public records to verify a student's eligibility for free or reduced-price meals when verification of a student's eligibility is required.

When a CE is able to directly verify eligibility, the CE is not required to notify the household of its selection for verification.

Why should I use Direct Verification?

While not required, accessing data in Texas ELMS Direct Verification will instantly verify a student's eligibility without needing to request documentation from the household.

Direct Verification helps decrease the number of applications that CEs must verify through the normal method of verification, contacting the household. Direct Verification **must** be completed

- Direct Certification will allow the CE to match _____, _____ or _____ households.
- Direct Verification will allow CEs to match SNAP, TANF, _____, _____ or _____ households.

NOTE: The CE should also conduct the October 5th DC match to possibly identify students selected for verification.

Direct Verification Process



- Provides a quick, one-stop-shop to directly verify a list of students on applications selected for verification.
- October 1 through November 15 timeframe.
- Cannot be used to determine eligibility for students not selected for verification.

Direct Verification is a specialized process that should be utilized **ONLY** within that context and should not be used to establish eligibility.

If a CE matches a student's name with the same eligibility on the DV List, verification for that student is complete.

Once the Direct Verification process is completed, the CE is allowed to use Direct Verification information to assign a verified student's eligibility as directly certified for free or reduced-price meals with the exception of CHIP. Students verified through CHIP are assigned free or reduced benefits based on income.

Direct verification results must be included in the *SFA Verification Collection Report FNS-742* due by February 1.

IMPORTANT NOTE: Medicaid Reduced direct verification eligibility cannot be used to decrease benefits. Therefore, the CE must continue with the verification process when this occurs and send the *Verification Letter and Verification Information for Free and Reduced-Price Meal Sheet* to the household. If the household fails to respond, the CE will directly certify all students Medicaid Reduced, and the household will be sent an adverse action notification. When the household eligibility is decreased by CHIP Reduced direct verification eligibility, the CE will send the *Verification Letter and Verification Information for Free and Reduced-Price Meal Sheet* to the household. If the household fails to respond, the CE will assign all students CHIP Reduced benefits based on income, and the household will be sent an adverse action notification.

Texas ELMS Training – Direct Verification

<https://squaremeals.org/programs/nationalschoollunchprogram/texaselms.aspx>

- *TDA Sample Method Worksheet for Verification*
- *Texas ELMS and Direct Verification*
- *Direct Verification Files and Reports in Texas ELMS*

Notification Letter for Selection of Verification

CEs must provide households with a notification letter that the household has been selected for verification unless the household has been directly verified.



Notification letters should not be sent to households until the October 5th DC match and direct verification is conducted. These processes may verify students on the verification sample list.

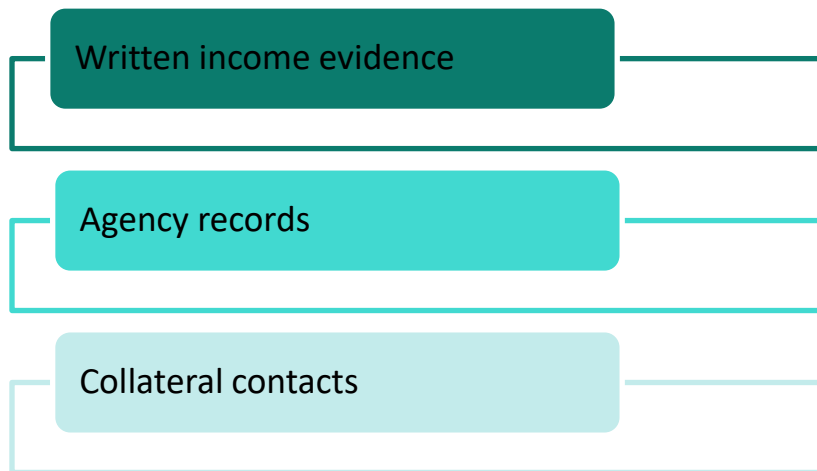
The Notification Letter and Verification Information for Households must do the following:

- Explain that the household has been selected for verification.
- Contain the USDA *Use of Information Statement* and shorter, targeted Richard B. Russell statement
- Explain the due date for the household to provide the requested documentation.
- Explain that failure to provide requested documentation will result in termination of benefits.
- Contain contact information including the name and telephone number of a staff member who can answer questions and provide assistance to the household about verification at no cost to the household.
- Describe the types of acceptable information that households may provide to confirm current income (includes, but is not limited to, pay stubs, award letters from assistance agencies such as Social Security, and support payment decrees from courts).
- Explain that the household may submit documentation of income received for one full month, during any time period between the month prior to the original application date through the time period the household is required to provide the documentation.
- Explain that the household may provide proof that any household member is receiving benefits under an assistance program instead of providing income information.
- Explain that the household may provide proof that a student is other source categorically eligible instead of providing income information.

TIP: Utilizing the TDA prototype letters ensures that all required information is being provided to selected households, including the appropriate non-discrimination statement and shortened Richard B. Russell School Lunch Act statement.

TDA's *Verification Information Request Forms* (Spanish versions of letters and forms are available for download at Squaremeals.org)

Verifying Household Eligibility



TIP: TDA provides Verification Information Request Forms to aid in the verification process.

TDA's *Verification Report Individual Household Form* assists CEs in tracking verification notices, responses by households, CE follow-ups and net results of verification and is a **required** form for verification.

Written Income Evidence Guidelines for Verification

CEs must provide household documentation that reflects any gross income received on a recurring basis for each individual in the household receiving income for a period of _____.

Documentation may be provided for any point in time between the month prior to the application and the time the household is required to provide income documentation.



Gross income from earnings—wages, salary, tips, and commissions—includes the following:

- Income that is automatically deducted from a person's paycheck to pay any type of withholding tax, employee insurance costs or charitable contributions
- Income from bonds
- Cash amounts received or withdrawn from any source, including savings, investments, trust accounts, and other resources which would be available to pay the price of a student's meal

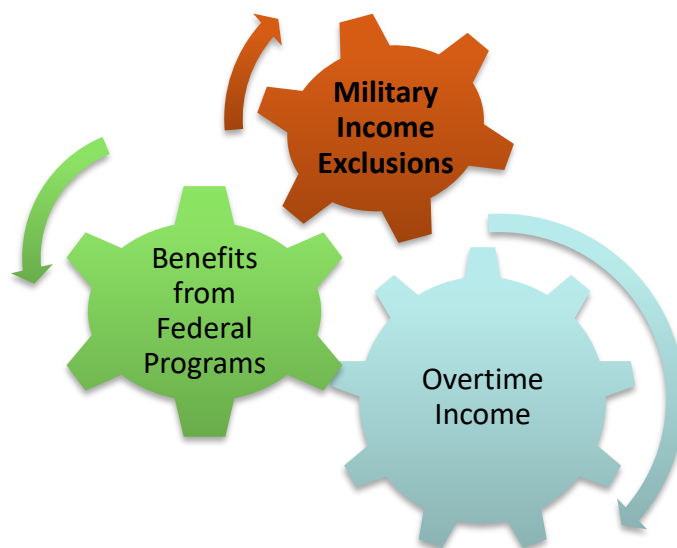
Written Income Evidence *Acceptable Documentation*

Income Documentation for Verification Chart	
Type of Income	Acceptable Documentation Suggestions
Cash Income —Wages received from an employer who does not want to be responsible for withholdings. This includes domestic workers, casual laborers, or employees of an individual or small business. Wages may be paid in cash.	<ul style="list-style-type: none"> Letter from employer or form completed by employer stating wages paid and frequency
Child Support or Alimony —Payment by a separated or divorced spouse for support of children or a spouse. Although the court orders a monthly amount, payments may be infrequent or irregular. Only actual payments, not the amount awarded, must be reported.	<ul style="list-style-type: none"> Copies of checks or other payment proof received including bank statements, Court decree or formal written agreement
Earnings of Self-Employed Business Person or Farmer —Net income from self-employed business owner or farmer. Although individuals may hold considerable property and equipment, households must report only actual cash income, not assets.	<ul style="list-style-type: none"> Business or farming document, such as ledger books or self-issued paycheck stub Previous year's tax return
Military Housing Allowance —Payment received if an adult member of the household is a member of the military, and the household is located off base.	<ul style="list-style-type: none"> Leave and earnings statement Letter from base commander stating amount
Retirement or Pension —Retirement or pension income that is non-Social Security retirement. This includes private and state pensions, veteran benefits, and military retirement.	<ul style="list-style-type: none"> Official statement of benefits received or award notice
R. R. Benefit or Railroad Retirement —Special government retirement fund for former employees of the railroads. Payments can be made to survivors, spouses, and children.	<ul style="list-style-type: none"> Official statement of benefits received or award letter
Social Security Retirement —Traditional retirement benefits; payments to survivors, spouses and children; and disability payments—more correctly named Old Age and Survivors Disability Insurance. This income applies to younger persons, pre-retirement individuals, and dependents.	<ul style="list-style-type: none"> Official statement or benefit letter, copy of monthly check
Supplemental Security Income (SSI) —Special funding program to assist households with aged, blind, or other disabled members, including learning disabled. Sometimes called <i>disability payments</i> .	<ul style="list-style-type: none"> SSI eligibility letter or statement of benefits SSI check or bank statement indicating check deposit
Unemployment Compensation or Disability or Workers' Compensation —Income provided through federal or state unemployment or work-related injury compensation.	<ul style="list-style-type: none"> Notice of eligibility; copy of the disability award letter, or unemployment compensation award letter Check stub

“No Income” Applications Selected for *Verification*

If a household is selected for verification, or the application is being verified *For Cause* and the application indicates zero income, the CE must request an explanation of how living expenses are met and may request additional written documentation or collateral contacts. For example, the collateral contact may be asked to document the duration and type of assistance that is provided to the household.

Notes



Income Exclusions for *Verification*

Some types of income should be excluded from verification. A chart of income exclusions can be found in the ARM Section 4.

Some examples of income excluded from verification include the following:

- **Overtime Income:** CEs must determine whether any reported overtime income for the month verified represents overtime income received on an ongoing basis. CEs should base a household’s income on the regular monthly income and should not include one-time or occasional overtime income.
- **Benefits from Federal Programs:** Income does not include any income or benefits received under any federal programs that are excluded from consideration as income by any legislative prohibition (Ex. SNAP/TANF benefits or National Flood Insurance Program payments).
- **Military Income Exclusions:** When determining eligibility for military service members, refer to the member’s Leave and Earnings Statement (LES). Reviewers must not count any amounts listed as Combat Pay toward household income. Combat pay is also referred to by the U.S. Department of Defense as Hostile Fire Pay/Imminent Danger Pay (HFP/IDP). The entry on the military LES is HFP/IDP and may not include the words Combat Pay. However, the descriptors must be treated equally.

Acceptable Documentation *Agency Records*



Notes

Acceptable Documentation for Verification

When do I use agency records to confirm information submitted on the household application?

CEs may confirm household eligibility by using information maintained by other government agencies to which the CE has legal access.

This information includes proof that a household or individual participates in a categorically eligible program.

Proof of program participation may be in the form of a letter or other benefit issuance form.

TIPS:

- When verifying eligibility for categorically eligible assistance programs through other agencies begin as early as possible to allow enough time, at least 30 days, for that office to respond to the request.
- Do not accept documentation for SNAP, TANF, or FDPIR households that does not specify the household's dates of participation.
- If the SNAP/TANF Program office states a household is not currently receiving benefits, the CE may give the household the opportunity to provide documents that prove program participation such as a letter of certification from the SNAP/TANF program.
- If the SNAP/TANF Program office does not respond in a timely manner, CEs should ask households to supply documents certifying that they are currently receiving benefits or provide households with applications to complete based on income.
- Foster authorization or court ordered documents must be provided by the household to verify foster students not already directly certified.

Verifying Information Using Collateral Contacts

A collateral contact is a person outside of the household who is knowledgeable about the household's circumstances and can give confirmation of a household's income for the current month or the previous months participation in assistance programs or other source categorical eligibility.

- ☐ Employers
- ☐ Social service agencies
- ☐ Migrant workers
- ☐ Agencies
- ☐ Religious or civic organizations

Collateral Contact Requirements

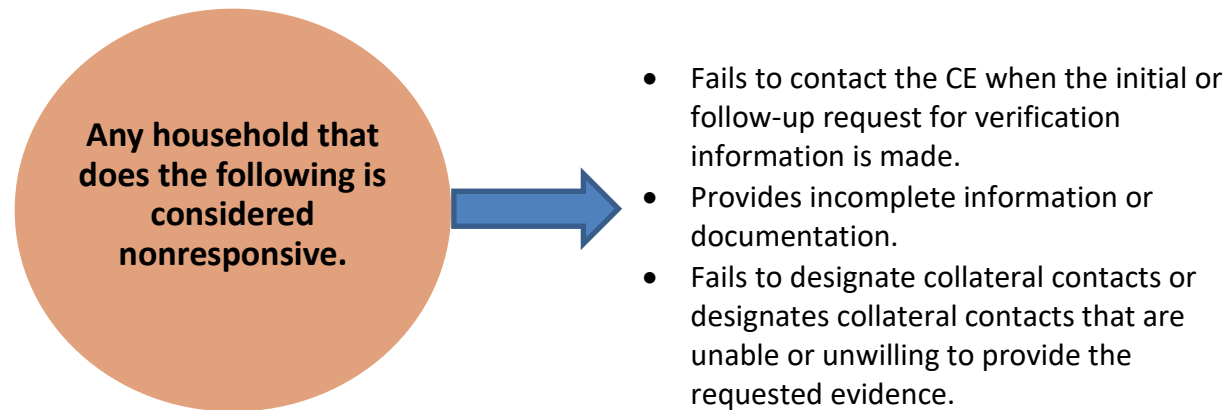
CEs must follow these guidelines for using collateral contacts:

- **When to Use**—The Verification Official should request a collateral contact only in cases when the household has not been able to provide adequate written evidence.
- **Household Designation of Collateral Contact**—The CE must give the household the opportunity to designate the collateral contact.
- **CE Designation of Collateral Contact**—If the household fails to designate a collateral or designates one who is unacceptable to the Verification Official, the Verification Official may select the collateral contact.
- **Household Notification**—No contact may be made to a collateral contact without first notifying the household and obtaining permission to make the contact.
- **Inadequate or Inability of Collateral Contact**—If the collateral contact is unwilling or unable to provide the requested information the CE must contact the household to complete verification. If the household does not provide the requested information, the household is considered unresponsive.

Notes

Topic 4: Completing Verification

Nonresponsive Households and Follow-Up



How many times must the Follow-Up Official try to contact the household after the household fails to respond to the first request for verification information? (Circle the right answer.)

1 time

3 times

The CE does not have to contact the household again.

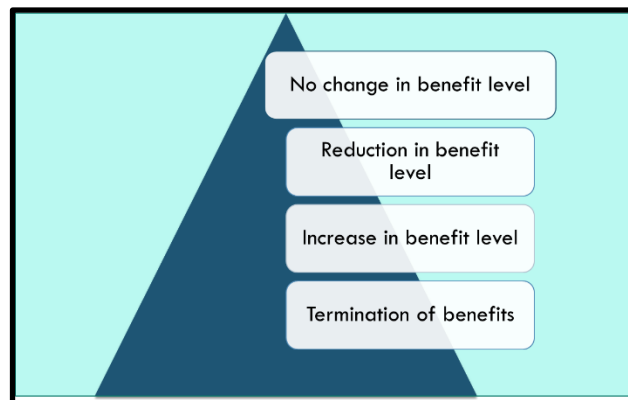
The attempt to contact unresponsive households must be made by the most effective method.

Deadline for Follow-Up Response

- The Verification Official must allow enough time for the household to respond before the deadline.
- Allowing extra time does not mean the CE does not need to establish a deadline because verification must be completed by November 15, annually.
- CEs must allow a reasonable amount of time for the household to provide the needed information.
- CEs should build an allowance for a reasonable amount of time in their planning for the verification process and assigning deadlines.

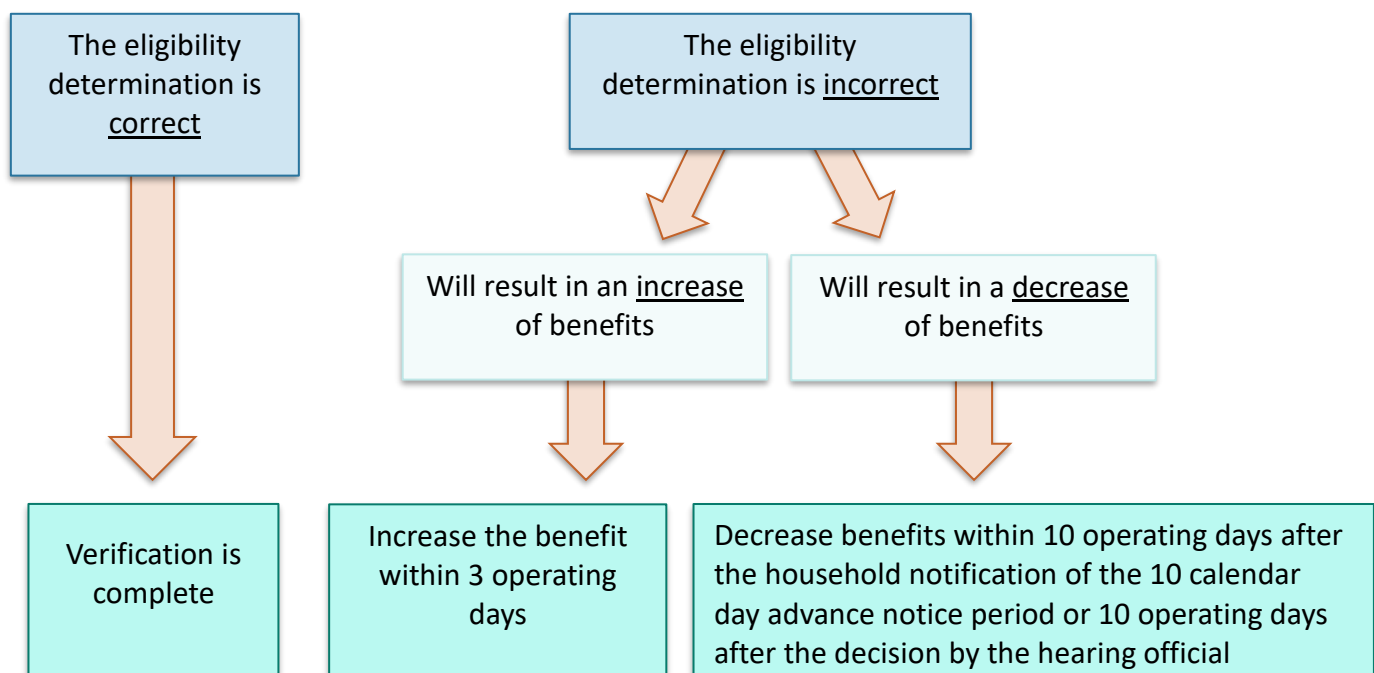
NOTE: The follow-up attempt may be by mail, telephone, e-mail or personal contact and the Follow-up Official must document, on the **Verification Report/Individual Household Form**, each attempt to contact the household for verification.

Verification Results



Verification Results

1. **No change in benefit level**—The household's current documentation supports the level of benefits for which the household has been approved.
2. **Reduction in benefit level**—The household's current documentation identifies income that is too high for the level of benefits for which the household has been approved. Change the household's eligibility from free to reduced-price, free to paid, or reduced-price to paid.
3. **Increase in benefit level**—The household's current documentation qualifies the household for free meals rather than reduced-price meals. Change the household's eligibility from reduced-price to free.
4. **Termination of benefits**—For households that do not respond to verification or whose current documentation does not support eligibility for either free or reduced-price meals. Terminate the household's eligibility.



Completing Verification on the Application

Verified Application Example

The **Richard B. Russell National School Lunch Act** requires the information on this application. You do not have to give the information, but if you do not, we cannot approve your child for free or reduced price meals. You must include the last four digits of the social security number of the adult household member who signs the application. The last four digits of the social security number is not required when you apply on behalf of a foster child or you list a Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF) Program or Food Distribution Program on Indian Reservations (FDPIR) case number or other FDPIR identifier for your child or when you indicate that the adult household member signing the application does not have a social security number. We will use your information to determine if your child is eligible for free or reduced price meals, and for administration and enforcement of the lunch and breakfast programs. We MAY share your eligibility information with education, health, and nutrition programs to help them evaluate, fund, or determine benefits for their programs, auditors for program reviews, and law enforcement officials to help them look into violations of program rules.

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) programs are prohibited from discriminating based on race or ethnicity. Persons with disabilities who require alternative means of communication may be made available in languages other than English.

To file a program complaint of discrimination, complete the [USDA Program Discrimination Complaint Form](#), or write a letter addressed to USDA and provide in the letter all of the information requested by the form. For more information, contact the USDA by: (1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, Washington, D.C. 20250-1557; (2) fax: 202-734-3115; (3) email: program.intake@usda.gov.

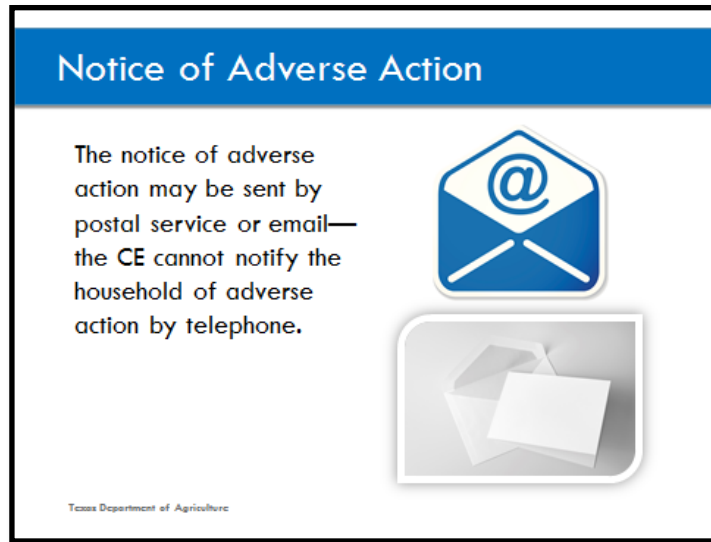
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The Confirming Official reviews all applications selected for verification to ensure that the initial determination was accurate, and signs and dates in the designated area. *This process occurs BEFORE sending out notification letters to selected households. The confirming Official must be a different individual than the original Reviewing/Determining Official and should sign the confirmation application or the *Verification Report/Individual Household Form*. A note of who conducted the confirmation review should be included on electronic applications.

Do Not Fill In		Income Determination						Eligibility:		
		Weekly	Every 2 Weeks	Twice a Month	Monthly	Annually	Determination	Free	Reduced	Denied
Household Size: _____	Total Income: _____	c	c	c	c	c	c	c	c	c
Income Determination: Multiple income frequencies must be converted to annual amount if income frequency is provided by the household. If converting income to annual, round only to the nearest whole dollar. 26 Twice a Month x 24 Monthly x 12										
Reviewing/Determining Official's Signature/Date		Confirming Official's Signature/Date								

Notes:

Notice of Adverse Action



The Letter of Adverse Action must provide the household with the following:

- Description of a change in benefits
- Explanation of the reason for the change
- Instructions on how to appeal the decision
- Notification that an appeal must be filed within the 10-calendar-day advance notice period to ensure continued benefits while awaiting a hearing and decision
- Explanation that the household may reapply for benefits at any time during the school year but will be subject to verification at the time of the second application, if terminated because of verification
- Explanation that SNAP, TANF, or FDPIR households may submit an application containing household names and income information and provide written evidence of current household income

NOTE: USDA allows a shorter version of the *Use of Information Statement* on communication to households for verification.

Appeals and Hearing Procedures

- CEs must follow the appeal and hearing procedures on file at the CE and provide households benefits during the appeal process.
- The Hearing Official must be an individual who is not involved with the household approval or verification process.



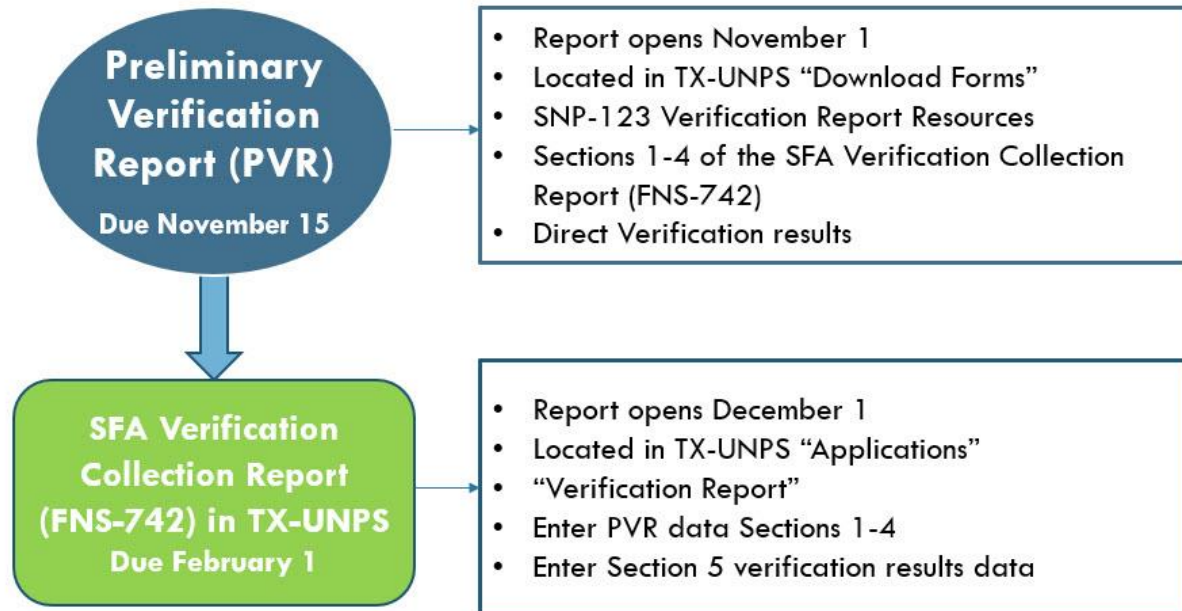
Reapplying for Program Benefits

- Any household that has been terminated from the program because of verification may reapply at any time during the school year.
- These applications are not considered new.
- The household must submit income documentation or proof of participant in an assistance program that provides categorical eligibility at the time of reapplication.



Notes:

Required Reporting



A mid-October upload will be available in Texas ELMS to help identify directly certified students for required reporting. TDA's *Verification Report/Individual Household Form*, must be completed and attached to each verified application.

Notes:

Recordkeeping

The CE must maintain records related to verification and keep these records ready for TDA or USDA to review. TDA provides a Program Year Calendar and SNP Required Records Retention list on the Square Meals website.



Important Dates:

By November 15 of each year – CEs must submit the *Preliminary Verification Report* via web-based form in the Texas Unified Nutrition Programs System (TX-UNPS), Download Forms, SNP-123 Verification Report Resources. A mid-October upload will be available in Texas ELMS to use in identifying directly certified students for reporting.

By February 1 of each year - CEs should complete and submit information about the household verification selection and results in the verification report section of TX-UNPS.

CEs are required to provide the following information in the *School Food Authority (SFA) Verification Collection Report, FNS-742* (through TX-UNPS):

By Site (based on the total number of program participants and total number of approved applications on October 1 of each year)

- Total number of sites
- Total number of enrolled participants, differentiated by regular and special provision sites
- Total number of SNAP participants directly certified
- Total number of SNAP/TANF participants not directly certified (based on applications)
- Total number of participants directly certified as TANF or FDPIR as well as directly certified eligible based on Other Source Categorical Eligibility

By Application

- Total number of participants verified as eligible for free benefits based on Other Source Categorical Eligible program participation as well as income eligibility
- Total number of participants verified as eligible for reduced price benefits based on income

About Verification Process

- The verification process must be completed by November 15
- Type of verification process used including the sample method
- Results of verification

Review Activity

Record the correct answer for each question.

1. When does the verification process begin and end?

Answer:

2. What does the Verification Official do if an application is selected for verification but the household transfers out of the school district before the information can be verified?

Answer:

3. If the sample size is 4.2 applications, should the Verifying Official verify 4 or 5?

Answer:

4. May CEs verify a larger sample than required, such as 5%?

Answer:

5. True or False: All applications need to be reviewed and signed by the Confirming Official.

Answer:

6. True or False: All CEs are required to conduct Direct Verification in the Verification Process.

Answer:

7. True or False: When a CE conducts Direct Verification and matches eligibility on the application the household is not required to be notified.

Answer:

Review Activity Continued

Record the correct answer for each question.

1. Name two types of income that are excluded from verification.

Answer:

2. What TDA required form must be used to track verification activity and results for each household application selected for verification and where is it located?

Answer:

3. Where are Verification Report Resources located?

Answer:

You understand and acknowledge that

- the training you have completed does not cover the entire scope of the program and that
- you are responsible for knowing and understanding all handbooks, manuals, alerts, notices and guidance, as well as any other forms of communication that provide further guidance, clarification or instruction on operating the program.



TEXAS DEPARTMENT OF AGRICULTURE COMMISSIONER SID MILLER

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Persons with disabilities who require alternative means of communication for program information (e.g. Braille, large print, audiotope, American Sign Language, etc.), should contact the Agency (State or local) where they applied for benefits. Individuals who are deaf, hard of hearing or have speech disabilities may contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program complaint of discrimination, complete the [USDA Program Discrimination Complaint Form](https://www.usda.gov/oascr/how-to-file-a-program-discrimination-complaint), (AD-3027) found online at: <https://www.usda.gov/oascr/how-to-file-a-program-discrimination-complaint>, and at any USDA office, or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by:

- (1) mail: U.S. Department of Agriculture
Office of the Assistant Secretary for Civil Rights
1400 Independence Avenue, SW
Washington, D.C. 20250-9410;
- (2) fax: (202) 690-7442; or
- (3) email: program.intake@usda.gov.

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