



U.S. DEPARTMENT OF AGRICULTURE

Evaluation of the Independent Review Process

Final Report

December 2021

This research was supported by the U.S. Department of Agriculture, Food and Nutrition Service. The findings and conclusions in this publication are those of the author(s) and should not be construed to represent any official USDA or U.S. Government determination or policy.

USDA is an equal opportunity provider, employer, and lender.

Final Report

Authors:

Melissa Rothstein
Lindsay Giesen
Chris Manglitz
Cynthia Robins

Submitted to:

Food and Nutrition Service
U.S. Department of Agriculture
1320 Braddock Place
Alexandria, Virginia 22314

Submitted by:

Westat
An Employee-Owned Research Corporation[®]
1600 Research Boulevard
Rockville, Maryland 20850-3129
(301) 251-1500

Table of Contents

<u>Chapter</u>		<u>Page</u>
	Executive Summary.....	viii
1	Study Introduction and Background	1-1
	1.1 Background.....	1-1
	1.1.1 School Meal Programs	1-1
	1.1.2 LEA Processing of Household Applications	1-2
	1.1.3 The IRA Requirement and Reporting	1-3
	1.2 Research Objectives.....	1-5
	1.3 Organization of This Report	1-5
2	Study Methodology	2-1
	2.1 Sampling Strategy.....	2-1
	2.1.1 LEA Selection	2-2
	2.1.2 Sampling of Household Applications.....	2-3
	2.2 Data Collection.....	2-4
	2.3 Analytic Approach	2-5
	2.4 Study Limitations	2-7
3	IRA Criteria, Guidance, and Training.....	3-1
	3.1 IRA Selection Criteria.....	3-1
	3.2 Notification of LEAs.....	3-3
	3.3 State Guidance.....	3-5
	3.4 Training for LEAs and State Requirements for Attendance	3-6
	3.5 LEA Requests for Technical Assistance.....	3-8
4	Conducting, Reporting, and Monitoring IRA	4-1
	4.1 Determining Initial Eligibility.....	4-2
	4.1.1 Timing and Time Burden of the Initial Review	4-3
	4.2 Conducting IRA.....	4-4
	4.2.1 Timing and Time Burden of the Second Review.....	4-7

<u>Chapter</u>		<u>Page</u>
4.3	Manual versus Automated Review Processes	4-8
4.4	Reporting the Results of IRA.....	4-9
4.5	Reviewing LEA Data.....	4-11
4.6	Monitoring the IRA Process	4-13
4.7	Removing LEAs from the IRA Requirement.....	4-14
5	Effectiveness of the IRA Process	5-1
5.1	Incorrect Classifications of Eligibility	5-2
5.1.1	Overall Incorrect Classifications	5-3
5.1.2	Sources of Administrative Error	5-4
5.1.3	Incomplete Applications.....	5-6
5.1.4	IRA Results.....	5-8
5.1.5	Change in LEA Incorrect Classifications Over Time	5-9
5.2	Reporting of IRA Results	5-10
5.2.1	LEA Perspectives	5-10
5.3	Changes to LEA Processes as a Result of IRA	5-12
5.4	State and LEA Perceptions of the Value and Effectiveness of IRA.....	5-13
6	Challenges of the IRA Process and Suggestions for Improvement.....	6-1
6.1	State-Level Challenges.....	6-1
6.2	LEA-Level Challenges.....	6-2
6.2.1	LEA Perspectives	6-2
6.2.2	State Perspectives on LEA Challenges.....	6-3
6.3	Suggestions for Improvement to the IRA Process.....	6-6
6.3.1	State Agency Suggestions	6-6
6.3.2	LEA Suggestions	6-7
7	Conclusions	7-1
	References.....	R-1

<u>Appendix</u>		<u>Page</u>
A	IRA Study – State Child Nutrition Director Survey.....	A-1
B	Prototype Application SY17-18.....	B-1
C	FNS-874 Form.....	C-1
D	Eligibility Determination Flow Diagram.....	D-1
E	Supplemental Tables	E-1

Tables

ES-1	Extent of State-conducted IRA training for LEAs	xi
ES-2	How States monitor the accuracy of LEA processes for IRA.....	xii
2-1	Criteria for selecting LEAs for the study	2-2
2-2	Minimum detectable difference in incorrect classifications for household applications.....	2-3
3-1	LEAs selected using Criteria 1 and 2.....	3-2
3-2	Criterion 2 factors used by States.....	3-3
3-3	How States notify LEAs that they must conduct IRA	3-5
3-4	Mode of State-conducted training on IRA for LEAs	3-6
3-5	Most frequent topics of LEA questions to the State about IRA.....	3-8
4-1	Time burden of initial eligibility determination, by LEA characteristics	4-4
4-2	How application review differs under manual and electronic processes	4-8
4-3	Mode of LEA data submission on results of the IRA.....	4-10
4-4	How States monitor the accuracy of LEA processes for IRA.....	4-11
4-5	Frequency with which States request that LEAs correct FNS-874 data.....	4-12

<u>Tables</u>		<u>Page</u>
4-6	Most common State-requested corrections to FNS-874 data received from LEAs	4-13
4-7	How States validate that LEAs have completed the IRA process	4-14
5-1	Characteristics of applications received from LEAs, by school year.....	5-2
5-2	Accuracy of final LEA eligibility determinations.....	5-3
5-3	Sources of administrative errors.....	5-6
5-4	Types and frequency of incomplete applications.....	5-7
5-5	LEA eligibility determinations of incomplete applications missing social security number (SSN) and/or signature	5-7

Figures

ES-1	Incorrect classifications among study applications, SY 2016-17	xiii
ES-2	Incorrect classifications among study applications, SY 2018-19	xiii
2-1	Overview of the study design	2-1
3-1	When States notify LEAs they must conduct IRA, among those that notify all LEAs at the same time	3-4
4-1	Approaches to IRA	4-6
5-1	Incorrect classifications among study applications, SY 2016-17	5-4
5-2	Incorrect classifications among study applications, SY 2018-19	5-4
6-1	State assessments of how challenging it is for LEAs to complete IRA within 10 operating days	6-4
6-2	State assessments of how challenging it is for LEAs to identify qualified staff to conduct IRA	6-4

<u>Figures</u>		<u>Page</u>
6-3	State assessments of how challenging it is for LEAs to identify available staff to conduct IRA	6-5
6-4	State assessments of the degree to which the IRA is hindered by inadequate technology.....	6-5
6-5	State assessments of how challenging the volume of applications is for LEAs to process	6-6

Executive Summary

The Evaluation of the Independent Review Process study examined the processes, procedures, and effectiveness of the provision of the Healthy, Hunger-Free Kids Act of 2010 (HHFKA) that requires a second, independent review of applications (IRA) for certain local education agencies (LEAs) participating in the National School Lunch Program (NSLP) and/or School Breakfast Program (SBP). The provision, which was first implemented in School Year (SY) 2014-15, is intended to reduce administrative certification error in LEA processing of household applications.

Background

The HHFKA amended the Richard B. Russell National School Lunch Act to require a second, “independent review of applications” for certain LEAs.¹ Under the IRA provision, LEAs that demonstrate high levels of, or a high risk for, administrative error associated with certification, verification, and other school meal program administrative processes are required to conduct a second review of the eligibility determinations. The second review, like the initial eligibility determination, is made based on the information provided by the household on the application. LEAs must do this before contacting the households to inform them of their eligibility status, and someone other than the original determining official must conduct this second review. The second reviewer examines the information provided by the household on the application to determine if:

1. The application is complete (i.e., contains all required elements);
2. The application correctly notes eligibility as free, reduced price or paid based on the categorical eligibility information or the comparison of the total household income to the current Income Eligibility Guidelines (IEGs); and
3. The student roster correctly records the student’s eligibility status.

The regulations provide two criteria for State agencies to annually identify LEAs that must conduct the IRA:

- Criterion 1: All LEAs with 10 percent or more of certification/benefit issuances in error, as determined by the State agency during an Administrative Review; and
- Criterion 2: LEAs that the State agency considers at risk for certification error but were not selected under Criterion 1.

¹ 42 U.S.C. 1769c(b)

LEAs required to conduct the IRA must continue to do so each year until the LEA demonstrates to the State agency that no more than five percent of reviewed applications required a change in eligibility determination, and the State agency agrees that the LEA no longer needs to complete the IRA process.

To obtain data on the results of the IRA process, the Food and Nutrition Service (FNS) requires State agencies to submit an annual report via form FNS-874, *Local Educational Agency Second Review of Applications*.² The FNS-874 provides detailed information on the results of the IRA process at each LEA required to conduct IRA, including the number of applications; the number of applications with changed eligibility determinations based on the second review; information on the types of changes (e.g., free to reduced price); and reasons for changes (e.g., gross income calculation error, incomplete application error).

Data from the first two years that the IRA process was in place showed that few LEAs subject to the IRA requirement reported any changes in initial certification decisions as a result of the second review. This was unexpected given that the primary criterion for identifying LEAs to complete the IRA process is a demonstrated error rate of 10 percent or more during an Administrative Review. This study sought to understand FNS-874 reporting as well as provide information on the IRA process, how it has been implemented, and whether the process results in a change in LEA errors in certifying households for free and reduced price meals.

Overview of the Study

The study had the following three research objectives:

1. Collect data and describe the process and policies surrounding the second, independent review of applications at the State and LEA levels;
2. For a subsample of LEAs selected in Objective #1, collect data and conduct a review and analysis of household applications for two nonconsecutive school years (SY 2016-17 and SY 2018-19) to describe certification errors for household applications; and
3. Assess the effectiveness of the second, independent review of applications process and the FNS-874 reporting requirements, and provide recommendations for best practices.

² For SY 2014-15, the report was the FNS-742a. For subsequent years, the form was renumbered the FNS-874. Data elements are the same.

The objectives were pursued through three data collection activities: (1) a survey of State administering agencies in Fall 2019; (2) in-depth interviews in Fall 2019 with a purposively selected sample of 30 LEAs that conducted IRA; and (3) the collection of household applications from SYs 2016-17 and 2018-19 from a subsample of 15 of the LEAs interviewed.

The study included both a process and an outcomes assessment. The process assessment was a purposive, targeted examination of how State agencies and 30 LEAs implement the IRA requirement. The outcomes assessment began with an abstraction of household application data and LEA certification decisions in initial review and IRA for 15 LEAs, along with an independent assessment of eligibility for each application. Taken together, the process and outcomes assessments describe the IRA process, provide the results of a review of LEA household applications to describe incorrect classifications and causes of error, and offer recommendations to improve the IRA process.

Key Findings

IRA Criteria, Guidance, and Training

The IRA process begins with the selection of LEAs by each State agency, and is supported in varying degrees with guidance and training at the State and LEA levels.

- **Across the LEAs that conducted IRA in the two school years examined, Criterion 1 was the primary method that triggered the IRA requirement, accounting for over half of all cases in both SY 2016-17 and SY 2017-18.**
- **Eleven States reported they do not use Criterion 2 to select LEAs, and the remaining States adopted one or more of the recommendations in FNS guidance for Criterion 2.** The primary Criterion 2 factor, used by 31 States, was certification/benefit issuance error between 5 and 10 percent during an Administrative Review.
- **The extent to which State agencies have written guidance to support implementation of IRA varies.** Twenty-one State agencies said they do not have written guidance on IRA for either their State-level staff or for LEAs, while eight States have guidance for staff at both levels. The remaining States have written guidance for either State-level staff or LEA-level staff, but not both.
- **Twenty-two States indicated that they provide a training for LEAs focused specifically on IRA, either for those LEAs that are required to conduct IRA**

(20 States) or for all LEAs (2 States). The remaining States either briefly touch on IRA during an annual training for LEAs on the school meal programs or do not provide any training on the IRA requirement. (See Table ES-1.) Many of the 30 LEAs interviewed did not recall receiving training focused on IRA.

Table ES-1. Extent of State-conducted IRA training for LEAs

Training for LEAs on IRA	Number of States (n=49)
Briefly touched upon in the annual training held with all LEAs	26
Training focused on IRA provided to LEAs required to complete the second review	20
Training focused on IRA provided to all LEAs	2
No training provided	8

Source: State Director Survey

Note: States could select multiple responses.

- **Thirty-nine States reported receiving questions about IRA from their LEAs.** Among those States, the three most common topics that LEAs have had questions about are reporting (24 States); how to document the IRA (21 States); and how to perform IRA (17 States).

Conducting, Reporting, and Monitoring IRA

The processes to determine initial eligibility for free, reduced price and paid meals are relatively similar across LEAs, but the processes to conduct IRA vary. State procedures to collect data from LEAs to report on IRA and how they monitor the IRA process also vary among States.

- **Among LEAs interviewed for the study, different types of staff with varied experience have served as second reviewers. The second reviewer conducts IRA in one of three ways:**
 - Independently calculates income and determines eligibility for each application;
 - Works side by side with the first reviewer to calculate income and determine eligibility at the same time; or
 - Checks that all application information was correctly entered into a software program by the first reviewer.

For LEAs that electronically review applications, the second reviewer focuses on correcting data entry errors and not on re-calculating income.

- **State procedures for LEA reporting of IRA results vary, with only about one-third of States (18) providing an online portal where LEAs enter their data.** Most commonly, States accept spreadsheets with the information through email (23 States).

- While most States (36) reported that they review the IRA data submitted by LEAs (see Table ES-2), the same number do not follow up with an LEA if it reports making no changes to the initial eligibility determinations following IRA. Twenty eight States review the IRA process during Administrative Review, and 11 States review it during technical assistance visits.

Table ES-2. How States monitor the accuracy of LEA processes for IRA

Monitoring activity	Number of States (n=49)
Review FNS-874 data and follow up on questionable data	36
Review applications and IRA process during Administrative Reviews	28
Review applications and IRA process during technical assistance visits	11
Review LEA policies and procedures for IRA	2
Other*	3

Source: State Director Survey

Note: States could select multiple responses.

*State agency completes IRA; completion of annual agreement between State and LEAs; and LEAs submit a separate internal form.

- **Relatively few States reported requesting corrections to the IRA data submitted by LEAs.** About one-fourth of States (13) said they never need to request corrections to the FNS-874 data, and half (25 States) said they request corrections for less than 25 percent of LEAs. Only 11 States reported that they request corrections from more than 25 percent of their LEAs.

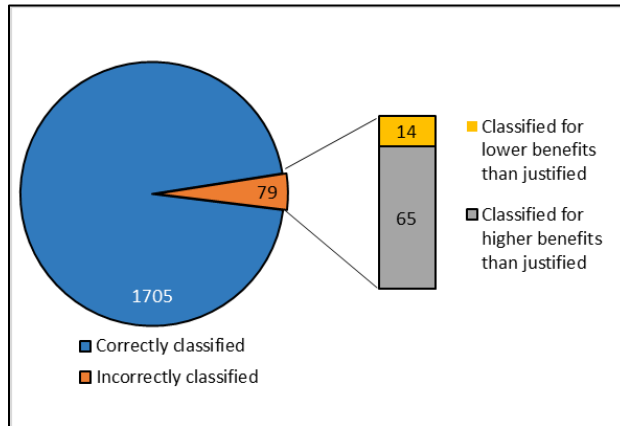
Effectiveness of the IRA Process

The study documented LEA decisions in initial certification and second review (IRA) on the applications from 15 LEAs, and made an independent assessment of eligibility for each application. The results apply only to the LEAs in the study and are not nationally representative.³

- **When comparing the independent assessment of eligibility to the final determinations made by these LEAs, there were relatively few incorrect classifications observed in either school year.** In SY 2016-17 and SY 2018-19, 4.4 percent and 3.9 percent of applications, respectively, were incorrectly classified. Across both school years, incorrect determinations more often resulted in students being certified for higher benefits than justified by the application (see Figures ES-1 and ES-2).

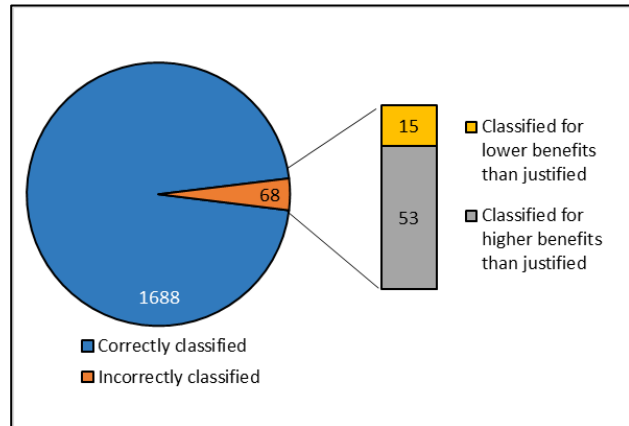
³ Also note that there was no contract with households to validate application information in the IRA study, as was done in the Access, Participation, Eligibility and Certification (APEC) study series which produces nationally representative results.

Figure ES-1. Incorrect classifications among study applications, SY 2016-17



Source: Household applications

Figure ES-2. Incorrect classifications among study applications, SY 2018-19



Source: Household applications

- A significant number of incomplete applications were classified by LEAs for free or reduced price benefits even though incomplete applications should always be classified as paid.** Between 60 and 70 percent of incomplete applications that were missing a social security number and/or signature were incorrectly classified. Had these applications included all required data elements, the percentage of incorrect classifications in the study sample would have dropped to around two percent for each school year.
- Very few instances of changes resulting from IRA were observed in the sampled applications (15 applications across both school years, out of 3,540 total).** In six of the 15 cases where a change was observed, an initially correct eligibility determination was changed to an incorrect determination.
- State respondents were split on whether IRA is effective in reducing incorrect classifications: 17 States said the IRA process is effective, and 16 LEAs said it is ineffective; the remainder were unsure or had mixed feedback.** The State respondents that do not view IRA as effective cited over-representation of small LEAs under Criterion 1; high staff turnover at LEAs that prevents lasting changes. They also noted that the burden is not commensurate with the impact, a sentiment echoed by some LEAs interviewed. Conversely, other States said they saw a positive impact of IRA, noting that it reinforces the skills needed to review and certify applications, and gives the State additional opportunities to provide training and technical assistance.

Challenges of the IRA Process and Suggestions for Improvement

- Most aspects of IRA were identified as neither “very challenging” nor “very time-consuming” for most States,** including State staffing for IRA; identifying and training LEAs to conduct IRA; determining Criterion 2 selection factors; reviewing and submitting FNS-874 data; and determining whether an LEA can discontinue IRA.

- **When asked what could minimize the State-level burden of IRA, nine States said to eliminate the requirement altogether.** Other suggestions, each mentioned by five States or fewer, included:
 - Providing additional training resources to States so that they can improve LEAs’ understanding of the *initial* application review process;
 - Allowing States to address any problems with LEAs during an Administrative Review instead of requiring IRA;
 - Removing the requirement for States to establish a Criterion 2 to trigger IRA; and
 - Changing the timing of the IRA away from the start of the school year.
- **States perceived that all sizes of LEAs struggle to complete IRA within the 10-day timeframe.** However, they believe their very small and small LEAs struggle the most with identifying and training staff to review applications, and they face more challenges with the IRA due to inadequate technology. The large and very large LEAs, on the other hand, struggle the most with the volume of applications they need to review for IRA.
- **The interviewed LEAs would like to receive more training on reviewing applications and conducting IRA,** including an explanation of the purpose of the IRA requirement and what the consequences are if they report changes.

1. Study Introduction and Background

1.1 Background

The Evaluation of the Independent Review of Applications (IRA) Process study examined the processes, procedures, and effectiveness of the provision of the Healthy, Hunger-Free Kids Act of 2010 (HHFKA) that requires a second, independent review of household applications for certain local education agencies (LEAs) participating in the National School Lunch Program (NSLP) and/or School Breakfast Program (SBP). The provision, which was first implemented in School Year (SY) 2014-15, is intended to reduce administrative certification error in LEA processing of household applications. This study sought to describe the IRA process at the State and LEA levels, review LEA household applications to determine incorrect classifications of eligibility and causes of error, and provide recommendations to improve the IRA process.

1.1.1 School Meal Programs

The NSLP and SBP are federally funded meal programs operating in public and nonprofit private schools and residential child care institutions (RCCIs). Nearly 30 million students in approximately 97,000 public and nonprofit private schools and RCCIs received lunches through the NSLP every school day in Fiscal Year (FY) 2019, and roughly 22 million of those students received meals for free or at a reduced price. That same year, the SBP served about 14.7 million students daily, with more than 12.5 million of those students receiving free or reduced price breakfasts (U.S. Department of Agriculture, 2020).

Through State-level administering agencies, the U.S. Department of Agriculture (USDA) provides LEAs with a per-meal cash reimbursement for meals served that meet specified nutrition requirements. LEAs receive reimbursement based on the household income of individual students receiving meals or, in some cases, on the income status of the school population in aggregate.⁴ Students from households with income at or below 130 percent of the Federal poverty guidelines are eligible for free meals; students from households with income between 130 and 185 percent of

⁴ LEAs receiving reimbursement on the basis of the income of the school population in the aggregate operate under the Community Eligibility Provision, or Provisions 2 or 3.

the poverty guidelines are eligible for reduced price meals; students from households with income above 185 percent of the Federal poverty level pay full price for meals. Students whose households receive benefits from the Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF), and the Food Distribution Program on Indian Reservations (FDPIR) are categorically (i.e., automatically) eligible for free meals.⁵ Most are directly certified through the use of program records. Those who are not directly certified may complete a household application to document their participation in one of the specified programs or provide their household income.

1.1.2 LEA Processing of Household Applications

Most LEAs determine student eligibility for free or reduced price meals annually at the beginning of the school year. In processing household applications and determining eligibility, LEAs must follow regulations at 7 CFR Part 245 and program guidance set forth in the *Eligibility Manual for School Meals: Determining and Verifying Eligibility* (U.S. Department of Agriculture, 2017). LEAs first must confirm that the application is complete by checking that it contains all required elements, including the names of all students and other household members; income of each household member by source and frequency; the signature of an adult household member; and the last four digits of a social security number or an indication of “none.” If the household indicates that they participate in SNAP, TANF, or FDPIR, no income information is required, but the household must include a case number for the program.⁶ Other programs that confer categorical eligibility for free meals, such as for homeless and runaway youth, require that the LEA confirm the applicant’s status with the relevant cognizant agency. For income-based applications, the LEA compares the total household income provided on the application to the current Income Eligibility Guidelines (IEGs) for the applicable household size (Child Nutrition Programs, 2019), and classifies the student(s) as eligible

⁵ TANF confers categorical eligibility in most States. In addition, students who are documented as foster, homeless, migrant, runaway, or Head Start children are automatically eligible for free meals, but that eligibility does not extend to other household members. Some States also operate a pilot program that allows LEAs to use Medicaid data to determine eligibility for free meals.

⁶ Applications based on categorical eligibility are not required to include the social security number information. See p. 51 of the *Eligibility Manual for School Meals: Determining and Verifying Eligibility* (U.S. Department of Agriculture, 2017).

for free, reduced price, or paid meals. The LEA must complete the process and notify the household of the eligibility determination within 10 operating days of receipt of the application.⁷

1.1.3 The IRA Requirement and Reporting

The HRFKA amended the Richard B. Russell National School Lunch Act to require a second, “independent review of applications” for certain LEAs.⁸ Under the IRA provision, LEAs that demonstrate high levels of, or a high risk for, administrative error associated with certification, verification, and other school meal program administrative processes are required to conduct a second review of the eligibility determinations. The second review, like the initial eligibility determination, is made based on the information provided by the household on the application. LEAs must do this before contacting the households to inform them of their eligibility status, and someone other than the original determining official must conduct this second review. The second reviewer examines the information provided by the household on the application to determine if:

1. The application is complete (i.e., it contains all required elements as described in Section 1.1.2);
2. The application correctly notes eligibility as free, reduced price, or paid based on the categorical eligibility information or the comparison of the total household income to the current IEGs; and
3. The student roster correctly records the student’s eligibility status.

FNS codified the requirements for the IRA in program regulations at 7 CFR 245.11. The regulations provide two criteria for State agencies to annually identify LEAs that must conduct the IRA:

- Criterion 1: All LEAs with 10 percent or more of certification/benefit issuances in error, as determined by the State agency during an Administrative Review; and
- Criterion 2: LEAs that the State agency considers at risk for certification error but were not selected under Criterion 1.

State agencies use data from the Administrative Review, specifically from the *Eligibility Certification and Benefit Issuance Certification Worksheet* (LEA-1), to identify LEAs that meet Criterion 1. The Administrative Review worksheet includes an Independent Review of Applications Calculator, which

⁷ See 7 CFR 245.6(c)(6).

⁸ 42 U.S.C. 1769c(b).

determines the LEA's error percentage based on the number of identified errors and the number of students reviewed. Under Criterion 2, State agencies have discretion to identify other LEAs at risk for certification error. Per FNS guidance, State agencies are encouraged to include LEAs with certification/benefit issuance errors between 5 and 10 percent, and to consider those LEAs new to NSLP or SBP, with new administrative staff, or a new electronic system (U.S. Department of Agriculture, 2014). State agencies that do not identify any LEAs under either Criterion 1 or 2 may work with their FNS regional office to consider the inclusion of additional criteria. LEAs required to conduct the IRA must continue to do so each year until the LEA demonstrates to the State agency that no more than five percent of reviewed applications required a change in eligibility determination, and the State agency agrees that the LEA no longer needs to complete the IRA process.

To obtain data on the results of the IRA process, FNS requires State agencies to submit an annual report by March 15 via form FNS-874, *Local Educational Agency Second Review of Applications*.⁹ The FNS-874 provides detailed information on the results of the IRA process at each LEA required to conduct one, including the number of applications; the number of applications with changed eligibility determinations based on the second review; information on the types of changes (e.g., free to reduced price); and reasons for changes (e.g., gross income calculation error, incomplete application error).

FNS requested the current study, in part, because examination of the FNS-874 data for SY 2014-15 and SY 2015-16 (the first two years that the IRA process was in place) showed that few LEAs subject to the IRA requirement reported changes to initial certification decisions as a result of the second review. This was unexpected given that the primary criterion for identifying LEAs to complete the IRA process is a demonstrated error rate of 10 percent or more during an Administrative Review. This study sought to understand FNS-874 reporting as well as provide information on the IRA process, how it has been implemented, and whether it results in a decrease in LEA errors in certifying households for free and reduced price meals.

⁹For SY 2014-15, the report was the FNS-742a. For subsequent years, the form was renumbered the FNS-874. Data elements are the same.

1.2 Research Objectives

To document the process and assess the effectiveness of IRA, the study had the following three research objectives:

1. Collect data and describe the process and policies surrounding the second, independent review of applications at the State and LEA levels;
2. For a subsample of LEAs selected in Objective #1, collect data and conduct a review and analysis of household applications for two (2) nonconsecutive school years (SY 2016-17 and SY 2018-19) to describe certification errors for household applications; and
3. Assess the effectiveness of the second, independent review of applications process and the FNS-874 reporting requirements and provide recommendations for best practices.

The study objectives were pursued through a survey of State administering agencies, in-depth interviews with a purposively selected sample of 30 LEAs that conducted IRA, and collection of household applications from a subsample of 15 of the interviewed LEAs.

1.3 Organization of This Report

This report discusses the study approach, presents the data and analyses, and ends with suggested improvements. Chapter 2 provides details on the study methodology, including the study design, sampling procedures, analytic approach, and study limitations. Chapter 3 covers the criteria State agencies use to select LEAs for IRA, and guidance and training provided to support the process. Chapter 4 describes the IRA process, including LEA reporting and State monitoring. Chapter 5 provides findings from the analysis of applications, and describes the effectiveness of IRA. Chapter 6 details challenges and provides suggestions for improvement, and Chapter 7 provides conclusions about IRA. Appendices include the following: State Director Survey instrument (Appendix A); the FNS paper prototype of the household application for school meals (Appendix B); the FNS-874 form (Appendix C); an IRA process map (Appendix D); and supplemental data tables (Appendix E).

2. Study Methodology

The IRA study included both a process and an outcomes assessment. The process assessment explored how State agencies and each LEA in the study implemented the IRA requirement. The outcomes assessment began with an analysis of LEAs’ application classification decisions, followed by a determination of the effectiveness of the IRA process. Figure 2-1 provides an overview of the study design.

Figure 2-1. Overview of the study design

	Process assessment Collect policy and process data	Outcomes assessment	
		Part 1 Analyze applications and IRA reporting	Part 2 Assess the effectiveness of the IRA process
Primary goal	Describe IRA processes and policies at the State and local education agency (LEA) levels.	Calculate incorrect classifications of eligibility for household applications.	Assess effectiveness of IRA and recommend best practices.
Data Collection	<ul style="list-style-type: none"> ❖ State Director Survey ❖ Telephone interviews with 30 LEA Directors 	<ul style="list-style-type: none"> ❖ Household applications for two nonconsecutive school years from 20 LEAs ❖ FNS-874 data 	<ul style="list-style-type: none"> ❖ Data previously collected from the process assessment and Part 1 of the outcomes assessment
Analyses	<ul style="list-style-type: none"> ❖ Describe how States and LEAs conduct IRA ❖ Identify IRA challenges ❖ Identify opportunities for improvement 	<ul style="list-style-type: none"> ❖ Identify applications with incorrect classifications, and types of errors ❖ Identify eligibility determination changes made due to IRA 	<ul style="list-style-type: none"> ❖ Evaluate errors detected vs. reported ❖ Determine changes in accuracy over time ❖ Feedback on effectiveness

2.1 Sampling Strategy

All 51 State Directors of School Meal Programs¹⁰ were asked to complete the web-based State Director Survey, thus no sampling was used. The study then selected a purposive sample of 30 LEAs across 15 States to participate in telephone interviews, and subsequently selected 20 of those LEAs to provide copies of their household applications for school meals.

¹⁰The 50 States and the District of Columbia.

2.1.1 LEA Selection

To begin the selection of LEAs for the interviews and collection of household applications, we assembled a sample frame which consisted of all LEAs that conducted the IRA process in SY 2016-17, as reported on the FNS-874. From that frame of 525 LEAs, certain LEAs were then excluded from consideration based on a variety of factors, such as LEAs no longer operating the program and State requests to remove an LEA from consideration because it was undergoing Administrative Review.¹¹ Following the exclusion criteria, we arrived at a revised universe of 307 LEAs.

At that point, several criteria were applied to purposively select a sample with a variety of desired characteristics (see Table 2-1). While this sample is not a statistically representative sample of all LEAs that conducted IRA, the criteria used ensured we collected data from LEAs of varying characteristics.

Table 2-1. Criteria for selecting LEAs for the study

Criteria	LEA sample contained ¹
Selected for IRA using Criterion 1 vs. Criterion 2*	<ul style="list-style-type: none"> • 17 LEAs under Criterion 1 • 13 LEAs under Criterion 2
Reported changes to eligibility determinations following IRA*	<ul style="list-style-type: none"> • 15 LEAs with zero reported errors on the FNS-874 for SY 2016-17 • 14 LEAs with 1+ reported errors on the FNS-874 for SY 2016-17
Continuation vs. noncontinuation of IRA process*	<ul style="list-style-type: none"> • 13 LEAs conducting IRA only in SY 2016-17 • 16 LEAs conducting IRA in both SY 2016-17 and SY 2017-18
LEA size	<ul style="list-style-type: none"> • All five size categories² were represented, as measured by the number of enrolled students
LEA type	<ul style="list-style-type: none"> • Six private LEAs • 24 public LEAs
Geography	<ul style="list-style-type: none"> • Geographic representation across 15 States and all seven FNS regions
Food and Nutrition Service (FNS) recommendations	<ul style="list-style-type: none"> • LEAs with significant error found during State Administrative Review

* Denotes primary selection criterion.

¹ Some selection criteria only applied to 29 LEAs, not all 30, because one LEA that had conducted IRA was selected at FNS' request due to significant errors found during a State Administrative Review.

² LEAs are categorized in size based on the number of students, as follows: very small, <500; small, 500-999; medium, 1,000-4,999; large, 5,000-9,999; and very large, 10,000+.

¹¹The following LEAs were excluded: (1) all LEAs in North Carolina, as the State agency requires that all LEAs conduct IRA and interview data would not be comparable to LEAs from other States (134 LEAs); (2) LEAs from the two States that did not respond to the State Director Survey (7 LEAs); (3) LEAs identified by State agencies for exclusion for a variety of reasons, including LEAs that discontinued program operations, were undergoing Administrative Review at the time of the interviews, or had implemented the Community Eligibility Provision and were no longer using household applications (77 LEAs).

The same criteria were used to select 20 of the 30 LEAs to provide two nonconsecutive years of household applications for school meals. Nonconsecutive years of applications were requested in order to see if the IRA process may have had a lasting effect on an LEA’s certification errors.

2.1.2 Sampling of Household Applications

Each of the 20 selected LEAs was asked to provide copies of the household applications they processed in SY 2016-17 and SY 2018-19. LEAs with 100 applications or fewer in a school year were asked to provide all of their applications; LEAs with more than 100 applications were provided instructions to draw a random sample so as not to overburden the LEAs.

We determined the sample size for each LEA using a minimum detectable difference (MDD) in the percentage of applications with incorrect classifications. We set the MDD at five percent, and Table 2-2 shows the sample size required to obtain MDD for different population sizes (i.e., the total number of applications reviewed by the LEA). The shaded cells show combinations of sampling sizes by population size that achieve at least five percent MDD. Sampling in this manner means that the errors observed in the sampled applications for a particular LEA are statistically valid for the LEA. Sufficient sample size ensures the standard error of calculated rates of incorrect classifications is small enough to provide statistical confidence when comparing rates that are meaningfully different.

Table 2-2. Minimum detectable difference in incorrect classifications for household applications

Sample size	Total number of applications reviewed by local education agency (LEA)								
	50	100	150	200	250	500	1,000	5,000	10,000
43	0.049	0.099	0.111	0.116	0.119	0.125	0.128	0.131	0.131
75	-	0.049	0.070	0.078	0.082	0.091	0.095	0.098	0.098
100	-	0.000	0.049	0.060	0.066	0.076	0.081	0.084	0.084
120	-	-	0.035	0.049	0.056	0.067	0.073	0.076	0.077
185	-	-	-	0.017	0.032	0.049	0.056	0.061	0.062
230	-	-	-	-	0.016	0.041	0.049	0.054	0.055
280	-	-	-	-	-	0.033	0.043	0.049	0.050

Note: Cells with blue shading indicate a minimum detectable difference of less than 5 percent.

2.2 Data Collection

To understand implementation, the process assessment component of the study collected data on the IRA policies and processes at the State and LEA levels through a survey of State Directors of the School Meal Programs and telephone interviews with 30 LEA Directors. Between February and April 2019, State Directors from 49 of 51 State agencies¹² completed the web-based State Director Survey. Topics included the criteria that States use to identify LEAs for IRA (Criteria 1 and 2) and the proportion of LEAs identified under each; training provided to State- and LEA-level staff; methods for monitoring the accuracy of the LEA process; reporting IRA results; methods and data used for continuing or discontinuing the IRA; and the challenges and burden associated with IRA at the State and LEA levels. The survey instrument is included as Appendix A.

Following the survey, telephone interviews with 30 LEAs were conducted from October through December 2019. These interviews asked LEA Directors about their awareness of the IRA selection criteria; methods and timing for initial certification and IRA; changes in processes resulting from selection for the IRA; opportunities for improvement; and the challenges and time burden of IRA.

The outcomes assessment began by exploring the types and rates of incorrect classifications by LEAs. From among the 30 LEAs interviewed, a subsample of 20 LEAs was selected to provide their household applications for two (2) nonconsecutive years (SY 2016-17 and SY 2018-19). Applications were securely submitted in either hard-copy or electronic format by 15 of the 20 LEAs between November 2019 and November 2020.¹³ The study team reviewed the applications and documented LEA decisions in the initial certification and IRA, and made an independent assessment of eligibility.

Collecting household application data proved challenging as COVID-19 led to school closures across the country in early 2020, during the final phase of data collection. The study team was actively collecting household applications from LEAs at that time, but only received data from 13 LEAs prior to school closures. In consultation with FNS, it was agreed that the study team would attempt to reestablish contact with the remaining LEAs in the fall to collect their household application data. Following that final contact attempt in October 2020, two additional LEAs provided household application data. Because the study was designed to meet precision

¹²Two State agencies did not respond; the District of Columbia was included in the study and U.S. territories were excluded from the study.

¹³Data collection was halted from April through September 2020 due to COVID-19 school closures.

requirements at the individual LEA level, the smaller sample of LEAs from which data were collected (15 LEAs instead of 20) still allows us to answer the research questions.

The second part of the outcomes assessment involved a determination of the effectiveness of the IRA process. All data collected for the study were analyzed to determine whether the IRA process influenced certification accuracy among the 30 LEAs that participated, and whether LEAs sustained any improvements over time. We used FNS administrative data from the forms FNS-874 (*Local Educational Agency Second Review of Applications*) for comparison to certification decisions and IRA results from the application data. LEA reports on the IRA process in FNS-874 data were compared to the study's observations of the process as documented by LEAs on the applications collected for the same year(s). These comparisons provide insights on the accuracy of LEA reporting as well as changes over time.

2.3 Analytic Approach

State Director Survey

The examination of the State survey data consisted of qualitative and quantitative analyses. The qualitative analysis focused on eight open-ended survey questions, which were uploaded into NVivo 11 (qualitative analysis software) and analyzed following the same approach outlined below for the analysis of the LEA interviews. The quantitative analysis consisted primarily of univariate descriptive methods (i.e., means, proportions) of the survey questions. In some instances, bivariate methods (e.g., cross-tabulations) were used to further explore specific data. For example, we examined whether the frequency with which State agencies request that LEAs make corrections to their IRA reports was associated with the mode of report submission.

LEA Interviews

Using NVivo software, we developed a preliminary coding scheme to facilitate content analysis of the interview data. The coding scheme organized the data into separate nodes for each step of the IRA process, and provided an easily accessible way to group common experiences, procedures, issues, and actions taken. Once the data were coded, we systematically queried the database to produce code reports that were reviewed and further abstracted to reveal patterns in the data. We also categorized discrete aspects of each LEA's implementation process (e.g., mode of household

application—paper, electronic, or both) to allow parsing of the data by these LEA characteristics and the inclusion of descriptive frequencies. For example, we conducted an analysis that assessed the time burden of the IRA process by whether or not an LEA used technology during IRA.

Household Applications

An abstraction template was designed to extract and compile data contained in LEA household applications. Each variable in the abstraction template corresponded with a field in the FNS prototype of a household application,¹⁴ and some variables were programmed to automatically calculate certain values (e.g., total household income). The abstraction template was treated as a living document; variables and response options were added or amended during the abstraction process as the team reviewed more applications. (See Appendix B for the FNS paper prototype household application.)

A rigorous quality control effort was employed at each stage of data abstraction and entry. For each application, one team member abstracted the data and another reviewed it. Data management staff then selected and reviewed a 20 percent sample of the application abstractions, as well as all of the applications that were categorically eligible (i.e., they contained a case number for SNAP, TANF, FDPIR, or other categorically eligible program). Lastly, any application with unusual circumstances or that failed consistency checks was discussed among project staff and documented (e.g., an application with blurry or illegible text or handwritten notes in margins).

We imported the abstracted application data into a Statistical Analysis System (SAS) dataset, and reviewed the data for anomalies. The household application data were then merged with the data on LEA characteristics and FNS-640 and FNS-874 data for each LEA and school year. Analysis metrics were constructed from the raw data, such as types of administrative errors and eligibility changes due to IRA. We examined the overall accuracy of LEAs making the correct eligibility determination by comparing the LEA's determination to the independent assessment of the eligibility determination made by the study team based on the abstraction of each application's data. To explore the effectiveness of IRA, we examined whether the accuracy of LEAs' determinations changed between the initial and second determinations and between two nonconsecutive school years.

¹⁴See <https://www.fns.usda.gov/sites/default/files/cn/SP28-2017a2.docx>.

For each LEA where we received only a sample of their applications from a given school year (rather than a census), replicate weights were constructed to estimate the standard error of the LEA's application incorrect classifications of eligibility and determine whether differences between each school year were statistically significant for that LEA. However, this approach is only meaningful when describing errors for each LEA across school years and should not be used to describe or compare errors across groups of LEAs.

2.4 Study Limitations

There are several limitations to this assessment that the reader should note when interpreting the findings. First, a small, purposive sample of LEAs that conducted IRA in SY 2016-17 was selected to participate in interviews and provide household applications. Therefore, the results are not nationally representative; the findings only apply to the LEAs that participated in the study. The findings can only suggest what may be happening in the universe of LEAs selected to conduct IRA, and give some insight into what might lead so few LEAs to report changes to eligibility determinations due to IRA.

Second, seven of the 30 LEAs interviewed did not initially know what the IRA process was, and many confused IRA with the verification process under which LEAs select a sample of applications to confirm and substantiate the income information provided by households. All respondents spoke thoughtfully about the eligibility determination process, but seven LEAs could not speak in detail about the IRA process. This impacted the denominators for some tables that present our findings.

Finally, the household applications from some LEAs did not contain documentation of the IRA process,¹⁵ even when the LEA was required to conduct IRA. This does not mean that the LEA failed to conduct IRA, simply that the materials we received did not document the IRA process. This further limits the applicability of the analyses associated with IRA reporting and effectiveness.

¹⁵Documentation of IRA on the applications included a completed change log or confirmation review entries that indicated a second person reviewed the determination in close proximity to the initial reviewer, or signature or initials elsewhere on the application that were different than the initial reviewer and indicated eligibility status and a date.

3. IRA Criteria, Guidance, and Training

The IRA process begins with the selection of LEAs by each State agency, and is supported in varying degrees with guidance and training at the State and LEA levels.

KEY FINDINGS

IRA CRITERIA

- In the two years reviewed, most LEAs were selected to conduct the IRA based on Criterion 1.
- Eleven States reported that they do not use Criterion 2 to identify LEAs for IRA.

IRA GUIDANCE

- Many State agencies (21) do not have written guidance on IRA for their State-level staff or LEAs.
- The most common questions States receive from LEAs on IRA are about reporting, how to document the IRA, and how to perform IRA.

IRA TRAINING

- Twenty-two States provide training for LEAs focused on IRA, twenty-six States briefly mention IRA during the annual training for all LEAs, and eight States do not provide any training on IRA.
- The LEAs interviewed do not train their staff on the IRA process unless there is a new staff member.
- Thirteen States use the results of IRA to inform their training and technical assistance efforts.

3.1 IRA Selection Criteria

As noted earlier, program regulations provide two criteria for State agencies to use to select LEAs to conduct the IRA:

- Criterion 1: All LEAs with 10 percent or more of certification/benefit issuances in error, as determined by the State agency during an Administrative Review; and
- Criterion 2: LEAs that the State agency considers at risk for certification error but were not selected under Criterion 1.¹⁶

¹⁶See 7 CFR 245.11(b).

Criterion 1 is a required selection factor; any LEA found in Administrative Review to have a certification/benefit issuance error rate at or above 10 percent must conduct IRA in the following school year. Across the LEAs that conducted IRA, Criterion 1 was the primary method that triggered the IRA requirement, accounting for well over half of all cases in the two years examined (see Table 3-1). Based on responses to the State Director Survey, in SY 2016-17, 62 percent of all LEAs required to conduct IRA were identified using Criterion 1, and 38 percent were identified using Criterion 2.¹⁷ The split is similar in SY 2017-18, when 55 percent of all LEAs required to conduct IRA were identified for IRA using Criterion 1, and 45 percent were identified using Criterion 2. In addition, North Carolina is unique in that it requires all LEAs to conduct IRA every year. In interviews, LEAs generally supported Criterion 1 as a measure of error, with 27 of 30 LEAs indicating that the error rate estimates from the Administrative Review are accurate. In contrast, two LEAs thought that the Administrative Review overestimates the error rate, while one felt it results in an underestimate.

Table 3-1. LEAs selected using Criteria 1 and 2

Selection Criteria	Percent of LEAs selected in SY 2016-17(%)	Percent of LEAs selected in SY 2017-18 (%)
Criterion 1	62	55
Criterion 2	38	45

Under Criterion 2, State agencies have discretion to use a variety of factors to identify other LEAs at risk for certification error. More than half of States (31 of 49) used certification/benefit issuance error rates between 5 and 10 percent as a Criterion 2 factor (see Table 3-2). The second most common Criterion 2 factor, used by 15 States, is LEAs that are new to the NSLP. States also use factors including issues identified during outside audits (4 States), error rates determined during Administrative Review that are below the 10 percent threshold but higher than a preset percentage of applications (e.g., between 3 and 10 percent) (2 States), and high rates of change in the verification process (1 State). These Criterion 2 factors generally align with FNS guidance (U.S. Department of Agriculture, 2014), in which State agencies are encouraged to include LEAs with certification/benefit issuance errors between 5 and 10 percent, and to consider those LEAs new to

¹⁷Figures are based on State Director Survey lists of LEAs, which included fewer total LEAs than the FNS-874 report, primarily due to discrepancies in reporting by two States. Data are also missing from two States that did not respond to the survey, and one State that reported only the total LEAs subject to IRA, and not the breakout between Criteria 1 and 2.

the NSLP or SBP, with new administrative staff, or a new electronic system. Eleven States reported that they do not use Criterion 2 to identify LEAs for IRA.

Table 3-2. Criterion 2 factors used by States

Criterion 2	Number of States (n=49)
Certification/benefit issuance error between 5 and 10 percent during Administrative Review	31
LEAs new to the NSLP	15
LEAs with recently hired administrative staff	5
LEAs with significant issues during Administrative Review or outside audits	4
LEAs new to the SBP	2
Certification/benefit issuance error 3 percent or higher during Administrative Review	2
Other*	2
State does not use Criterion 2 to identify LEAs	11

Source: State Director Survey

Note: States could select multiple responses.

*These included LEAs implementing a new electronic system and those with a verification change in eligibility rate over 50 percent.

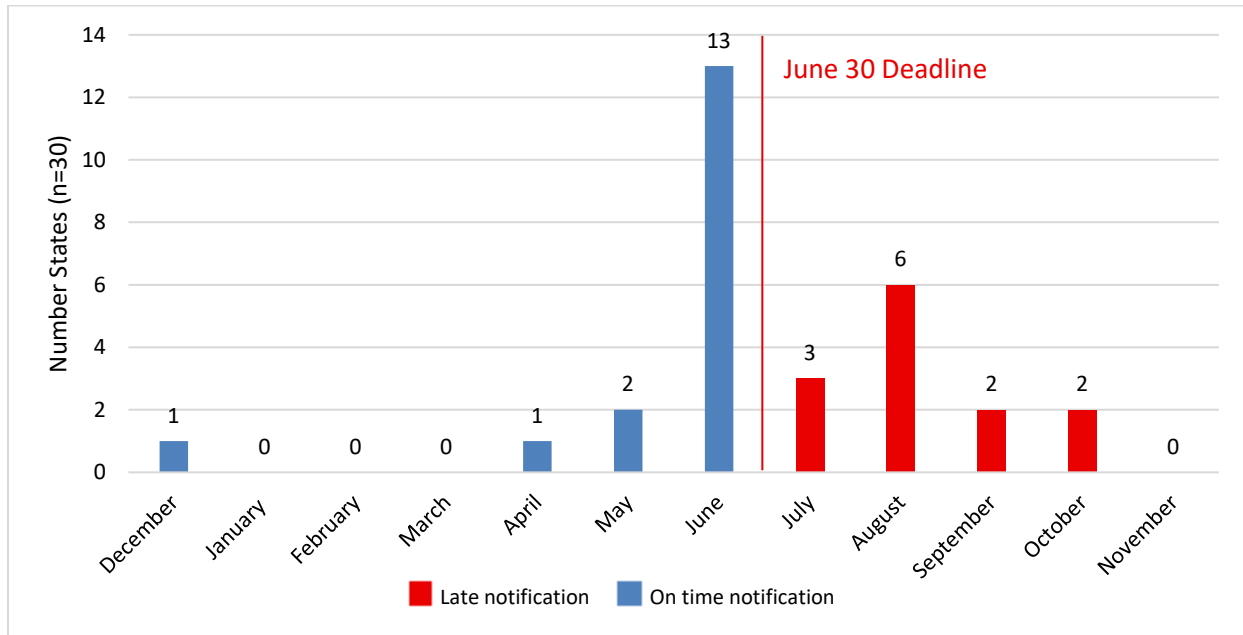
3.2 Notification of LEAs

State agencies must notify LEAs that will be required to conduct IRA in the coming school year no later than the end of the prior school year (i.e., if an LEA was required to conduct IRA in SY 2016-17, they should have been notified by June 30, 2016, the end of SY 2015-16).¹⁸ Thirty-three States indicated that they notify all LEAs selected for IRA at the same time. The timing of the notification by these States varies, with most notifications occurring in the summer (June through August) (see Figure 3-1). Thirteen States reported that they notify LEAs between July and October, which is after the required deadline. In written comments provided on the survey, one State indicated that it can be difficult to notify LEAs by the June 30 deadline because the Administrative Reviews from which Criterion 1 is determined are not closed out by then. Fifteen States reported that the timing of their notifications varies based on when they identify the LEAs that must conduct IRA, such as following a technical assistance visit or Administrative Review.¹⁹

¹⁸See 7 CFR 245.11(a).

¹⁹The one State (North Carolina) that requires all LEAs to conduct IRA indicated that notification is provided when each LEA signs the annual agreement update with the State.

Figure 3-1. When States notify LEAs they must conduct IRA, among those that notify all LEAs at the same time



Source: State Director Survey

Notes: This chart presents data for the States that provided a specific month for notifying all LEAs. Three States did not provide a time period. One State is excluded from the figure because it requires all LEAs to conduct IRA every year. Fifteen States said that the timing varies. The one State that notifies LEAs in December is considered “on time” because they are presumably notifying LEAs that they must conduct IRA the next school year.

State agencies reported that they use a variety of methods to notify LEAs that they must conduct IRA. Most States (39) notify LEAs via email (see Table 3-3). Notification is also frequently provided in conjunction with an Administrative Review, either on-site during the review (20 States) or noted in the Administrative Review report (22 States). Less frequently, States said they mail a letter to the LEAs (12 States) or call to notify them (8 States). LEAs’ interview comments on notification were consistent with survey findings, with many LEAs indicating that they found out about IRA either in conjunction with an Administrative Review or via an email or letter from the State agency. However, several also reported having limited or no information about what they were being asked to do.

Table 3-3. How States notify LEAs that they must conduct IRA

Communication mode	Number of States (n=49)
Email message	39
In the Administrative Review report shared with the LEA	22
In-person during Administrative Review	20
Letter mailed to the LEA	12
Telephone call	8
Other	4

Source: State Director Survey

Note: States could select multiple responses.

“We had no clue [we had to do IRA]. We were literally oblivious to everything that needed to get done.”
 - LEA Interview Respondent

“From the State it would be...helpful to even tell you when the second review is due, if you have a second review. I honestly don’t know if I have a second review of applications due this year. I mean, I haven’t been notified.”
 - LEA Interview Respondent

3.3 State Guidance

The extent to which State agencies have written guidance to support implementation of IRA varies. Survey responses indicated that 20 State agencies have written guidance for either State-level staff or LEA-level staff, but not both, while eight States have guidance for staff at both levels. Twenty-one State agencies have no written guidance on IRA for either their State-level staff or for LEAs.

Nineteen State agencies reported that they have written guidance for their State-level staff about a range of topics pertaining to IRA. The most common topics include factors used to identify LEAs under Criterion 2 (16 States), FNS-874 reporting requirements and procedures (15 States), and LEA requirements for the second review (14 States). The least common topic is monitoring the IRA process (i.e., confirming that LEAs conducted IRA correctly), present in the written policies of only eight States.

Seventeen States provide written guidance on IRA to LEAs, which is usually disseminated to them via email. Most commonly, the guidance covers the IRA documentation requirements (13 States), FNS-874 reporting requirements and procedures (11 States), and the factors used to identify LEAs under Criterion 2 (9 States). Fewer than half of the State agencies that provide written guidance to LEAs discuss the qualifications for the second review official, the rules around discontinuing the IRA requirement, or the training requirements.

Most Common Topics Covered in State Guidance on IRA for LEAs

- IRA documentation requirements
- FNS-874 reporting requirements and procedures
- Factors used to identify LEAs under Criterion 2

3.4 Training for LEAs and State Requirements for Attendance

Every State holds an annual training for LEAs on the school meal programs, and just over half (26) indicated that they briefly touch on IRA during that training. Twenty-two States provide a training focused specifically on IRA, either for those LEAs that are required to conduct IRA (20 States) or for all LEAs (2 States). Some States provide more than one type of training. Eight States said they do not provide any training to LEAs on the IRA requirement. Typically, there is no requirement that the second review official(s) from LEAs attend or complete State-provided training on IRA. Among the 22 States that provide an IRA-focused training, only four reported requiring the attendance of second review officials.

Most States that train LEAs on IRA (12 of 22) hold the training during the summer. Sixteen States provide the IRA training one-on-one to LEAs: 10 States over the telephone and six States in person. A small number of States provides group training (see Table 3-4).

In general, many LEAs interviewed did not recall receiving training focused on IRA. It may be that the IRA process is one small part of the larger certification effort and did not stand out to them as significant. Those that could recall being trained by the State generally

Table 3-4. Mode of State-conducted training on IRA for LEAs

Training mode	Number of States* (n=22)
One-on-one training over the telephone	10
One-on-one training in person	6
Group training in person	5
Online training module(s)	4
Group online training (e.g., Skype)	3
Written instructions	2

Source: State Director Survey
Note: States could select multiple responses.
 * This question was asked of the 22 States that provide training specifically focused on IRA.

corroborated the States' accounts, saying training was conducted in person, through webinars, or through one-on-one technical assistance to the LEA. One LEA reported receiving training from their software vendor. The LEAs also indicated that they generally do not train their staff on the IRA process unless there is a new staff member. In those instances, the new staff person conducting the IRA is usually trained by the initial reviewer.

The topics most frequently addressed in the IRA training for LEAs are consistent with the most frequent topics included in State-written guidance: how to perform IRA (17 States); documentation and reporting requirements (17 States); and criteria used to select LEAs for IRA (12 States). States also cover the intent and purpose of IRA (15 States) and how to approve an application as free/reduced price/paid (11 States). However, the LEAs interviewed said the trainings they attended focused on the initial application review and eligibility determination process, and not specifically on the IRA process.

Content of State-Led Training on IRA for LEAs

- How to perform IRA
- IRA documentation and reporting requirements
- Intent and purpose of IRA
- Criteria used to identify LEAs for IRA
- How to process and approve applications

Examples of How States Use IRA Data

- One State agency uses the IRA data to identify which LEAs may need extra attention or reminders as they conduct IRA to ensure accuracy and completion of the process.
- Another State agency tailors its trainings using information on what led LEAs to be required to conduct IRA. For example, when it found an LEA was required to conduct IRA because it was using outdated Income Eligibility Guidelines for determining eligibility, the State agency placed additional emphasis in its training on the importance of LEAs confirming that current Income Eligibility Guidelines are loaded into application software before processing applications.

Every year, State agencies collect data on the results of IRA from each LEA required to complete the process. Just over half of States (26) reported that they do not use the data results to help develop training or technical assistance for LEAs. Several of these States indicated that there are few or no errors reported on the data that LEAs submit, which may have suggested to them that no additional technical assistance materials were needed. (The FNS-874 reporting form is included in Appendix C.) Thirteen States indicated that they do use the results of IRA, most often to provide more targeted training and technical assistance to particular LEAs and/or on particular topics.

3.5 LEA Requests for Technical Assistance

Thirty-nine States reported receiving questions about IRA from their LEAs. Among those States, the three most common topics that LEAs had questions about were reporting (24 States); how to document the IRA (21 States); and how to perform IRA (17 States) (see Table 3-5). (Note that these are also among the most frequent topics in State written guidance and training for LEAs, though fewer than half of States provide LEAs written guidance or IRA-specific training [see Sections 3.3 and 3.4].)

Table 3-5. Most frequent topics of LEA questions to the State about IRA

Topics of LEA questions	Number of States* (n=39)
Reporting (i.e., FNS-874)	24
How to document IRA	21
How to perform IRA	17
How to select the second review official	9
How to approve an application	7
How to be removed from the IRA requirement	7
Other	4

Source: State Director Survey

Note: States could select up to three responses.

* Ten States reported that they do not receive questions about IRA.

4. Conducting, Reporting, and Monitoring IRA

The processes to determine initial eligibility are relatively similar across LEAs. However, LEAs' processes to conduct IRA vary, as do States' procedures to monitor the IRA process.

KEY FINDINGS

CONDUCTING IRA

- The second reviewer conducts IRA in one of three ways:
 - Independently calculates income and determines eligibility for each application;
 - Works side by side with the first reviewer to calculate income and determine eligibility at the same time; or
 - Checks that the first reviewer correctly entered application information into a software program.
- The steps of both the initial review and IRA processes vary by whether the LEA conducts a manual or electronic review of applications.
- A wide variety of staff serve as second reviewers across LEAs, and not all have experience with school meal program applications.

REPORTING ON IRA

- States most commonly accept spreadsheets with IRA reporting information through email (23 States); 18 States provide an online portal where LEAs enter the data.
- LEAs were not clear on the IRA reporting requirements. Almost half the LEAs interviewed either did not remember reporting anything or were unable to recall the specifics.

MONITORING IRA

- Most States (42) validate that IRA was completed by LEAs, typically by noting that LEAs submitted data for the FNS-874 (21 States), or on Administrative Review (20 States).
- LEAs said that little communication occurs between them and their State agencies regarding the results of IRA.

4.1 Determining Initial Eligibility

When asked to describe the initial review and certification process, the LEAs interviewed consistently described taking similar steps. (See Appendix D for a process map that illustrates these steps.)

1. Assess and address application completeness

An LEA reviews the application to confirm that all required components are included. If an LEA receives an application without all of the required information, they request additional information from the household before processing it further.

2. Check categorical eligibility

Once the application is complete, the LEA checks to see if it lists a valid case number for SNAP, TANF, FDPIR, or other qualified program which makes any students in that household categorically eligible for free school meals.²⁰ If a valid case number exists, the household is determined “free,” their status is documented on the application (and in the software, if applicable), and the household receives notification of their eligibility status.

3. Calculate annual income manually or by using a software program

If no case number exists, the LEA either manually calculates the household’s income or enters the income information from the application into a software program that calculates the income (if the LEA uses such a program). When a household provides multiple income sources with different frequencies of receipt, the LEA converts all sources into the same frequency and adds them together.

4. Determine eligibility status

The total household income is then compared to the current IEGs to determine whether the household is eligible for free, reduced price, or paid meals. This is either performed manually or within the same software program that calculates the total household income. Additionally, the eligibility determination may differ by child if a household has a mixed application, where some children are categorically eligible for free meals (e.g., foster children) while other children are determined eligible based on household income and may be free, reduced price, or paid.

²⁰Students who are documented as foster, homeless, migrant, runaway, or Head Start children are categorically eligible for free meals, but that eligibility does not extend to other household members.

5. **Document eligibility status on the application and in the benefit issuance system**

Once the LEA determines eligibility, that determination is documented on the application (and in the software, if applicable).

6. **Notify the household**

After the determination is documented, the household is notified of their eligibility status (typically by mail).

Minor differences emerged among LEAs that use technology for part of the application review process. One LEA, for example, uses a scanner to extract information from the paper applications to create a computer file of the information. This LEA indicated that part of their process involves confirming that the scanner accurately uploads the data. Another LEA said they accept online applications from households, and they review the applications for completeness on the computer rather than on paper copies like most other LEAs.

4.1.1 Timing and Time Burden of the Initial Review

From the time an LEA receives a completed household application, it has 10 operating days to review it, determine eligibility, and notify the household. LEAs know this requirement, and said they are generally able to meet that deadline.

Two-thirds of LEAs reported that it takes five minutes or less to review each application and determine eligibility (21 of 27 LEAs that provided a time estimate²¹) (see Table 4-1). The time burden does not appear to be impacted by whether an LEA receives only paper applications or both paper and electronic applications. Nor does the burden vary greatly by whether LEAs use technology to facilitate some aspect of the initial review and determination process (e.g., software that abstracts information submitted via online application into the LEA's computer system). While those factors do not appear to be associated with the time burden individually, four of the six LEAs that reported a higher time burden receive only paper applications and do not use technology to process the applications, suggesting that the combination of those two factors may increase the time burden for LEAs.

²¹Due to time limitations, interviewers skipped this question about the time burden in three LEA interviews.

Table 4-1. Time burden of initial eligibility determination, by LEA characteristics

LEA characteristic	Time burden reported by LEAs	
	5 minutes or less	6+ minutes
Application mode (n=27)		
Receive only paper applications	18	4
Receive paper and electronic applications	3	2
Use of technology to process applications* (n=26)		
Technology used	13	2
No technology used	7	4

Source: LEA interviews

* One LEA that indicated it takes less than five minutes to review an application did not clarify whether it uses technology to process applications, thus the counts in that section sum to 26.

4.2 Conducting IRA

In contrast to the initial review, the LEAs described a process for IRA that is common at a high level but differs in the execution details. All LEAs said the second reviewer examines the application information and initial determination and flags applications where there is disagreement between the two reviewers, either with a specific detail (e.g., the first reviewer mis-entered the number of people in the household) or the final determination. The IRA regulations require that a different person conducts the second review.²² All of the LEAs reported that they understand and follow this rule. According to LEAs’ descriptions, the second reviewer follows the same process as the initial reviewer and then completes two additional steps, both of which occur prior to notifying the household of its status:

- 1. Compare the second eligibility determination with the initial determination**

If both reviewers make the same eligibility determination (e.g., the first and second reviewer both determine a household is eligible for reduced price meals), the household is notified of its status. If the determinations differ, the second reviewer will alert the initial reviewer to the discrepancy, and they review it a third time.

- 2. Reconcile differences between the two determinations (if applicable)**

If there is a difference in the two eligibility determinations, the reviewers will examine the application a third time and recalculate the total household income in order to arrive at a final determination. If the second reviewer flags a data entry error, the first reviewer

²²See 7 CFR 245.11(c).

will correct the mistake and recalculate the total income and eligibility determination, if necessary.²³

Staffing. Although all interviewed LEAs indicated following the same basic steps in conducting the application reviews, they differed substantially in the types of staff who serve as second reviewers, calling upon office managers, finance managers, assistant superintendents, assistant principals, and others. Given the range of staff who serve as a second reviewer, it is not surprising that the second reviewers have varying levels of experience processing school meal applications. Roughly half of the LEAs who spoke about their second reviewers' qualifications said the reviewer had worked with either the school meal software programs and/or household applications before, and half said that the reviewer had no prior experience. The latter group typically indicated that they select their second reviewer (or their supervisor selects the person for them) from among staff who are tangentially involved, such as a finance manager who processes the Federal reimbursements for school meals, or kitchen staff who enter school meal data at the end of a cafeteria line. Additionally, two LEAs that had conducted IRA more than once explained that the second reviewer can change from one year to the next, and each person's familiarity with school meal applications and software programs is different.

**Staff Who Serve
as Second Reviewers**

- Office managers
- Finance managers
- Kitchen managers
- Administrative assistants
- Assistant superintendents
- School principals
- Assistant principals
- Part-time office support staff

Approach to IRA. Where the second reviewer begins their review varies by whether the LEA uses a manual process or software to review the applications. For LEAs that use software to make the eligibility determination, the second reviewer does not have to perform any calculations, but instead looks for common sources of human error. As one initial reviewer from an LEA described it, the second review “just verified that what I had entered was what was on the application.” Among LEAs that use manual processes, some conduct the second review completely independent from the first. At other LEAs, the two reviewers scan each application and determine eligibility separately but simultaneously, and communicate with each other in that moment about their calculations and

²³Not all data entry mistakes would require recalculating income and the eligibility determination. For example, the initial reviewer may have misspelled a child's name, which would not impact the household income or eligibility status, but could cause issues with benefit issuance documents.

eligibility determinations. Figure 4-1 shows the various approaches LEAs reported using to conduct the second reviews.

Figure 4-1. Approaches to IRA

Manual Application Review

1. Second reviewer works independently

One local education agencies (LEA) staff member, who serves as the first reviewer, said, “I don't share my numbers with [the second reviewer] until she's done with hers. So when she's done we match and make sure we have the same numbers.”

2. First and second reviewers work “together apart”

One LEA staff member described the process of the first and second reviewers working side by side: “I'll [calculate income and determine eligibility] initially, ‘This is what I see.’ Then [my assistant will] have her sheet, look along, and then she'll say, ‘Yes, I calculated the same way.’ We'll sit side by side when we do that, so that we're checking. She's checking my work...she might say, ‘Oh, you missed this.’ It's a double check.”

Electronic Application Review

3. First reviewer enters application data into software, and second reviewer checks it

According to a second reviewer at one LEA, “I would look at the application. If I agree it's complete, I would go into the [point-of-sale] system and verify that he [initial reviewer] put all the information in properly. Was it \$3,500 or was it \$350? I would verify that and then I would verify that what [the software] says was their status [free, reduced price, or paid], and then I would sign the application as well.” In this scenario, staff trust the software to correctly determine eligibility as long as the information entered matches what is found on the application.

Source: LEA Interviews

Reconciling Differences in Eligibility Determinations. LEAs explained that when the first and second reviewers come to different eligibility determinations, they go through a reconciliation process to arrive at a final determination. That process differed across LEAs and by the type of error made. For instance, legibility issues with handwritten applications may cause one reviewer to think a household is listing an income amount of \$800, while another thinks the amount is \$300. To resolve these types of issues, LEAs contact the household for clarification. Other errors are easier to resolve, such as data entry errors or income miscalculations. Data entry mistakes include situations where the first reviewer incorrectly enters data into their software system, such as the number of household members or the income amount. To resolve that, the first reviewer simply corrects the

data in the system. Income miscalculation errors are usually caught when the first and second reviewers come to different determinations (e.g., one reviewer determines a student is eligible for paid meals while the other determines they are eligible for reduced price meals). LEAs said that the reviewers typically resolve those differences by calculating the household's income a third time to check their work.

4.2.1 Timing and Time Burden of the Second Review

Generally, LEAs reported that it takes the second reviewer the same amount of time to determine eligibility as the initial reviewer. Eleven of the 15 LEAs that provided a time estimate for IRA indicated that the second review takes five minutes or less; four LEAs said it takes six minutes or more.²⁴

The 10-day timeframe for notifying the household of its eligibility status is not extended if an LEA has to conduct IRA. Eleven LEAs said they complete the second review within 10 operating days, but the remainder (19 LEAs) either could not meet that deadline or did not understand the timeline. (See Section 6.2 for more details on the challenges associated with meeting the 10-day deadline.)

The LEA interviews revealed uncertainty about how much time they have to complete IRA. Some LEAs said that they cannot meet the 10-day deadline because applications are turned in incomplete, and they are unable to obtain the missing information from households within that period of time. However, per program regulations,²⁵ the 10-day timeline begins once the application is complete, so these LEAs' comments suggest that they are not clear about when the clock starts. Other LEAs were confused about the difference between the annual verification process and IRA, and said they thought the IRA has to be completed by November 15, which is the deadline for completion of the verification process.

²⁴Fifteen of 30 LEAs could not provide a time estimate for IRA, either because they could not remember the time it took to conduct the second review or the interview respondent was the first reviewer and not the second.

²⁵See 7 CFR 245.6(c)(6).

4.3 Manual versus Automated Review Processes

The application review process for both the first and second reviews is different between LEAs that review applications manually versus using technology. Seventeen LEAs said they use technology during some part of the IRA process, while 12 do not.²⁶ Table 4-2 presents the ways that each step of an application review might differ by whether an LEA completes it manually or electronically.

Table 4-2. How application review differs under manual and electronic processes

Step	Manual process	Electronic process
Households		
Complete application	Mail or drop off a paper application.	Submit electronic application through online portal or via email; scan paper application and submit via email.
Local Education Agencies (LEAs)		
Assess and address application completeness	Reviewer skims the application and contacts the household to collect any missing information.	None described.
Check categorical eligibility	Reviewer determines whether the household provided a valid case number (i.e., in the correct format for the specified program).	None described.
Calculate annual income	Reviewer converts all income sources into the same frequency (if necessary), and calculates household income by hand.	Data system calculates household income using the income from an electronic application or that a reviewer manually enters into the system.
Determine eligibility	Reviewer determines eligibility status using household's income compared to current Income Eligibility Guidelines for each household's size.	System determines eligibility status using household's income and size.
Document eligibility status on application	Reviewer indicates "free," "reduced price," or "paid" on the application, frequently by checking a box in a grid at the end of the application.	System logs the eligibility status for each student on the household application.
Compare first and second determinations	Second reviewer notifies the first reviewer if they disagree on a determination.	None described.
Reconcile differences (if applicable)	One or both reviewers recalculate household income by hand, and note the final determination.	Reviewer corrects mistakes in data entry (if applicable). System log shows status changed from original status to revised status.

Source: LEA interviews

²⁶One LEA did not provide enough information to be classified.

Of the 17 LEAs that use technology during some part of the process, five LEAs described alternating between manual and electronic processes at different points in the review. For example, a reviewer would check a paper application for completeness and categorical eligibility by hand, and then enter the information into a software program that computes the household’s annual income and determines eligibility.

One LEA among the 30 interviewed has a fully automated process. At this LEA, nearly 90 percent of the applications are submitted online by households, and the LEA’s online application software

The Review Process for Online Applications

“Sometimes [the parents/guardians will] have the same name [on the application] like three times. So there might be a senior and a junior, and one is a student, and they’ll list students, not only as the student, but then they’ll list them again as a household member. So now you have two of the same person there, and that happens often...We’ll contact the household first to verify the information, so we know who we talked to, and then we’ll make the changes and make the comments in the section, and then reprocess the online application in the system to the new benefit status.

- LEA Interview Respondent

contains built-in error checks to alert applicants to missing fields and flag suspected problems with the information provided. For example, the software will not allow a parent to submit an application until it contains all required data elements. Once an application is submitted, the software calculates the household’s income and provides an eligibility determination for each student. Thus, two common sources of human errors—failing to recognize missing information (i.e., an incomplete application) and gross income calculation errors—are addressed by the

software. The second review process implemented by this LEA focuses on items within the applications that interviewees described as “common errors or irregularities” that would not be caught by the software.

4.4 Reporting the Results of IRA

After completing the IRA process, LEAs must submit information on the results of the IRA process to their State agency, including the number and types of errors they caught and any changes to eligibility determinations. State agencies, in turn, submit the information to FNS for each LEA required to conduct IRA. This is all captured on the FNS-874 form, *Local Educational Agency Second Review of Applications*.

State agencies reported that they accept the data from LEAs in a variety of formats, sometimes more than one format. Most commonly, States accept spreadsheets with the information through email

(23 States); 18 States provide an online portal where LEAs enter the data (see Table 4-3). Less common submission modes accepted by States include scanned completed documents, hard-copy mailed documents, and/or an upload of a Word or Excel document into the online State reporting system.

Table 4-3. Mode of LEA data submission on results of the IRA

LEA data submission mode	Number of States* (n=48)
Email a spreadsheet or Word document (or similar) to the State agency	23
Enter data elements directly into online State reporting system	18
Scan completed documents and email/upload them to the State agency	7
Upload spreadsheet or Word document (or similar) to online State reporting system	3
Send a hard-copy spreadsheet or Word document (or similar) in the mail	3
Other	2

Source: State Director Survey

Notes: States could select multiple responses.

*One State did not respond to this question.

The LEAs interviewed were not clear on the details of IRA reporting. When asked questions about data submitted on the IRA process, almost half (14 of 30) either did not remember reporting anything or could not recall the specifics of what they reported, when, or to whom. Sixteen LEAs did recall providing information to the State on the results of their IRA process, even if they did not know that they were providing that information specifically for the FNS-874. One of these LEAs said that they reported the number of applications that changed status, but not the reason for the change, which is one of the required pieces of information.

Four LEAs indicated that they do not formally document the results of the IRA process. One of these LEAs said that the initial reviewer makes changes to correct any errors discovered by the second reviewer, but they do not record the changes made for reporting. Another said the second reviewer signs the applications, but only notes the changes needed via sticky notes placed on the applications in error. One LEA said it keeps no documentation at all, and staff do not initial the applications that they review.

Few LEAs could recall how long it took them to report on the IRA process, but among the nine that could, the shortest amount of time noted was 30 minutes for a very small LEA, and one week

for a medium-sized LEA.²⁷ The former said that the information is not hard to provide, it is just “very detailed as to, for example, why the change was made.”

“Seriously, it’s just time consuming because you’ve gotten [over 1,000] applications that you’re having to log all of that separately...It’s just keeping track of it mainly, the applications that had changes, making sure that I kept anything that had a change on it separate from the rest, so that I could make sure I logged it correctly. It took me probably a week to get it all organized and right.

- LEA Interview Respondent

“I’m pretty sure we had to type up like a little report on how many errors...there wasn’t anything formal like upload something to [State portal], if I remember correctly. It’s been a couple of years, but I just typed up a real simple report stating: (1) here’s how many applications we reviewed; (2) here’s the timeframe we did them in; and (3) here’s how many errors we found. I emailed it to someone at the [State] Department of Education.”

- LEA Interview Respondent

Two LEAs with electronic data systems said that the technology makes the reporting easier and faster. Both have data systems that automatically generate a report that exactly matches the FNS-874 form, which means they simply do a visual check of the report and then enter the data from the report into their online State portals.

4.5 Reviewing LEA Data

State agencies monitor the accuracy of the IRA process in multiple ways. Most States (36) said that they review the FNS-874 data submitted by LEAs and look for peculiarities. Slightly fewer States (28) review the IRA process during an Administrative Review, and 11 States do the same during technical assistance visits (see Table 4-4). Despite monitoring the process in a variety of ways, most States (36) reported that they do not follow up with an LEA if it reports making no changes to the initial eligibility determinations following IRA. In these cases, there is no confirmation that the FNS-874 data for LEAs reporting zero changes is accurate.

Table 4-4. How States monitor the accuracy of LEA processes for IRA

Monitoring activity	Number of States (n=49)
Review FNS-874 data and follow up on questionable data	36
Review applications and IRA process during Administrative Reviews	28
Review applications and IRA process during technical assistance visits	11

²⁷LEAs are categorized in size based on the number of students, as follows: very small, <500; small, 500-999; medium, 1,000-4,999; large, 5,000-9,999; and very large, 10,000+.

Table 4-4. How States monitor the accuracy of LEA processes for IRA (Continued)

Monitoring activity	Number of States (n=49)
Review LEA policies and procedures for IRA	2
Other*	3

Source: State Director Survey

Note: States could select multiple responses.

*State agency completes IRA; completion of annual agreement between State and LEAs; and LEAs submit a separate internal form.

Interviewed LEAs said that little communication occurs between them and their State agencies regarding the results of IRA. None of the 30 LEAs interviewed had heard from their State about the IRA data they submitted, which they assumed meant that there were no questions or concerns about their submission. Roughly one-fourth of States (13) reported they never need to request corrections to the

Table 4-5. Frequency with which States request that LEAs correct FNS-874 data

Percentage of LEAs to correct data	Number of States (n=49)
Less than 25% of LEAs	25
25-75% of LEAs	9
Over 75% of the LEAs	2
Never	13

Source: State Director Survey

FNS-874 data, and half (25 States) said they request corrections for less than 25 percent of LEAs (see Table 4-5). Only 11 States reported that they request corrections from more than 25 percent of their LEAs.

The most common data corrections that State agencies have requested from LEAs regarding the FNS-874 data submitted are to supply missing data, and to review and revise data because numbers do not sum correctly (see Table 4-6). There are no data on the frequency with which States request these corrections.

Table 4-6. Most common State-requested corrections to FNS-874 data received from LEAs

Type of correction	Number of States* (n=36)
Supply missing data	17
Total number of reviewed applications does not equal the sum of the subtotal	17
Total number of changed applications does not equal the sum of the subtotals	15
Number of enrolled students does not match other State agency records	4
Number of schools does not match other State agency records	2
Other*	3
Not applicable, no common data corrections	6

Source: State Director Survey

Note: States could select multiple responses

*States skipped this question if they reported that they never requested corrections of LEAs.

**The number of applications reported is less than what is reported on the FNS-742, which is usually a misunderstanding of the reporting instructions, generally.

It is fairly common practice for data on the school meal programs to be housed in a database replete with edit checks (Rothstein et al., 2019), though most State systems do not include edit checks for IRA data. Edit checks take many forms.

Of the 30 States with databases that house LEA-level IRA data, only half contain automated edit checks for the IRA data.

For example, one State has an edit check that involves confirming that the total number of changes to eligibility determinations is equal to or less than the total number of applications. Only 15 States said they utilize edit checks on the IRA data, and another 15 said they have a database that houses the IRA data, but do not utilize edit checks. The remaining 19 States noted that the question about automated edit checks does not apply to them, either because they do not have a database that stores IRA data from LEAs, or the data are reviewed manually by State-level staff. One possible explanation is that the IRA is a relatively new process, and changing State reporting systems to accept and check these data from LEAs may be costly and time-consuming. Additionally, while the IRA is performed each year, it is performed only by a subset of the LEAs in a State,²⁸ and the relatively small number of LEAs providing data may not be seen to merit changes to State reporting systems and databases.

4.6 Monitoring the IRA Process

Most States (42) said they validate that IRA was completed by LEAs (see Table 4-7), typically by noting that an LEA submitted data for the FNS-874 (21 States), or when they conduct an

²⁸With the exception of North Carolina, which requires all LEAs to conduct IRA every year.

Administrative Review of the LEA (20 States). Two States indicated that the State agency staff conduct the IRA, although it is not clear how that process works. Seven States reported that they do not validate that LEAs completed the IRA.

Table 4-7. How States validate that LEAs have completed the IRA process

Validation method	Number of States (n=49)
Receipt of FNS-874 data from LEAs	21
Confirm IRA was completed during Administrative Review	20
Contact the LEA to confirm	3
State agency completes the IRA	2
Other	2
No validation conducted	7

Source: State Director Survey

Note: States could select multiple responses.

4.7 Removing LEAs from the IRA Requirement

To remove an LEA from the IRA requirement, most States (36) said they review the FNS-874 data to determine whether the LEA sufficiently improved certification accuracy and may discontinue IRA the following school year. Nineteen States make those decisions after conducting an Administrative Review. Five States reported that they do not use documentation to determine whether an LEA can be removed; it is unclear whether that means the determination is made but without referring to documentation to aid the decision. Given that LEAs often did not know how they were selected for IRA, it follows that none of them knew how to be removed from the requirement or if they already had been removed.

5. Effectiveness of the IRA Process

In part 1 of the outcomes assessment, the study collected household applications from two nonconsecutive school years (SY 2016-17 and SY 2018-19) from 15 LEAs to describe and assess incorrect classifications and the IRA process. These findings were used in part 2 of the outcomes assessment, along with the LEA interview data from the process assessment, to help determine the effectiveness of the IRA process.

KEY FINDINGS ON IRA EFFECTIVENESS FROM LEA APPLICATIONS AND INTERVIEWS

- In SYs 2016-17 and 2018-19, 4.4 percent and 3.9 percent of applications in the sample, respectively, had incorrect classifications. Fifty-four (54) percent of the applications with incorrect classifications were incomplete applications that should have been paid/denied.
- Almost all of the incomplete applications (98 percent) would have been processed correctly if the missing information was provided. If they had contained all information, the percentage of applications with incorrect classifications would drop to about two percent for both school years.
- Few instances of changes resulting from IRA were observed in the sampled applications (15 applications across both school years). In six of the 15 cases where a change was observed, an initially correct eligibility determination was changed to an incorrect determination.
- IRA may have had a positive effect for some LEAs in the study: nearly half of the LEAs (6 out of 14) experienced a decrease in incorrect classifications over time. Three of those six LEAs with decreases permanently adopted a second reviewer.
- LEAs suggested that few changes to eligibility determinations due to IRA are reported for the following reasons:
 - Requirements for determining eligibility are straightforward;
 - Using software for income calculations reduces human error;
 - The first reviewer trains the second reviewer, thus their processes are the same; and
 - Some LEAs do not want negative consequences from reporting errors.

The characteristics of the applications collected from sampled LEAs by school year are displayed in Table 5-1. Note that all LEAs in the sample were required to conduct IRA in SY 2016-17, but only some LEAs were required to do so in SY 2018-19.

Table 5-1. Characteristics of applications received from LEAs, by school year

LEA	SY 2016-17 applications		SY 2018-19 applications		Primary application mode
	Received census or sample	Number received*	Received census or sample	Number received*	
LEA #1	Sample	201-250	Sample	151-200	Paper
LEA #2	Sample	301-350	Sample	301-350	Electronic
LEA #3	Census	50-100	Census	50-100	Paper
LEA #4	Sample	151-200	Sample	50-100	Paper
LEA #5	Sample	101-150	N/A	N/A	Paper
LEA #6	Sample	101-150	Census	101-150	Paper
LEA #7	Census	101-150	Census	101-150	Paper
LEA #8	Census	50-100	Census	101-150	Paper
LEA #9	Census	50-100	Census	201-250	Paper
LEA #10	Census	50-100	Census	<50	Paper
LEA #11	Census	101-150	Census	101-150	Paper
LEA #12	Sample	50-100	Sample	50-100	Electronic
LEA #13	Census	50-100	Census	50-100	Paper
LEA #14	Census	50-100	Census	50-100	Paper
LEA #15	Sample	101-150	Sample	151-200	Electronic
Total		1,784		1,756	

Source: Household applications

Note: LEA #5 did not provide school meal applications for SY 2018-19.

*A range is provided for LEAs that submitted a census of applications, to avoid identification of LEAs.

Using these data in combination with the LEA interviews, the study team examined the effectiveness of the IRA process. We first examined the overall accuracy of the classification decisions on applications submitted by LEAs, based on the final eligibility determination on each application, and the types of administrative and certification errors made. The key measures of IRA effectiveness are the frequency and types of errors that are caught and corrected through IRA. We also looked at whether the errors and IRA corrections observed on study applications are consistent with the FNS-874 reports for each LEA. There are some limitations to the documentation provided by LEAs, which are discussed below.

5.1 Incorrect Classifications of Eligibility

To examine incorrect classifications of eligibility in the sample of applications, the study team documented LEA decisions from initial certification and IRA and made an independent eligibility assessment for each application.

5.1.1 Overall Incorrect Classifications

When comparing the independent assessment made by the study team to the final determinations made by LEAs, there were relatively few incorrect classifications of eligibility observed in either school year. In SY 2016-17 and SY 2018-19, 4.4 percent and 3.9 percent of applications, respectively, were incorrectly classified (see Table 5-2). In SY 2016-17, 79 out of 1,784 total applications were incorrectly classified; in SY 2018-19, 68 out of 1,756 total applications were incorrectly classified.²⁹ No errors were observed in the small number of mixed applications,³⁰ which are applications that have more than one basis for determining eligibility for multiple individual students on the application, such as categorical eligibility for a foster child and income for the remaining students on the application.

Table 5-2. Accuracy of final LEA eligibility determinations

Correct classification	LEA classification					
	Free		Reduced price		Paid	
	SY 2016-17	SY 2018-19	SY 2016-17	SY 2018-19	SY 2016-17	SY 2018-19
Free	1,064	997	5	7	3	5
Reduced price	11	4	383	433	6	3
Paid	41	35	13	14	245	249
Total applications ¹	1,116	1,036	401	454	254	257
Total applications incorrectly classified, SY 2016-17					79 (4.4%)	
Total applications incorrectly classified, SY 2018-19					68 (3.9%)	

Source: Household applications

Notes: There were 1,784 total applications reviewed in SY 2016-17, and 1,756 total applications reviewed in SY 2018-19. One LEA did not provide applications for SY 2018-19. Cells with black text mark where the correct determination and the LEA determinations were the same; red text indicates when the LEA determinations differed from the correct determination. The total applications row is a mix of correct and incorrect determinations.

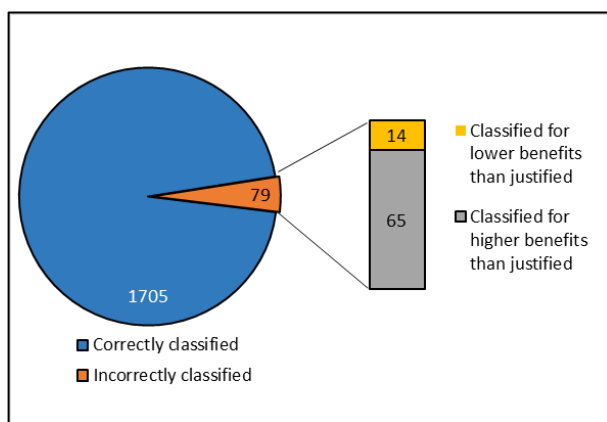
¹ Includes 13 mixed applications from SY 2016-17 and 9 mixed applications from SY 2018-19 not shown in the free/reduced price/paid breakouts, all of which were classified correctly.

²⁹The applications received were from a purposive convenience sample of LEAs, chosen in order to examine applications from LEAs with a range of different characteristics, such as application mode, prior history of conducting second review, and the results of prior second reviews conducted. The errors described refer only to the unweighted set of applications received, and are only representative of each LEA's school year. The collective group of applications is not nationally representative, so significance testing between groups of LEAs or across school years is not meaningful.

³⁰Thirteen applications were mixed applications in SY 2016-17, and nine applications were mixed applications in SY 2018-19.

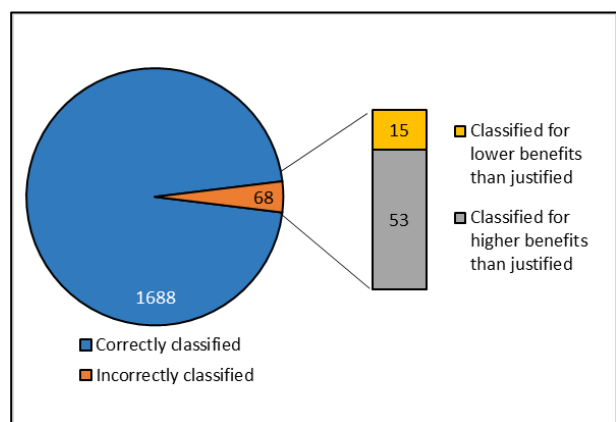
Across both school years, incorrect determinations more frequently resulted in students that were certified for higher benefits than justified by the application, but the actual numbers are small. For SY 2016-17, 65 out of 1,784 total applications reviewed were classified for higher benefits than justified (3.6%), and 14 applications were classified for lower benefits than justified (0.8%) (see Figure 5-1). Similarly, in SY 2018-19, 53 of 1,756 applications reviewed were classified for higher benefits than justified (3.0%), and 15 applications were classified for lower benefits than justified (0.9%) (see Figure 5-2).³¹

Figure 5-1. Incorrect classifications among study applications, SY 2016-17



Source: Household applications

Figure 5-2. Incorrect classifications among study applications, SY 2018-19



Source: Household applications

5.1.2 Sources of Administrative Error

An administrative error occurs when the determining official makes an error in processing the information provided (or not provided) on the application. Examples include failing to notice a SNAP or TANF case number, incorrectly counting the number of household members, incorrectly converting income amounts and frequencies, or failing to notice a missing social security number or signature. While many administrative errors result in incorrect classifications (i.e., the eligibility status is incorrect), not all do; for example, an LEA can incorrectly convert the household income, or

³¹Note that the incorrect classifications observed in the applications for this purposive sample of LEAs are not directly comparable to the FNS Regional Office Review of Applications (RORA) study series or the Access, Participation, Eligibility, and Certification (APEC) study series, which also examine household applications and classification decisions. Those studies produced nationally representative estimates, while the classifications described in this IRA study are based on a small, purposive sample of LEAs that, by virtue of being selected to conduct IRA, were prone to higher errors.

miscount the number of household members, yet still mark the correct eligibility determination for the application. For instance, if an LEA incorrectly calculates household income as \$100/month higher than it should be, that may not be a large enough mistake to qualify the household for a different eligibility status. If the LEA has processed all the information on an application correctly and still assigns the incorrect eligibility, this is considered an administrative classification lookup error. In this case, the most likely cause is incorrectly reading the eligibility category on the IEGs.

As shown in Table 5-3, the most common sources of administrative errors on the applications reviewed were:

1. Incorrect income amount or frequency,
2. Missing social security number (last four digits),
3. Incorrect household size, and
4. Classification lookup errors.

The relative frequency of each was about the same in each school year examined. By definition, administrative errors associated with missing social security numbers and signatures always result in incorrect classification, as shown in the table. Only a small percentage of applications with errors associated with income amounts or frequency or household size had incorrect classifications. In these cases, the independent assessment recorded a different income amount or frequency of receipt of income, but the discrepancy was not enough to change the classification category (free, reduced price, paid).

Table 5-3. Sources of administrative errors

Source of error	SY 2016-17 (n=1,784)		SY 2018-19 (n=1,756)	
	Number of applications with the error	Number of applications incorrectly classified	Number of applications with the error	Number of applications incorrectly classified
Income amount or frequency	83	16	71	11
Missing social security number	34	34	28	28
Household size	30	7	29	5
Classification lookup error	17	17	20	20
Missing signature	9	9	8	8
Categorical eligibility	4	4	3	3
Applications with any administrative error*	174	79	152	68

Source: Household applications

Note: Administrative errors did not necessarily result in incorrect classifications.

* Some applications contained more than one type of administrative error.

5.1.3 Incomplete Applications

Before processing household applications, LEAs first must confirm that the application is complete by checking that it contains all required elements, including the names of all students and other household members; income of each household member by source and frequency; the signature of an adult household member; and the last four digits of a social security number or an indication of “none.” Applications that do not include all required elements should be returned to the household to provide the missing information, if possible, or otherwise denied (i.e., classified as paid). In SY 2016-17, 113 applications (6.3%) reviewed were incomplete; 97 applications (5.5%) were incomplete in SY 2018-19 (see Table 5-4). For both years, the most common missing data elements were social security number and income amount or frequency. Note that some applications were missing more than one required data element. In addition, not all incomplete applications were processed incorrectly, i.e., some incomplete applications were correctly classified by the LEA as paid.

Table 5-4. Types and frequency of incomplete applications

Missing Information	SY 2016-17 (n=1,784)		SY 2018-19 (n=1,756)	
	Number of applications	Percentage of total applications*	Number of applications	Percentage of total applications*
Social security number	66	3.7	48	2.7
Income amount or frequency	64	3.6	56	3.2
Signature	17	1.0	11	0.6
Names of household members	7	0.4	1	0.1
Household size	4	0.2	1	0.1
Total incomplete applications	113	6.3**	97	5.5**

Source: Household applications

Note: Incomplete applications were not necessarily incorrectly classified.

* Rounded to the nearest tenth.

**Some applications were missing more than one type of information.

Many of the incomplete applications still had enough information for the study team to determine eligibility. For applications that were missing only a social security number and/or signature, Table 5-5 shows how these applications were processed by the LEA, and what the classification status would have been if the missing data elements were included. In all but two cases, if the missing information had been present, the applications would have been correctly classified by the LEA. Had these applications included all required data elements, only 2.1 percent of the applications reviewed for the study would have been incorrectly classified for SY 2016-17 (compared to 4.4% when the incomplete applications are included). For SY 2018-19, the incorrect classifications would have dropped from 3.9 percent to 1.8 percent.

Table 5-5. LEA eligibility determinations of incomplete applications missing social security number (SSN) and/or signature

Classification	Number of applications in SY 2016-17 (n=1,784)	Number of applications in SY 2018-19 (n=1,756)
Total incomplete applications missing SSN or signature	74	54
Correctly classified by LEA	30	18
Incorrectly classified by LEA	44	36
If complete, would have been correctly classified by LEA	42	36

Source: Household applications

The LEA interviews reinforced the findings from the study applications that show a high number of the incorrect classifications are due to incomplete applications that were improperly processed.

“There’s a lot of details in the one-page application and I find that parents don’t stop long enough to read the fine print. They’re in a hurry and they just want it to be done quickly, and so they’ll put the income but then they won’t look on the application to say that they’re supposed to show the frequency.”

-LEA Interview Respondent

5.1.4 IRA Results

A key item documented from the applications by the study team was an indication of whether the application or other materials provided by the LEA showed documentation of IRA being conducted. In SY 2016-17, all LEAs in the study were required to conduct IRA. However, only 7 of 15 LEAs had documentation of IRA in the applications for that school year. Eight LEAs had applications with documentation of IRA in SY 2018-19, though only three of these LEAs were still subject to IRA that year.³² Documentation of IRA observed in the applications included:

- **For an electronic system**, a change log or confirmation review entries that indicated a second, separate person reviewed the determination in close date proximity to the initial reviewer; and
- **For paper or scanned applications**, a completed box at the bottom of the application with fields for initial and second reviewer and dates of review; or initials or signature elsewhere on the application that were different than the initial reviewer and indicated the eligibility status and a date.

A lack of documentation does not mean that the LEA did not perform IRA, but rather that it was not present in the files that were shared with the study team. Two possible explanations are that the LEA records the work of the second reviewer in separate files that were not shared with the study team, or the second reviewer is not in the habit of initialing and dating the application after they review it.

These observations of LEA applications are consistent with the feedback from LEA interviews. Most LEAs that spoke in detail about the IRA process reported that their second reviewer initialed or signed and dated the paper applications following their review. This was usually done directly on

³²Only one of the 15 LEAs in the study appeared in the FNS-874 data in SY 2018-19. Therefore, we assume that only one LEA was subject to IRA that school year.

the application, either in the “confirmation review” field or elsewhere on the application. At least two LEAs keep a log (one of which was provided by the State agency) to record applications where errors are discovered during IRA. Also, an LEA with an electronic system that enters the paper application data received from households indicated that the second reviewer signs the paper applications, but the electronic system only records that a second review has taken place if the second reviewer makes a change.³³

Very few instances of changes resulting from IRA were observed in the sampled applications. In almost half of the cases where a change was observed, an initially correct eligibility determination was changed to an incorrect determination. In SY 2016-17, out of 1,784 applications, there were 10 instances of LEAs changing eligibility determinations as a result of IRA; in 4 instances, the changes made were incorrect. For example, an application that should have been classified free was changed from free in the initial determination to reduced price or paid by the second reviewer. Three applications were certified for higher benefits than warranted, and one was certified for lower benefits. In SY 2018-19, out of 1,756 applications, there were only four observed instances of LEAs changing eligibility determinations as a result of IRA, and in two instances, the second reviewer changed the classification incorrectly. One was certified for higher benefits than warranted, and the other was certified for lower benefits.

5.1.5 Change in LEA Incorrect Classifications Over Time

Incorrect classifications in applications were also examined on an individual LEA basis, to determine the potential effect that IRA had on certification accuracy. Nearly half of the LEAs that provided two years of applications (6 out of 14) experienced a decrease in incorrect classifications between the 2 years; 6 LEAs had no significant change in incorrect classifications. Only two LEAs experienced an increase in incorrect certifications between the 2 years studied.³⁴

Among the six LEAs that experienced a decrease in incorrect classifications, five performed IRA only once (in SY 2016-17). Four of the six LEAs had been selected for IRA using Criterion 2, and two using Criterion 1. Additionally, three of the six indicated in interviews that they had changed the

³³For this study, the LEA only provided the electronic records of applications.

³⁴A comparison could not be made for one LEA that only provided applications for 1 of the 2 requested school years.

certification process after being required to conduct IRA, such as permanently adding a second reviewer.

5.2 Reporting of IRA Results

A comparison was also made between the FNS-874 data about changes in the eligibility status of applications as a result of IRA, and the IRA changes observed in the applications from LEAs in the study for the same school year. For SY 2016-17, the year in which all LEAs were required to conduct IRA, FNS-874 data were available for all LEAs. However, we were only able to make a comparison to study data for 6 of the 15 LEAs, because applications reviewed by the study from the remaining 5 LEAs had little or no documentation of IRA.³⁵ For SY 2018-19, only three LEAs in the study appeared in the FNS-874 data, thus these were the only comparisons made for that school year. This further limits the generalizability of the observations.

In the comparisons that were possible, FNS-874 reports for half of the LEAs were consistent with the changes documented by the LEAs that the study observed. Four LEAs reported zero changes on the FNS-874, and our review revealed no documentation of changes between the initial review and IRA for these LEAs. However, in some cases the study reviewed only a sample of applications, so there could have been errors on other applications that were not seen.

5.2.1 LEA Perspectives

In interviews, we asked the 16 LEAs that reported zero changes on the FNS-874 in SY 2016-17 for their perspectives on why no errors were found during IRA. They provided the following explanations:

- The application review process is straightforward, and the correct determinations were made the first time so there were no changes to report;
- The first reviewer trained the second reviewer to do the process the exact same way; they “always match on eligibility” due to that shared process; and
- If the determination is made within computer software, it reduces the potential for human error.

³⁵It is possible that these LEAs conducted IRA and reported results, but did not provide the documentation to the study team.

Adding to that feedback, all 30 LEAs were asked to postulate why there have been relatively few changes to eligibility determinations reported in the national FNS-874 data. LEAs repeated the belief that guidelines for determining eligibility are straightforward and the initial determinations were correct. They also reiterated that using software to perform income calculations reduces the chance of human error. In addition, a few LEAs commented that some LEAs may be reluctant to report errors for fear of getting in trouble if errors are found. Those LEAs elaborated to say that none of them are infallible, they make human mistakes, but some of their LEA peers may worry about the consequences of reporting errors. Finally, one LEA shared that their electronic system is programmed to where the second reviewer can sign off on the applications without actually reviewing each one, and therefore no changes are recorded. While only one LEA mentioned this, it has larger implications for other LEAs using the same software.

“A better explanation of “why” would have been nice. Like, why are we doing this and also what are they looking for? Okay, so we found five errors. Is that okay? Or if we found 10 errors, is that okay? Like, is the goal to fix the errors or to find errors? And are we going to get penalized if out of 800 applications, I found 40 mistakes, but I fixed them that day. Is that okay? There was just no rhyme or reason [to] why we were doing it, it was just do it and report back to us what you got. So, I was thinking like, I don’t want to find any errors, I want them to all be right. But would it be okay if we got a couple? The last thing I wanted was to get the new food service management company in trouble and have us have another financial penalty.”

-LEA Interview Respondent

Interviewers then offered the following three hypotheses that might explain the relatively low number of changes reported in the aggregate, and asked for LEAs’ reactions:

- LEAs take greater care in conducting their initial review when they know they have to undergo IRA;
- LEAs report the second determination as the first determination, which would mean that no changes would be reported; and
- State Administrative Reviews overestimate the error rate of LEAs.

In general, only a few of the interviewed LEAs thought that these hypotheses had merit. Four LEAs said there is truth in the idea that LEAs take greater care with their initial reviews when they know that they have to undergo IRA. “I figure I slowed down,” said one such LEA, “and I was more determined to be accurate.” Of the 11 LEAs that reflected on the hypothesis of reporting the second determination as the first, only one thought that it could be a reason that an LEA might not report errors. Finally, 13 LEAs reflected on the hypothesis that the State Administrative Review overestimates the error rate, which is the required Criterion 1 method that States use to select LEAs

to conduct IRA. The majority (9 LEAs) said the error rate is accurate, one thought the Administrative Review underestimates the error rate, and two agreed with the idea that the Administrative Review overestimates the error rate.³⁶ One of the LEAs that thought the Administrative Review overestimates error rates said this holds especially true for smaller LEAs with few applications.

Another possible explanation for the low number of errors reported emerged during a review of LEAs' responses about what they reported out on their IRA process. As noted earlier, LEAs indicated during interviews that they did not always realize what they were supposed to report. A review of LEAs' responses suggested that one possible explanation for the confusion is a misunderstanding about what constitutes an error. In the instances where LEAs recalled finding an error during IRA, they usually went on to explain that the error was fixed "right then and there" and before the household was notified of its status. LEAs' descriptions of their processes suggested that they may not define the items caught during IRA as "errors," but rather simple mistakes, like transposing a number, that are caught and resolved before the eligibility determination is deemed "final" and the household is notified. By extension, what they may define as an error is an item that is caught *after* the household is notified. While we cannot confirm this hypothesis with the LEAs because it was developed after reviewing the aggregated interview data, if true, it has implications for the number and types of changes that LEAs report.

5.3 Changes to LEA Processes as a Result of IRA

Seven interviewed LEAs reported no lasting changes to their certification processes following IRA. However, one of those LEAs said they made changes to better educate parents on how to complete the application. Nine LEAs said they have permanently adopted a second reviewer, regardless of whether they are required to conduct IRA in a given year. Six of those nine LEAs were either small or very small LEAs, and the remaining three were medium-sized LEAs with relatively low numbers of applications to review. Another said that because most parents submit online applications, the number of paper applications requiring a second review each year is approximately 50 or fewer. A

³⁶The final LEA was unsure.

permanent second reviewer may be difficult to achieve in large or very large LEAs that review thousands of applications each year.

5.4 State and LEA Perceptions of the Value and Effectiveness of IRA

The 46 State survey respondents who shared their thoughts on the effectiveness of the IRA process in reducing incorrect classifications are divided on its merits. The 17 States that believe the process to be effective supported their response by saying that IRA stresses to LEAs how important it is to process applications correctly, and reinforces the skills to determine eligibility. Others noted that it provides another training opportunity for those LEAs.

State Perceptions on the Effectiveness of IRA at Reducing Incorrect Classifications

- Yes, effective: 17 States
- No, ineffective: 16 States
- Mixed: 3 States
- Unsure: 10 States
- No response: 3 States

The 16 State respondents who do not believe IRA to be effective point to several factors. First, because the IRA requirement under Criterion 1 is triggered by an error rate (i.e., percentage of errors), smaller LEAs are overrepresented. These LEAs process fewer applications so a small number of errors can result in a high error rate. Second, respondents pointed to high staff turnover, particularly in those smaller LEAs, which requires continual training of new staff and reduces the effectiveness of IRA. In other words, the IRA's effectiveness at reducing certification errors only lasts as long as the staff that went through the process. Finally, some States said that requiring a second reviewer exacerbates some of the fundamental challenges that LEAs face, such as a limited number of staff available to review applications. Asking LEAs to perform another task when they already feel stretched, States reported, may actually decrease their attention to detail.

Comments from State Agencies about the Value and Effectiveness of IRA

"In schools where application errors are identified, the second review is a great way for the LEA to understand that they need to have staff who can approve applications correctly and also helps them see the value in sending staff to State agency training."

"In many cases [IRA]...does [help reduce certification errors]. Some LEAs report that they continue doing the second review process even after the Independent Review period is over."

"The process helps reinforce the skills to certify the applications. It also helps to reinforce the importance of the certification being accurate. However, the impact is lessened because of staff turnover. The effort made by the LEAs and State agency is not always commensurate with the impact."

"[There is] no difference [with IRA]. The process is time consuming for the [LEAs], and finding time and staff to complete the process is challenging."

By contrast, all of the LEAs that were asked whether the IRA process is effective (16 of 30)³⁷ said that they think it can be helpful. One commonly expressed sentiment was that the IRA catches their all-too-human mistakes, such as entering an income amount incorrectly. A "second set of eyes" helps catch these errors, and some LEAs think it also emphasizes the importance of the need to be accurate. However, echoing the concerns of some States, LEA staff pointed out that they wear many hats, and adding the IRA requirement is one more task on their long list of responsibilities. Consequently, for some LEA officials, the IRA's effectiveness is that it motivates officials to improve the accuracy of their initial review of applications so they are not asked to do IRA again in the future.

Comments from LEAs about the Value and Effectiveness of IRA

"I think it really makes you accountable. I think it makes you realize how important it is, and how you have to get it right, and by having a second review, to me, it kind of said, 'Hey, you know what? This is very important. You've got to do it right.'...I think it's a real good thing, because sometimes if they don't express how important it is, then people kind of just blow it off."

"Well, I'm going to tell you it's effective for me because even still now, I don't want to have to do all that reporting again. I'm being extremely cautious when I'm looking at them. I even will go back, myself, as I file and putting things away. As I'm filing them in number order, I'm also looking at them again, really another time, not necessarily the determination, but do they have a signature, do they have a social security number, because that's the biggest mistake that we have. Did the determining officials sign it? When I file, I look at those things again, because I don't want to have to do all that reporting again."

"I think it's pretty important. I really do. I think it's important to have somebody double check your work. It just saves you for your audit. It saves you for the free and reduced being right. I think it's important. I don't know if it's important to even really submit that information to the State, but I think it's important that second person reviews."

³⁷The remaining 14 LEAs were not asked the question either due to time constraints or because the respondent was unfamiliar with the details of the IRA process.

6. Challenges of the IRA Process and Suggestions for Improvement

States and LEAs in the study had different thoughts on the types of challenges faced in conducting IRA. Several offered suggestions to improve the process.

KEY FINDINGS

IRA CHALLENGES

- In general, States indicated that the IRA process is neither “very challenging” nor “very time-consuming” for State-level staff.
- LEAs reported that the two biggest challenges with the IRA are:
 1. Receiving incomplete and/or illegible applications from households; and
 2. Lack of staff availability (and clearance) to review applications.
- States perceived that all LEAs struggle to complete IRA within the 10-day timeframe. However, they believed that some LEAs struggle more than others with particular tasks:
 - Very small and small LEAs struggle most with identifying and training staff to review applications, and they face more challenges with the IRA due to inadequate technology.
 - Large and very large LEAs struggle most with the volume of applications to review for IRA.

SUGGESTIONS FOR IMPROVEMENT

- LEAs requested more training on reviewing applications and conducting IRA, including an explanation of its purpose and what the consequences would be if they found errors.
- To minimize burden, several States proposed setting a higher error threshold for Criterion 1 and eliminating Criterion 2.

6.1 State-Level Challenges

States were asked about various aspects of IRA for which they are responsible and the degree to which each is challenging and/or time-consuming at the State level. They responded on a three-point scale: “very challenging,” “moderately challenging,” or “not challenging.”

Most aspects of IRA were reported as neither “very challenging” nor “very time-consuming” for most States, including State staffing for IRA; identifying and training LEAs to conduct IRA; determining Criterion 2 selection factors; reviewing and submitting FNS-874 data; and determining

whether an LEA can discontinue IRA. This finding is consistent with written comments provided by States in the survey that most of the burden of the IRA process falls on LEAs, not States. There were three issues, however, that a relatively larger number of States viewed differently. Eleven States reported it is “very challenging” to ensure the IRA process is carried out correctly; 10 States said it is also “very time-consuming.” Providing technical assistance to LEAs on IRA was also reported to be both “very challenging” (9 States) and “very time-consuming” (10 States). Finally, 10 States reported that it is “very time-consuming” for them to follow up with the LEAs to correct FNS-874 data, though only six indicated that same task to be “very challenging.”

6.2 LEA-Level Challenges

6.2.1 LEA Perspectives

In interviews, LEAs identified several challenges associated with the IRA process, some of which apply to the overall certification process. The most common issue, noted by 11 LEAs, concerns the information being provided by households on applications. LEAs pointed to incomplete applications that cannot be processed without first returning to the household to collect the necessary information. LEAs also said that

“The [second reviewer] brought it back up to me because of the wages. He came up with one wage, I came up with another. But he had missed [an entry]...because sometimes, those parents write really bad. I have called them and asked them exactly [what the amount was they had written.] And that was what it was. [The second reviewer] had looked at it one way, and I had looked at it another.”

- LEA Interview Respondent

they struggle to read what parents have written on the application, either because of illegible handwriting or because the applicant made mistakes and crossed things out. These issues not only add time to the determination process, but also have the potential to result in a determination error.

The second most common challenge, described by 10 LEAs, is finding staff who have the time to review the applications. Regardless of an LEA’s size, staff that review the household applications for school meals typically juggle multiple responsibilities and have limited time to complete tasks. When asked what could make the review process easier, one small LEA said she needs more staff to help shoulder the workload, because her work in the kitchen leaves her limited time to process applications. Although the need for additional staff help was stated both directly and indirectly by interviewees, one medium-sized LEA said it is unlikely that LEAs can get the help they need, due to limited funding.

LEAs identified those two issues as most challenging, but other issues they described also merit consideration. Two LEAs (one very small and one medium-sized) said it is challenging to find two reviewers with the required

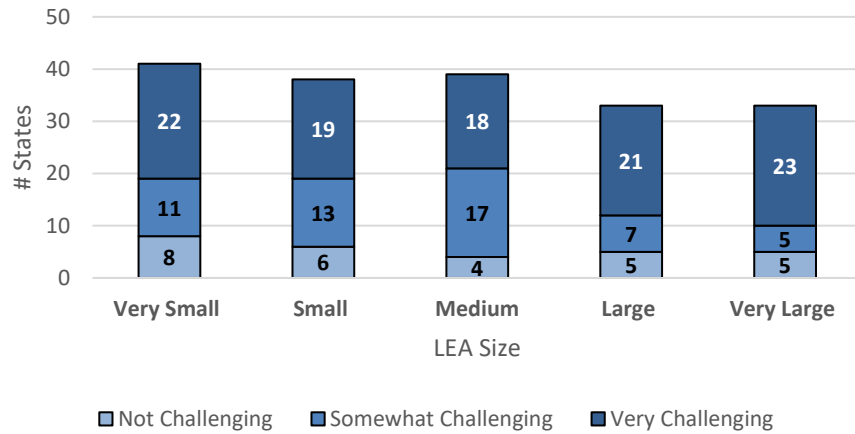
“Because of the confidentiality, [the second reviewer] can’t be just anyone.”
- LEA Interview Respondent

clearance to review the applications, because they contain personal information (e.g., addresses). Additionally, three LEAs (two very small and one small) described the challenge of having to perform manual calculations to determine household income and eligibility status. As described in Chapter 4, for LEAs that lack access to software or cannot offer parents an online application process, manual calculations present challenges not just to the reviewers, but to the possible accuracy of the determination process. Finally, three LEAs reported that insufficient training on IRA makes the process particularly difficult.

6.2.2 State Perspectives on LEA Challenges

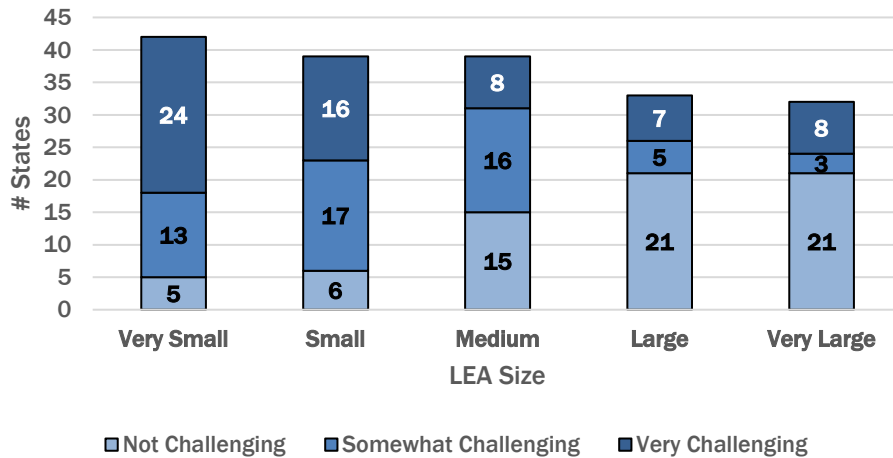
States were also asked for their perspectives on the challenges their LEAs face with the IRA process. The completion of the IRA within 10 operating days of receipt of a complete application is seen as “very challenging” for all LEAs, regardless of LEA size (see Figure 6-1). However, the factors contributing to LEAs’ difficulty meeting the deadline are perceived by States to vary by LEA size. For example, States reported that very small and small LEAs struggle more than larger LEAs with staffing the review of applications, including finding staff who are qualified or available for the review (see Figures 6-2 and 6-3), and being able to train those staff to conduct IRA.

Figure 6-1. State assessments of how challenging it is for LEAs to complete IRA within 10 operating days



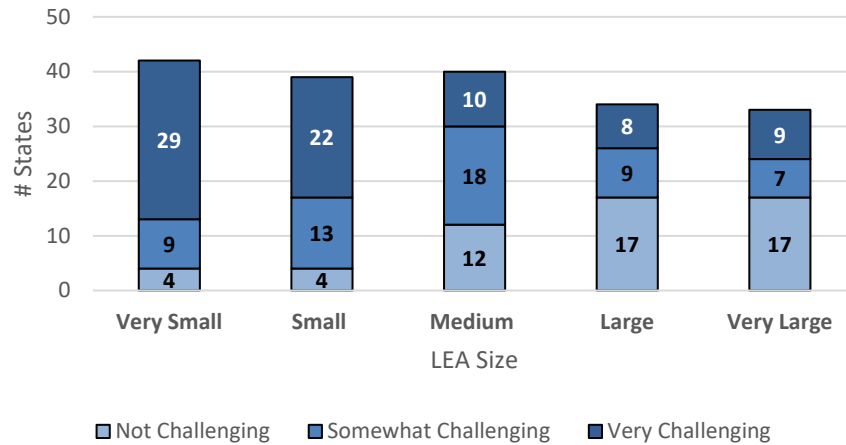
Source: State Director Survey

Figure 6-2. State assessments of how challenging it is for LEAs to identify qualified staff to conduct IRA



Source: State Director Survey

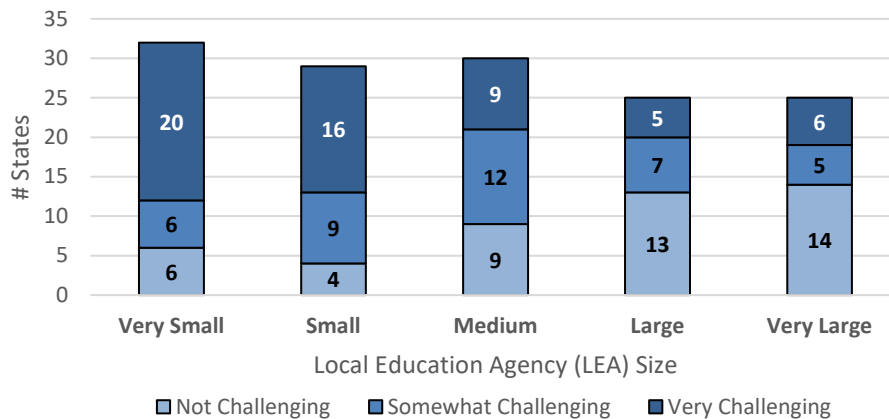
Figure 6-3. State assessments of how challenging it is for LEAs to identify available staff to conduct IRA



Source: State Director Survey

States also reported that very small and small LEAs are more likely than larger LEAs to face challenges with the IRA due to inadequate (or nonexistent) technology to facilitate their work (see Figure 6-4).

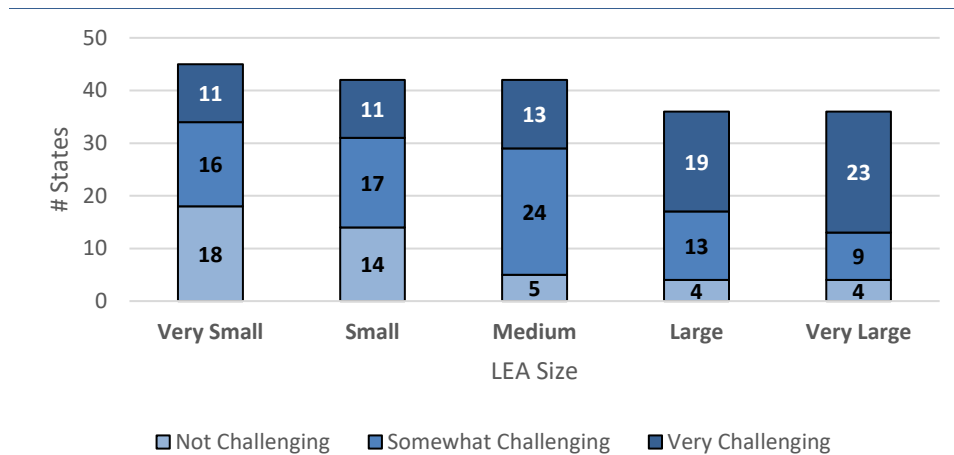
Figure 6-4. State assessments of the degree to which the IRA is hindered by inadequate technology



Source: State Director Survey

By contrast, States perceive that the volume of applications is most challenging for large and very large LEAs (see Figure 6-5).

Figure 6-5. State assessments of how challenging the volume of applications is for LEAs to process



Source: State Director Survey

6.3 Suggestions for Improvement to the IRA Process

6.3.1 State Agency Suggestions

Consistent with the skepticism expressed about the value of the IRA by half of the State survey respondents (noted previously in Section 5.4), nine States said the way to minimize the State-level burden of IRA is to eliminate the requirement altogether. Other suggestions for reducing the State-level burden, each mentioned by five States or fewer, included providing additional training resources to States so that they can improve LEAs’ understanding of the *initial* application review process, which would result in

Suggestions to Minimize the Burden of IRA on States

- Eliminate the IRA requirement
- Provide additional training resources
- Allow States to resolve issues with LEAs during Administrative Reviews instead of through IRA
- Simplify reporting
- Change the timing of IRA
- Set a higher threshold of errors for Criterion 1
- Eliminate the requirement that States set a Criterion 2 for selecting LEAs to conduct IRA

fewer errors and reduce the need for IRA; letting States address any problems with LEAs during an Administrative Review instead of requiring IRA; not requiring States to come up with a second criterion for triggering an IRA; and changing the timing of the IRA away from the start of the school year when States and LEAs are typically very busy. Moving the timing of IRA away from the initial application process at the beginning of the school year could be problematic though, because any errors in eligibility determination identified after households are already notified of their status and receiving free or reduced price meals could result in future overclaims for the LEA and/or

households. States also said it would help to simplify the IRA reporting requirements for LEAs and States, and some indicated they would welcome help to program their systems to conduct automated edit checks of the IRA data within their software systems. Finally, some States want to establish a higher threshold for triggering the IRA under Criterion 1. States said this is particularly important for small and very small LEAs, which might have an unacceptably high percentage of errors because of only a few mistakes.

States had suggestions similar to what they recommended for reducing the burden of IRA when they were asked how to improve the IRA process overall. Fifteen States provided other suggestions, two of which stood out because they were suggested by multiple States. The first was a request to increase schools' and LEAs' access to technology for processing the applications in an effort to reduce errors. As with the suggestion for additional training resources, access to technology would improve accuracy in the initial determination, which would reduce the need for IRA. The second suggestion was to reconsider the use of a second criterion to trigger the selection of an LEA. Three respondents suggested that Criterion 2 either be eliminated or explicitly defined by USDA. One State that suggested that USDA be explicit in the criteria that trigger a second review indicated that they have been reluctant to add to their LEAs' workloads if they do not meet the Criterion 1 error threshold.

6.3.2 LEA Suggestions

Interviewed LEAs had a different perspective than States on how the IRA process could be improved. Although three suggested eliminating the IRA requirement, 14 LEAs said they would like

"I've been into meetings over there [at the State agency] before and they just load you up [with] a lot of information and they 'Click, click, click. Here, you do this; here, you do that; here you do this.' And then you leave there and you're like, 'Okay, I don't remember half of what she just put in,' because she did it. It's not you doing it. It's them doing it. And you're not going to remember every procedure they just went into [in the software system]."

- LEA Interview Respondent

more training on reviewing applications and on the IRA. Some LEAs said relevant trainings may already be posted somewhere, but it is difficult to navigate their State portals to find them. Others would prefer more hands-on training, both for how to review the applications

manually and using software. LEAs also said they want more information from their States about the IRA process they are required to complete, such as the purpose of the requirement, how they select LEAs, and the deadline to complete IRA.

7. Conclusions

This Evaluation of the Independent Review of Applications (IRA) Process study offers information on the IRA process at the State and LEA levels, and insight into challenges and potential opportunities to improve the IRA requirement and/or its implementation. It is important to keep in mind that while the study included 49 of 51 State agencies, the assessment from the 30 LEAs in the study is not nationally representative and therefore does not represent the full range of perspectives on IRA.

Perspectives of States and LEAs

- The majority of LEAs that are required to conduct IRA are selected based on Criterion 1, because an Administrative Review revealed 10 percent or more certification/benefit issuances in error. Many States and LEAs believe Criterion 1 is an effective measure of error, except when applying the threshold to small LEAs who will find themselves selected for IRA based on a relatively small number of errors.
 - *To address these concerns, FNS could raise the threshold for smaller LEAs, or allow States discretion in requiring IRA. Additionally, some States do not use Criterion 2, and would prefer that selection requirement be specified by FNS or eliminated.*
- The extent to which State agencies have embraced and emphasize IRA varies significantly. One State requires all LEAs to conduct IRA; others report zero or very few LEAs conducting IRA each year. Twenty-two States provide training focused on IRA; eight States provide no training at all.
- The State survey respondents who provided an open-ended response regarding the effectiveness of the IRA process in reducing certification errors were divided on its merits: 17 say it is effective and 16 say it is ineffective.³⁸ Some States that expressed the process is ineffective suggested that the IRA's ability to reduce certification errors only lasts as long as the staff that go through the process, i.e., turnover at the LEAs may diminish the effect of the IRA. Other States that said they saw a positive impact of IRA said it reinforces the skills needed to review and certify applications, and gives the State additional opportunities to provide training and technical assistance.
- IRA is a small part of the overall certification process, and for many LEAs it is not front-and-center in their minds when they describe the process.
- Some LEAs were unclear about IRA requirements, including the reporting requirements.

³⁸The remaining respondents had mixed feedback or were unsure.

- The LEAs in the study saw IRA as effective in reducing errors. Nine LEAs permanently incorporated a second reviewer, even during school years when they are not required to do so.
 - *FNS could recommend that LEAs incorporate a second reviewer into their certification process when possible.*

Application Analysis

- Incorrect classifications were found in 4.4 and 3.9 percent of study applications in the two school years examined. While this is higher than other studies that reviewed applications, comparisons are not appropriate because the IRA study is not nationally representative and LEAs were often selected for IRA due to high rates of error identified during an Administrative Review.
- Incomplete applications accounted for a high proportion of the incorrectly classified applications.
 - *Technical assistance materials that emphasize the importance of ensuring the application has all required data elements before processing could reduce incorrect classifications.*
- There was inconsistent documentation of IRA on the applications reviewed: in the year when all LEAs in the study were supposed to conduct IRA, only half had documented the LEA process on their applications. It is unclear why, but it could be the case that IRA was a relatively new process to LEAs at the time and they were not fully aware of the requirements, or that documentation was kept separately and not provided to the study.
 - *Emphasizing the importance of and acceptable methods for documentation of the IRA could help ensure the process is documented.*
- Interview feedback on why LEAs do not report errors points to several explanations: (1) the application review process is straightforward; (2) the use of software lowers the likelihood of making mistakes; (3) the first reviewer trains the second reviewer, and their processes are the same; (4) LEAs may worry about the consequences of reporting changes on the FNS-874; and (5) LEAs do not realize what they are supposed to report. Related to the last point, some LEAs remarked in interviews that when the second reviewer catches a mistake they fix the error in the moment; because they caught the mistake before notifying the family, they may not have considered it a true error that they needed to report.
- Taken together, these findings suggest that LEAs need clear information about the IRA process, reporting, and how the data will be used. FNS could also choose to eliminate the FNS-874 reporting requirement or reduce the details required through reporting, and require that State agencies confirm that IRA was conducted during the next Administrative Review of the LEA.

References

- Child Nutrition Programs: Income Eligibility Guidelines. 84 Fed. Reg. 10295. (March 20, 2019). Retrieved from: <https://www.govinfo.gov/content/pkg/FR-2019-03-20/pdf/2019-05183.pdf>.
- Rothstein, M., Roeser, A., Giesen, L., and Macaluso, T. (2019). *Evaluation of the School Meal Data Collection Process* (for U.S. Department of Agriculture, Food and Nutrition Service, Office of Policy Support). Alexandria, VA. Available at: <https://www.fns.usda.gov/nslp/evaluation-school-meal-data-collection-process>.
- U.S. Department of Agriculture. (2014). *Questions and answers related to the Independent Review of Applications*. Retrieved from: <https://www.fns.usda.gov/qas-related-independent-review-applications>.
- U.S. Department of Agriculture. (2017). *Eligibility Manual for School Meals: Determining and Verifying Eligibility*. Retrieved from: <https://www.fns.usda.gov/cn/eligibility-manual-school-meals>.
- U.S. Department of Agriculture. (2020). *Program Information Report (Key data)*. Retrieved from: <https://fns-prod.azureedge.net/sites/default/files/data-files/Keydata-September-2020.pdf>

Appendix A

IRA Study – State Child Nutrition Director Survey

Evaluation of the Independent Review Process: State Director Survey

INTRODUCTION

The U.S. Department of Agriculture's Food and Nutrition Service (FNS) is interested in understanding more about the Independent Review of Applications (IRA) requirement for school meal programs from the perspective of State agencies and local education agencies (LEAs). Under IRA, LEAs identified by the State agency must conduct a second, independent review of the eligibility determinations on household applications prior to notifying households of their eligibility status. FNS hired Westat to conduct a study to describe the IRA process and reporting via the FNS-874 form, which captures the activity of the IRA, also called the second review of applications. The study will also explore the effectiveness of the IRA process in reducing administrative errors.

As part of the IRA Study, Westat is conducting a survey of all State-level Child Nutrition agencies. In the survey, we will request that you upload the following files:

- Written policies or procedures for IRA that your State developed (if any)
- Excel file with a list of LEAs selected for IRA under Criteria 2 during SY 2016-17
- Excel file with a list of LEAs selected for IRA under Criteria 2 during SY 2017-18

Your answers are important, and will help FNS understand implementation of the IRA requirement for school meal programs. There are no right or wrong answers. If you are unsure of how to answer a question, please give the best answer you can.

The survey link may be shared, and multiple staff in your agency may login to complete the survey. However, the State Child Nutrition Director must approve and submit the completed survey. This survey should take no more than 60 minutes to complete.

Your participation is entirely voluntary. Refusal to participate will not have any impact on your position, your State agency, or child nutrition programs. You may also skip questions that you do not wish to answer.

We will use all data we collect only for the purposes we describe. In the final report we will present the aggregated survey data, and will not link individual States to their responses. However, the raw survey data will be submitted to FNS at the end of the study.

You may login as many times as you wish in order to complete the survey between now and **April 12, 2019**. Simply click "Save and Continue Later" at the bottom of the screen before logging out to save your work. The survey will close on April 12, 2019.

Please answer the questions in the survey based on current policies or procedures.

If you need additional information, please call **1-855-432-8784** or email us at IRASurvey@westat.com.

Thank you.

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0584-XXX. The time required to complete this information collection is estimated to average 60 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

SECTION A. IDENTIFICATION AND NOTIFICATION OF LOCAL EDUCATION AGENCIES

- A1. Which of the following factors does the State agency use to identify LEAs for a second review of applications under Criterion 2 of the program regulations?**

Criteria 1: All LEAs with 10% or more of the certification/benefit issuances in error, as determined during an Administrative Review.

Criteria 2: LEAs not identified under Criterion 1 that the State agency determines are at risk for certification error.

SELECT ALL CRITERIA 2 FACTORS USED TO IDENTIFY LEAs.

- Certification/benefit issuance error between 5 and 10 percent on Administrative Review
- LEAs new to the National School Lunch Program (NSLP)
- LEAs new to the School Breakfast Program (SBP)
- LEAs with recently hired administrative staff
- LEAs implementing a new electronic system
- Other (PLEASE SPECIFY _____)
- State does not use Criterion 2 to identify LEAs

- A2. When does the State agency first notify LEAs that they must conduct a second review of applications?**

SELECT ONLY ONE.

- Once a year, all at the same time
We typically notify the LEAs in [DROPDOWN MENU OF MONTHS]
- At different times; it depends when we identify which LEAs have to conduct a second review (e.g., after an administrative review)
- Some other time (PLEASE SPECIFY _____)

- A3. How does the State agency notify LEAs that they must conduct a second review of applications?**

SELECT ALL THAT APPLY.

- In-person during Administrative Review
- In the Administrative Review report shared with the LEA
- Telephone call
- Email message
- Letter mailed to the LEA
- Other (PLEASE SPECIFY _____)

SECTION B: TRAINING AND TECHNICAL ASSISTANCE

B1. To what extent does the State agency provide training to LEAs on the second review of applications requirement?

SELECT ALL THAT APPLY.

- It is briefly touched upon in the annual training we hold for all LEAs
- The State conducts a training focused on the second review process for all LEAs
- The State conducts a training focused on the second review process for only those LEAs required to complete the second review
- We do not train LEAs on the second review of applications requirement

B1a. When does the State agency typically hold the LEA training focused on the second review of applications?

SELECT MONTH: _____(DROPDOWN MENU)_____

- No "typical" month, it varies from year to year

B1b. Which of the following topics does the State agency cover in the LEA training focused on the second review of applications?

SELECT ALL THAT APPLY.

- How to approve an application as free, reduced price, or paid
- Intent and purpose of the second review of applications provision
- Criteria used to identify LEAs to conduct the second review of applications
- How to select the second review official
- How to train the second review official
- How to perform the second review of applications
- Documentation and reporting requirements (i.e., FNS-874)
- State criteria for discontinuation of second review requirement
- Other (PLEASE SPECIFY): _____

B1c. How does the State agency typically deliver the LEA training focused on the second review of applications?

SELECT ALL THAT APPLY.

- Group training in person
- Group online training (e.g., Skype or GoToMeeting)
- One-on-one training in person
- One-on-one training over the telephone
- Online training module(s)
- Other (PLEASE SPECIFY): _____

B1d. Does the State agency require that the second review official(s) from LEAs attend or complete State-provided training on the second review of applications?

- Yes, all second review officials must attend/complete
- Only some second review officials must attend/complete
Explain: _____
- No, it is not required to complete State-provided training

B2. What topics do LEAs have the most questions about with regard to the second review of applications requirement?

SELECT THE TOP 3 MOST COMMON AREAS OF INQUIRY BY LEAs.

- How to approve an application as free, reduced price, or paid
- How to select the second review official
- How to train the second review official
- How to perform the second review of applications
- How to document the second review of applications
- Reporting (i.e., FNS-874)
- How to be removed from the IRA requirement
- Other (PLEASE SPECIFY): _____
- We do not typically receive questions on the second review requirement

SECTION C: MONITORING THE SECOND REVIEW PROCESS

C1. How does the State agency monitor the accuracy of the second review of applications conducted by identified LEAs?

SELECT ALL THAT APPLY.

- Review applications and second review process during each LEA's Administrative Review
- Review applications and second review process during technical assistance visits to LEAs
- Review the FNS-874 data from each LEA and follow up on questionable data entries
- Review LEA policies and procedures for second review of applications
- Other (PLEASE SPECIFY): _____
- None of the above

C2. How does the State agency validate that the second review has been completed each year?

- The State confirms it was completed during an administrative review
- Other (PLEASE SPECIFY): _____
- Not applicable, we do not validate the completion of the second review

C3. Is there any follow up with an LEA if it reports making no changes to the initial eligibility determinations?

- Yes
- No → GO TO QUESTION C4

C3a. Briefly describe how the State follows up with LEAs that report making no changes: _____

C4. How does the State agency handle a situation in which an LEA does not conduct a required second review of applications?

SELECT ALL THAT APPLY.

- Require the LEA to conduct a second review in future school years
- Go onsite to the LEA to examine their certification process
- Review during the next Administrative Review
- Require a corrective action plan
- Withhold claims for reimbursement until the IRA is completed
- No policies in this area
- Have not encountered this situation
- Other (PLEASE SPECIFY): _____

C5. What documentation does the State agency use to determine that an LEA improved certification accuracy and may discontinue the second review in the following school year?

Per Federal regulations, to discontinue the second review, data must demonstrate that no more than 5 percent of the applications reviewed by the LEA required a change in eligibility determination.

SELECT ALL THAT APPLY.

- Data submitted by the LEA for the FNS-874
- Data obtained by the State agency during Administrative Review at the LEA
- Other (PLEASE SPECIFY) _____
- None

SECTION D: REPORTING

The questions in this section ask about annual reporting on the LEAs' second review of applications. State agencies annually report the results to FNS on the FNS-874, *Local Educational Agency Second Review of Applications*. The report is due from the State agency to FNS by March 15.

D1. By what date does the State agency require LEAs to submit data for the FNS-874?

|_|_| / |_|_| MONTH/DAY

D2. How do LEAs submit data for the FNS-874?

SELECT ALL THAT APPLY.

- LEAs enter data elements directly into the online State reporting system
- LEAs upload a spreadsheet or Word document (or similar) to the online State reporting system
- LEAs email a spreadsheet or Word document (or similar) data file to the State agency
- LEAs scan handwritten documents and email them to the State agency
- LEAs scan handwritten documents and upload them to the online State reporting system
- LEAs send a hard copy spreadsheet or Word document (or similar) data file in the mail
- Other (PLEASE SPECIFY): _____

D3. Does the State data system that houses LEA-level data for the FNS-874 have built-in edit checks to ensure the data submitted by LEAs are complete and accurate?

An edit check is a means of checking data entered for validity (i.e., prevent erroneous data from being entered in a cell, flag missing data elements).

- Yes
- No
- Not applicable. Explain: _____

D3a. Briefly describe the types of built-in edit checks in the system that houses the FNS-874 data: _____

D4. Does the State agency typically need to request corrections to the data submitted by LEAs for the FNS-874?

SELECT ONE RESPONSE. YOUR BEST ESTIMATE IS ACCEPTABLE.

- Yes, for more than 75% of the LEAs (almost all or all)
- Yes, for 25-75% of LEAs (some)
- Yes, for less than 25% of LEAs (a few)
- Never → GO TO QUESTION D6

D5. What are the most common data corrections that the State agency requests from LEAs for data submitted for the FNS-874?

SELECT ALL THAT APPLY.

- Supply missing data
- The total number of reviewed applications does not equal the sum of the subtotals
- The total number of changed applications does not equal the sum of the subtotals
- The number of schools in the LEA does not match other records at the State agency
- The number of enrolled students reported does not match other records at the State agency
- Other (PLEASE SPECIFY): _____
- Not applicable, there are no common data corrections

D6. Briefly describe how, if at all, the State agency uses the data results of the second review of applications reported by LEAs to develop training or technical assistance (TA) for LEAs?

If the State agency does not use the IRA data results to develop training or TA, simply check the box below.

- We do not use the data results to inform or further develop training for LEAs

SECTION E: STATE POLICIES AND PROCEDURES

E1. Does the State agency have written policies or procedures pertaining to the second review of applications?

SELECT ALL THAT APPLY.

- Yes, for State-level staff → [IF THIS IS THE ONLY RESPONSE OPTION SELECTED, GO TO E4; OTHERWISE GO TO E2]
- Yes, for LEA staff
- No → GO TO SECTION F

E2. Which of the following topics do the written policies and/or procedures for LEAs address?

SELECT ALL THAT APPLY.

- Factors used to identify LEAs under Criterion 2
- Training requirements for LEAs that are subject to second review
- Second review documentation requirements
- Qualifications for second review official
- FNS-874 reporting requirements and procedures
- Discontinuing the second review requirement
- Other (PLEASE SPECIFY): _____

E3. How does the State agency disseminate these written policies and/or procedures to LEAs?

SELECT ALL THAT APPLY.

- Posted on the State agency's public website
- Posted on a private State portal that LEAs can access
- Hard copies distributed at the annual State training for LEAs
- Via email
- Other (PLEASE SPECIFY): _____
- Not applicable, the State does not disseminate these written policies or procedures

E4. Which of the following topics do the written policies and/or procedures for State-level staff address?

SELECT ALL THAT APPLY.

- Factors used to identify LEAs under Criterion 2
- Requirements for LEAs that are subject to second review (e.g., training, documentation, etc.)
- Reviewing the data submitted by LEAs
- Monitoring the second review process at the LEAs
- Following up with LEAs regarding the IRA process or data
- FNS-874 reporting requirements and procedures
- Discontinuing the second review requirement
- Other (PLEASE SPECIFY): _____

E4a. Please upload any documentation on IRA policies and/or procedures for State-level staff.

SECTION F: CHALLENGES

F1. Please indicate the extent to which each of the following factors is time consuming for the State agency.

	Very time consuming	Moderately time consuming	Not time consuming	Not Applicable	Not sure
Identifying LEAs to conduct a second review	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Determining Criterion 2 selection factors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Training LEAs to conduct a second review	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Providing technical assistance to LEAs on the second review process	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ensuring the IRA process is carried out correctly	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Reviewing FNS-874 data from LEAs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Following up with LEAs to correct FNS-874 data	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Submitting the FNS-874 report to FNS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Calculating LEA errors in order to determine whether they may discontinue the second review	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other (PLEASE SPECIFY): _____	<input type="checkbox"/>	<input type="checkbox"/>			
Other (PLEASE SPECIFY): _____	<input type="checkbox"/>	<input type="checkbox"/>			

F2. Below is a list of potential challenges that the State agency may face in implementing the second review of applications requirement. Please indicate the extent to which each of the following factors is a challenge for the State agency.

DO NOT consider the time required to complete each task.

	Very challenging	Somewhat challenging	Not challenging	Not Applicable	Not sure
Staff availability at State agency for the IRA process <i>(e.g., training LEAs on IRA process, reviewing IRA data, etc.)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Identifying LEAs to conduct a second review	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Determining Criterion 2 selection factors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Training LEAs to conduct a second review	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Providing technical assistance to LEAs on the second review process	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ensuring the IRA process is carried out correctly	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Reviewing FNS-874 data from LEAs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Correcting FNS-874 data from LEAs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Submitting the FNS-874 report to FNS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Calculating LEA errors in order to determine whether they may discontinue the second review	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other (PLEASE SPECIFY): _____	<input type="checkbox"/>	<input type="checkbox"/>			
Other (PLEASE SPECIFY): _____	<input type="checkbox"/>	<input type="checkbox"/>			

The tables that follow ask about potential challenges that LEAs may face in implementing the second review of applications requirement. Based on your observations, indicate the extent to which of the following factors is a challenge for LEAs of different sizes.

F3. Identifying staff who are qualified to conduct the first and second reviews of applications.

LEA Size	Very Challenging	Somewhat Challenging	Not Challenging	Not Applicable	Not Sure
Very Small (<i><500 students</i>)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Small (<i>500-999 students</i>)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Medium (<i>1,000-4,999 students</i>)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Large (<i>5,000-9,999 students</i>)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Very Large (<i>10,000+ students</i>)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

F4. Identifying staff who are available to conduct the first and second reviews of applications.

LEA Size	Very Challenging	Somewhat Challenging	Not Challenging	Not Applicable	Not Sure
Very Small (<i><500 students</i>)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Small (<i>500-999 students</i>)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Medium (<i>1,000-4,999 students</i>)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Large (<i>5,000-9,999 students</i>)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Very Large (<i>10,000+ students</i>)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

F5. Training staff to perform the second review.

LEA Size	Very Challenging	Somewhat Challenging	Not Challenging	Not Applicable	Not Sure
Very Small (<i><500 students</i>)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Small (<i>500-999 students</i>)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Medium (<i>1,000-4,999 students</i>)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Large (<i>5,000-9,999 students</i>)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Very Large (<i>10,000+ students</i>)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

F6. The volume of applications that staff need to review.

LEA Size	Very Challenging	Somewhat Challenging	Not Challenging	Not Applicable	Not Sure
Very Small (<i><500 students</i>)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Small (<i>500-999 students</i>)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Medium (<i>1,000-4,999 students</i>)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Large (<i>5,000-9,999 students</i>)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Very Large (<i>10,000+ students</i>)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

F7. Completing the second review within the 10-day timeframe.

LEA Size	Very Challenging	Somewhat Challenging	Not Challenging	Not Applicable	Not Sure
Very Small (<i><500 students</i>)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Small (<i>500-999 students</i>)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Medium (<i>1,000-4,999 students</i>)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Large (<i>5,000-9,999 students</i>)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Very Large (<i>10,000+ students</i>)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

F8. Inadequate technology hinders the second review of applications.

LEA Size	Very Challenging	Somewhat Challenging	Not Challenging	Not Applicable	Not Sure
Very Small (<i><500 students</i>)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Small (<i>500-999 students</i>)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Medium (<i>1,000-4,999 students</i>)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Large (<i>5,000-9,999 students</i>)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Very Large (<i>10,000+ students</i>)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

F9. Reporting the results of the second review process (FNS-874 form).

LEA Size	Very Challenging	Somewhat Challenging	Not Challenging	Not Applicable	Not Sure
Very Small (<i><500 students</i>)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Small (<i>500-999 students</i>)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Medium (<i>1,000-4,999 students</i>)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Large (<i>5,000-9,999 students</i>)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Very Large (<i>10,000+ students</i>)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

F10. Based on your observations, briefly describe any additional challenges that LEAs face in completing the second review of applications.

SECTION G: LEAs CONDUCTING A SECOND REVIEW

G1. How many LEAs were required to conduct a second review of applications in School Year 2016-2017?

Total Number of LEAs that Conducted a Second Review in School Year 2016-2017

G1a. How many of those were required to conduct a second review based on Criterion 1 of the program regulations?

Criterion 1 includes all LEAs with 10 percent or more of the certification/benefit issuances in error, as determined during an Administrative Review.

Number of LEAs under Criterion 1 in School Year 2016-2017

G1b. How many LEAs were required to conduct a second review based on Criterion 2 of the program regulations?

Criterion 2 includes LEAs not identified under Criterion 1 that the State agency determines are at risk for certification error.

Number of LEAs under Criterion 2 in School Year 2016-2017.

Please upload a Microsoft Excel file that lists all LEAs that were required to conduct a second review in SY 2016-2017 based on Criterion 2. Include only the LEA name and ID number.

G2. How many LEAs were required to conduct a second review of applications in School Year 2017-2018?

Total Number of LEAs that Conducted a Second Review in School Year 2017-2018

G2a. How many of those were required to conduct a second review based on Criterion 1 of the program regulations?

Criterion 1 includes all LEAs with 10 percent or more of the certification/benefit issuances in error, as determined during an Administrative Review.

Number of LEAs under Criterion 1 in School Year 2017-2018

G2b. How many LEAs were required to conduct a second review of applications based on Criterion 2 of the program regulations?

Criterion 2 includes LEAs not identified under Criterion 1 that the State agency determines are at risk for certification error.

Number of LEAs under Criterion 2 in School Year 2017-2018.

Please upload a Microsoft Excel file that lists all LEAs that were required to conduct a second review in SY 2017-2018 based on Criterion 2. Include only the LEA name and ID number.

SECTION H: FINAL REFLECTIONS

H1. Overall, do you think that the second review process helps to reduce certification error? Why or why not?

H2. Briefly describe any changes that could minimize the burden on the State of the second review process.

H3. Briefly describe how the second review process could be improved.

H4. Please note anything else you would like to tell us about the second review of applications.

H5. Please list the names and titles of those who helped to complete this survey.

SECTION I: SUBMIT SURVEY (State Child Nutrition Director only)

- I, [State CN Director Name], have reviewed the information in this survey and confirm that it is an accurate accounting of the second review of applications process in my State.

Thank you for participating in this USDA study.

FNS anticipates the study results will be published in 2021 on the FNS website, located here:
<https://www.fns.usda.gov/ops/child-nutrition-programs>.

Appendix B
Prototype Application SY17-18

2017-2018 Prototype Household Application for Free and Reduced Price School Meals

Complete one application per household. Please use a pen (not a pencil).

STEP 1 List ALL Household Members who are infants, children, and students up to and including grade 12 (if more spaces are required for additional names, attach another sheet of paper)

Definition of Household Member: "Anyone who is living with you and shares income and expenses, even if not related." Children in Foster care and children who meet the definition of Homeless, Migrant or Runaway are eligible for free meals. Read How to Apply for Free and Reduced Price School Meals for more information.	Child's First Name	MI	Child's Last Name	Grade	Student?		Foster Child	Homeless, Migrant, Runaway
					Yes	No		
					<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"/>	<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"/>
					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Check all that apply

STEP 2 Do any Household Members (including you) currently participate in one or more of the following assistance programs: SNAP, TANF, or FDPIR?

If NO > Go to STEP 3. If YES > Write a case number here then go to STEP 4 (Do not complete STEP 3)

Case Number:

Write only one case number in this space.

STEP 3 Report Income for ALL Household Members (Skip this step if you answered 'Yes' to STEP 2)

A. Child Income
Sometimes children in the household earn or receive income. Please include the TOTAL income received by all Household Members listed in STEP 1 here.

Child Income: \$ Weekly Bi-Weekly 2x Month Monthly

B. All Adult Household Members (including yourself)
List all Household Members not listed in STEP 1 (including yourself) even if they do not receive income. For each Household Member listed, if they do receive income, report total gross income (before taxes) for each source in whole dollars (no cents) only. If they do not receive income from any source, write '0'. If you enter '0' or leave any fields blank, you are certifying (promising) that there is no income to report.

Name of Adult Household Members (First and Last)	Earnings from Work			Public Assistance/Child Support/Alimony			Pensions/Retirement/All Other Income					
	Weekly	Bi-Weekly	2x Month	Monthly	Weekly	Bi-Weekly	2x Month	Monthly	Weekly	Bi-Weekly	2x Month	Monthly
<input style="width: 100%;" type="text"/>	\$ <input style="width: 50px;" type="text"/>	<input style="width: 50px;" type="text"/>	<input style="width: 50px;" type="text"/>	<input style="width: 50px;" type="text"/>	\$ <input style="width: 50px;" type="text"/>	<input style="width: 50px;" type="text"/>	<input style="width: 50px;" type="text"/>	<input style="width: 50px;" type="text"/>	\$ <input style="width: 50px;" type="text"/>	<input style="width: 50px;" type="text"/>	<input style="width: 50px;" type="text"/>	<input style="width: 50px;" type="text"/>
<input style="width: 100%;" type="text"/>	\$ <input style="width: 50px;" type="text"/>	<input style="width: 50px;" type="text"/>	<input style="width: 50px;" type="text"/>	<input style="width: 50px;" type="text"/>	\$ <input style="width: 50px;" type="text"/>	<input style="width: 50px;" type="text"/>	<input style="width: 50px;" type="text"/>	<input style="width: 50px;" type="text"/>	\$ <input style="width: 50px;" type="text"/>	<input style="width: 50px;" type="text"/>	<input style="width: 50px;" type="text"/>	<input style="width: 50px;" type="text"/>
<input style="width: 100%;" type="text"/>	\$ <input style="width: 50px;" type="text"/>	<input style="width: 50px;" type="text"/>	<input style="width: 50px;" type="text"/>	<input style="width: 50px;" type="text"/>	\$ <input style="width: 50px;" type="text"/>	<input style="width: 50px;" type="text"/>	<input style="width: 50px;" type="text"/>	<input style="width: 50px;" type="text"/>	\$ <input style="width: 50px;" type="text"/>	<input style="width: 50px;" type="text"/>	<input style="width: 50px;" type="text"/>	<input style="width: 50px;" type="text"/>
<input style="width: 100%;" type="text"/>	\$ <input style="width: 50px;" type="text"/>	<input style="width: 50px;" type="text"/>	<input style="width: 50px;" type="text"/>	<input style="width: 50px;" type="text"/>	\$ <input style="width: 50px;" type="text"/>	<input style="width: 50px;" type="text"/>	<input style="width: 50px;" type="text"/>	<input style="width: 50px;" type="text"/>	\$ <input style="width: 50px;" type="text"/>	<input style="width: 50px;" type="text"/>	<input style="width: 50px;" type="text"/>	<input style="width: 50px;" type="text"/>

Total Household Members (Children and Adults) X X X X X X

Last Four Digits of Social Security Number (SSN) of Primary Wage Earner or Other Adult Household Member Check if no SSN

STEP 4 Contact information and adult signature. Mail Completed Form To: INSERT YOUR SCHOOL/DISTRICT MAILING ADDRESS HERE

*I certify (promise) that all information on this application is true and that all income is reported. I understand that this information is given in connection with the receipt of Federal funds, and that school officials may verify (check) the information. I am aware that if I purposely give false information, my children may lose meal benefits, and I may be prosecuted under applicable State and Federal laws.

Daytime Phone and Email (optional)

City
State
Zip
Signature of adult

Street Address (if available)
Apt #
Printed name of adult signing the form

INSTRUCTIONS Sources of Income

Sources of Child Income	Example(s)
- Earnings from work	- A child has a regular full or part-time job where they earn a salary or wages
- Social Security <ul style="list-style-type: none"> - Disability Payments - Survivor's Benefits 	- A child is blind or disabled and receives Social Security benefits - A Parent is disabled, retired, or deceased, and their child receives Social Security benefits - A friend or extended family member regularly gives a child spending money
-Income from person outside the household	- A child receives regular income from a private pension fund, annuity, or trust
-Income from any other source	

Earnings from Work	Public Assistance / Alimony / Child Support	Pensions / Retirement / All Other Income
- Salary, wages, cash bonuses - Net income from self-employment (farm or business) If you are in the U.S. Military: - Basic pay and cash bonuses (do NOT include combat pay, FSSA or privatized housing allowances) - Allowances for off-base housing, food and clothing	- Unemployment benefits - Worker's compensation - Supplemental Security Income (SSI) - Cash assistance from State or local government - Alimony payments - Child support payments - Veteran's benefits - Strike benefits	- Social Security (including railroad retirement and black lung benefits) - Private pensions or disability benefits - Regular income from trusts or estates - Annuities - Investment income - Earned interest - Rental income - Regular cash payments from outside household

OPTIONAL Children's Racial and Ethnic Identities

We are required to ask for information about your children's race and ethnicity. This information is important and helps to make sure we are fully serving our community. Responding to this section is optional and does not affect your children's eligibility for free or reduced price meals.

Ethnicity (check one): Hispanic or Latino Not Hispanic or Latino
 Race (check one or more): American Indian or Alaskan Native Asian Black or African American Native Hawaiian or Other Pacific Islander White

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) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, sex, disability, age, or reprisal or retaliation for prior civil rights activity in any program or activity conducted or funded by USDA.

Persons with disabilities who require alternative means of communication for program information (e.g. Braille, large print, audiotape, 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, (AD-3027) found online at: http://www.asc.usda.gov/complaint_filing_cust.html, 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:

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

Do not fill out For School Use Only

Annual Income Conversion: Weekly x 52, Every 2 Weeks x 26, Twice a Month x 24 Monthly x 12

How often?

Weekly Bi-Weekly 2x/Month Monthly

Total Income

Household Size

Categorical Eligibility

Eligibility:

Free Reduced Denied

Determining Official's Signature

Date

Confirming Official's Signature

Date

Verifying Official's Signature

Date

Appendix C
FNS-874 Form

Department of Agriculture, Food and Nutrition Service
Local Educational Agency Second Review of Applications Template

State agencies must report the information on this form ANNUALLY for all local educational agencies (LEAs) selected to conduct a second review of applications required under 7 CFR 245.11(b)(1)(i-iv).

This is a TEMPLATE to be used as an optional tool that may help State Agencies and LEAs understand the data more clearly before entering it on the official FNS-874 spreadsheet. State Agencies are not required to use this format, but may use it in training if they find it helpful. It may also be helpful to LEAs in collecting the information manually before adding it to a spreadsheet.

State Agency: NC Department of Public Instruction	SFA/LEA ID:	SFA/LEA NAME:	School Year: From: 2016-2017
---	--------------------	----------------------	--

1-1: Total number of schools in LEA:	1-2: Total number of enrolled students in LEA:
1-3: Total number of applications: <i>Report all applications subject to second review</i>	1-4: Total number of applications with changed eligibility determinations: <i>Report all applications resulting in a changed determination due to the second review process</i>

1-5: Results of Second Review by Initial Eligibility Determination

For each initial eligibility determination (A, B, & C), report the number of applications for each result category (1, 2, & 3), and error-source categories (a, b, c, & d).

A. FREE- Determined as FREE based on application	B. REDUCED PRICE- Determined as REDUCED PRICE based on application	C. PAID- Determined as PAID based on application
1. NO CHANGE:	1. NO CHANGE:	1. NO CHANGE:
2. Changed to REDUCED PRICE:	2. Changed to FREE:	2. Changed to FREE:
a. Incomplete application error:	a. Incomplete application error:	a. Incomplete application error:
b. Categorical eligibility error:	b. Categorical eligibility error:	b. Categorical eligibility error:
c. Gross income calculation error:	c. Gross income calculation error:	c. Gross income calculation error:
d. Other error:	d. Other error:	d. Other error:
3. Changed to PAID:	3. Changed to PAID:	3. Changed to REDUCED PRICE:
a. Incomplete application error:	a. Incomplete application error:	a. Incomplete application error:
b. Categorical eligibility error:	b. Gross income calculation error:	b. Categorical eligibility error:
c. Gross income calculation error:	c. Other error:	c. Gross income calculation error:
d. Other error:		d. Other error:

Additional Instructions for Reporting the FNS-874

For LEAs selected to conduct the second reviews of applications, enter the State agency name, either the LEA or SFA identification code (only one code needed), name of LEA or SFA, and the appropriate school year.

1-1: Total number of schools within LEA.

1-2: Total number of enrolled students in LEA.

1-3: The total number of reviewed applications (includes all applications, **both those determined eligible and ineligible** in the initial application review). Value should equal the sum of the categories (1-4 + 1-5A1 + 1-5B1 + 1-5C1).

1-4: The total number of applications in the LEA whose eligibility determinations changed as a result of the Second Review of applications. This includes the count of changes in eligibility determinations for all applications, **both those determined eligible and ineligible** in the initial application review. Value should equal the sum of the categories (1-5A2(a-d); 1-5A3(a-d); 1-5B2(a-d) 1-5B3(a-c); 1-5C2(a-d); & 1-5C3(a-d)).

1-5: This section captures information about the results from the second review of applications. All applications reported in 1-3 must be reported in this section (e.g. applications that were determined ELIGIBLE and INELIGIBLE during the INITIAL application review).

For each initial eligibility determination (**A, B, & C**), report the number of applications for each result category (**1, 2, & 3**). For applications with a changed initial eligibility determination, report the number of applications in each error source category that resulted in the eligibility determination change (only report in one error source category for each application). In some scenarios, one or more of the error sources may not be relevant. Error sources are as follows:

Incomplete application error examples include: lack of application signature, lack of SSN (last four digits), missing income value for household member(s), missing case numbers (i.e. SNAP), and other missing information that is necessary for an eligibility determination.

Categorical eligibility error examples include: invalid case numbers/identifiers, categorical eligibility claims known to be false, and invalid categorical standards.

Gross income calculation error examples include: incorrectly calculating household size, incorrectly determining the frequency of receipt of income, not converting multiple income sources to annual income, not counting the child in the list of household members or counting the child twice, incorrect arithmetic, misclassifying reportable income, and other income computation errors.

Other errors include: any errors that are not included in the other categories that caused a change in eligibility determination or benefit level during the second review of applications.

A1, B1, & C1: The total number of applications, by initial eligibility determination, that did not result in a change in eligibility determination or benefit level.

A2: The total number of applications Determined as FREE during the initial review of applications that changed to REDUCED PRICE due to the second review. Value should equal the sum of the error source categories under 1-5A2 (a, b, c, & d).

A2a-d: The number of applications with changes in eligibility determination by each error source.

A3: The total number of applications Determined as FREE during the initial review of applications that changed to PAID due to the second review. Value should equal the sum of the error source categories under 1-5A3 (a, b, c, & d).

A3a-d: The number of applications with changes in eligibility determination by each error source.

B2: The total number of applications Determined as REDUCED PRICE during the initial review of applications that changed to FREE due to the second review. Value should equal the sum of the error source categories under 1-5B2 (a, b, c, & d).

B2a-d: The number of applications with changes in eligibility determination by each error source.

B3: The total number of applications Determined as REDUCED PRICE during the initial review of applications that changed to PAID due to the second review. Value should equal the sum of the error source categories under 1-5B3 (a, b, & c).

B3a-c: The number of applications with changes in eligibility determination by each error source.

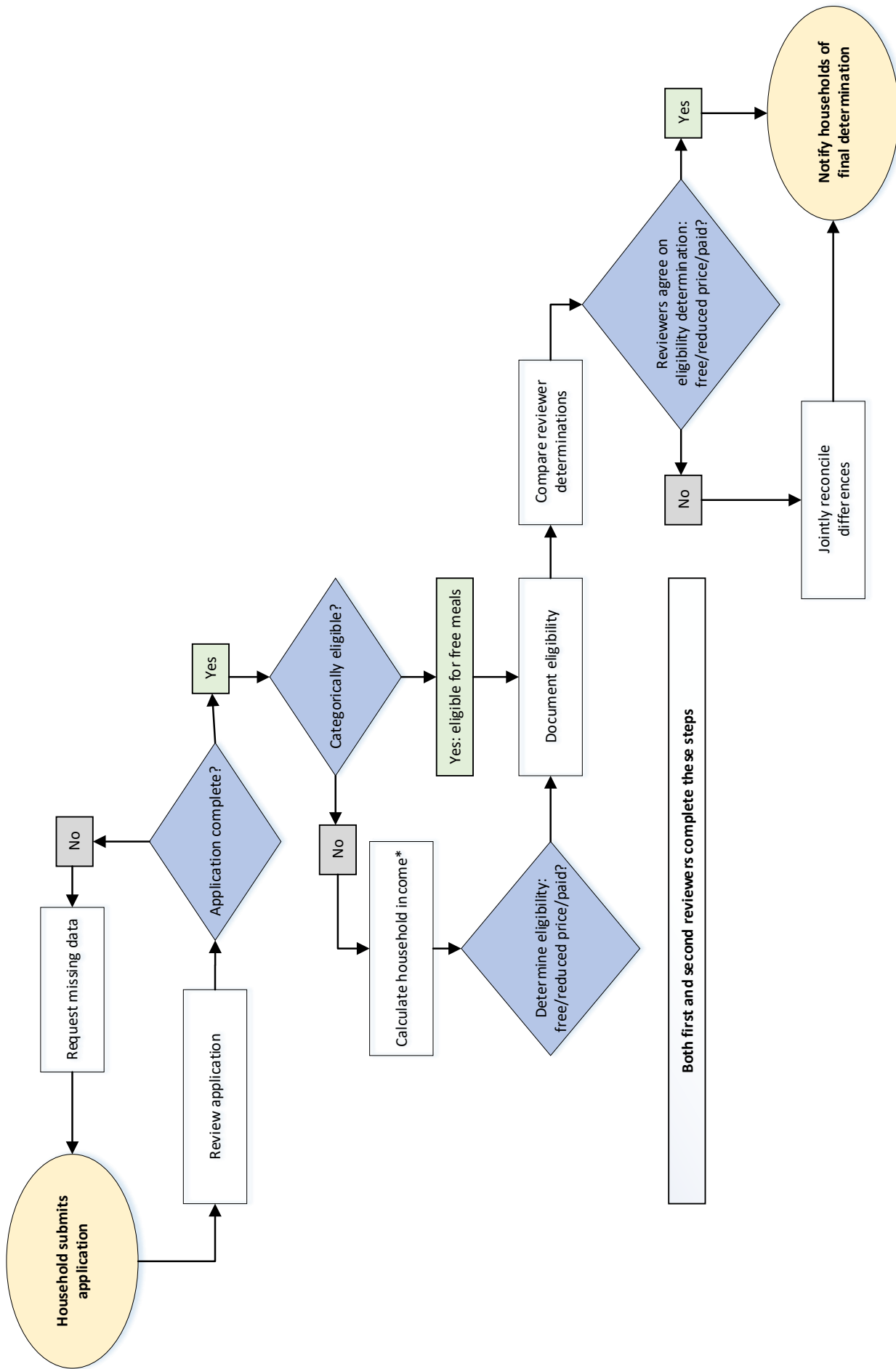
C2: The total number of applications Determined as PAID during the initial review of applications that changed to FREE due to the second review. Value should equal the sum of the error source categories under 1-5C2 (a, b, c, & d).

C2a-d: The number of applications with changes in eligibility determination by each error source.

C3: The total number of applications Determined as PAID during the initial review of applications that changed to REDUCED PRICE due to the second review. Value should equal the sum of the error source categories under 1-5C3 (a, b, c, & d).

C3a-d: The number of applications with changes in eligibility determination by each error source.

Appendix D
Eligibility Determination Flow Diagram



* Some LEAs calculate income manually and determine eligibility, while other LEAs enter the income data from an application into their electronic system and their system calculates the household's income and determines eligibility.

Appendix E
Supplemental Tables

Table E-1. When States notify LEAs that they must conduct IRA

Timing of notification	Number of States (n=49)
Once a year, all at the same time	33
April	1
May	2
June	13
July	3
August	6
September	2
October	2
December	1
Month not reported	3
Varies by when we identify which LEAs have to conduct IRA	15
Other	1

Source: State Director Survey

Note: States could select multiple responses.

Table E-2. Topics discussed during State-conducted IRA training

Training topics	Number of States* (n=22)
How to perform IRA	17
Documentation and reporting requirements (i.e., FNS-874)	17
Intent and purpose of the IRA provision	15
Criteria used to identify LEAs to conduct IRA	12
How to approve an application as free, reduced price, or paid	11
How to select the second review official	9
How to train the second review official	7
State criteria for discontinuation of IRA requirement	7
Other	1

Source: State Director Survey

Note: States could select multiple responses.

* Among the States that provide training specifically focused on IRA.

Table E-3. State training requirement for LEA second review officials

Training requirement	Number of States* (n=21)
All second review officials must attend/complete the training	3
Some second review officials must attend/complete the training	1
Attendance/completion not required	16
Not reported	1

Source: State Director Survey

* Among the States that provide training specifically focused on IRA. One State did not respond to the question.

Table E-4. Whether States follow up with LEAs that report no changes as a result of IRA

Follow-up with LEA conducted	Number of States (n=49)
No	36
Yes	13

Source: State Director Survey

Table E-5. State action when a LEA does not conduct a required IRA

Action when LEA does not conduct IRA	Number of States (n=49)
Have not encountered this situation	19
Require the LEA to conduct IRA in future school years	14
Require a corrective action plan	10
Withhold claims for reimbursement until IRA is completed	8
Go on-site to the LEA to examine their certification process	7
Review during the next Administrative Review	7
Other	4
No policies in this area	2

Source: State Director Survey

Note: States could select multiple responses.

Table E-6. Documentation used by States to determine a LEA can discontinue IRA

Documentation	Number of States (n=49)
Data submitted by the LEA for the FNS-874	36
Data obtained during Administrative Review	19
Other	3
None	5

Source: State Director Survey

Note: States could select multiple responses.

Table E-7. State deadlines for LEA submission of FNS-874 data

Month report due to State	Number of States (n=49)
January	8
February	9
March	4
October	4
November	17
December	7

Source: State Director Survey

Table E-8. State use of automated edit checks to review FNS-874 data from LEAs

Use of State edit checks for FNS-874 data from LEAs	Number of States (n=49)
Yes	15
No	15
Not applicable*	19

Source: State Director Survey

*There is no data system where LEA data for the FNS-874 are housed, or the data are reviewed manually.

Table E-9. State availability of written guidance on IRA

Availability of written IRA guidance	Number of States (n=49)
Yes, for State-level staff	19
Yes, for LEA staff	17
No	21

Source: State Director Survey

Note: States could select multiple responses.

Table E-10. Topics addressed in State-developed guidance for LEAs on IRA

Topic in guidance for LEAs	Number of States* (n=17)
IRA documentation requirements	13
FNS-874 reporting requirements and procedures	11
Factors used to identify LEAs under Criterion 2	9
Qualifications for second review official	8
Discontinuing the IRA requirement	8
Training requirements for LEAs that are subject to IRA	3
Other	1

Source: State Director Survey

Note: States could select multiple responses.

*This question was only asked of the 17 States with written guidance for their LEAs.

Table E-11. Mode of State dissemination of IRA guidance for LEAs

How guidance disseminated	Number of States* (n=17)
Email	14
Posted on the State agency's public website	2
Posted on a private State portal that LEAs can access	2
Hard copies distributed at the annual State training for LEAs	1
Other	3

Source: State Director Survey

Note: States could select multiple responses.

*This question was only asked of the 17 States with written guidance for their LEAs.

Table E-12. Topics addressed in guidance for State-level staff on IRA

Topic in guidance for State-level staff	Number of States* (n=19)
Factors used to identify LEAs under Criterion 2	16
FNS-874 reporting requirements and procedures	15
Requirements for LEAs that are subject to IRA	14
Following up with LEAs regarding the IRA process or data	13
Discontinuing the IRA requirement	13
Reviewing the data submitted by LEAs	11
Monitoring the IRA process at the LEAs	8

Source: State Director Survey

Note: States could select multiple responses.

*This question was only asked of the 19 States with written guidance for their State-level staff.

Table E-13. Aspects of the IRA that are time-consuming for State-level staff

Aspect of IRA	Number of States (n=49)				
	Very time-consuming	Moderately time-consuming	Not time-consuming	N/A	Not sure
Following up with LEAs to correct FNS-874 data	11	24	8	6	0
Providing technical assistance to LEAs	10	29	7	3	0
Ensuring the IRA process is carried out correctly	10	27	6	5	1
Reviewing FNS-874 data from LEAs	8	27	9	5	0
Submitting the FNS-874 report to FNS	4	21	22	0	2
Identifying LEAs	3	21	23	0	1
Calculating LEA errors to determine whether they may discontinue IRA	2	23	14	8	1
Training LEAs	1	24	14	9	1
Determining Criterion 2 selection factors	1	11	25	10	2

Source: State Director Survey

Table E-14. Aspects of the IRA that are challenging for State-level staff, apart from the time burden

Aspect of IRA	Number of States (n=49)				
	Very challenging	Moderately challenging	Not challenging	N/A	Not sure
Ensuring the IRA process is carried out correctly	11	24	9	2	2
Providing technical assistance to LEAs	9	24	10	3	2
State staff availability for the IRA process	6	21	18	0	2
Correcting FNS-874 data from LEAs	6	20	16	5	1
Training LEAs	5	22	13	5	2
Reviewing FNS-874 data from LEAs	4	22	19	3	1
Identifying LEAs	4	11	32	0	1
Determining Criterion 2 selection factors	3	10	25	9	1
Submitting the FNS-874 report to FNS	2	19	26		2
Calculating LEA errors to determine whether they may discontinue IRA	1	17	23	6	1

Source: State Director Survey

Table E-15. Aspects of the IRA that are challenging for very small-sized LEAs (<500 students)

Aspect of IRA	Number of States (n=49)				
	Very challenging	Moderately challenging	Not challenging	N/A	Not sure
Identifying available staff to review applications	29	9	4	3	4
Identifying qualified staff to review applications	24	13	5	3	4
Completing second review within timeframe	22	11	8	3	5
Training staff to perform second review	21	16	6	3	3
Inadequate technology	20	6	6	4	13
Reporting results of second review	12	20	12	2	2
Volume of applications	11	16	18	1	3

Source: State Director Survey

Table E-16. Aspects of the IRA that are challenging for small-sized LEAs (500-999 students)

Aspect of IRA	Number of States (n=49)				
	Very challenging	Moderately challenging	Not challenging	N/A	Not sure
Identifying available staff to review applications	22	13	4	6	4
Training staff to perform second review	19	15	6	6	3
Completing second review within timeframe	19	13	6	6	5
Inadequate technology	16	19	4	7	13
Identifying qualified staff to review applications	16	17	6	6	4
Volume of applications	11	17	14	4	3
Reporting results of second review	9	20	12	5	3

Source: State Director Survey

Table E-17. Aspects of the IRA that are challenging for medium-sized LEAs (1,000-4,999 students)

Aspect of IRA	Number of States (n=49)				
	Very challenging	Moderately challenging	Not challenging	N/A	Not sure
Completing second review within timeframe	18	17	4	6	4
Volume of applications	13	24	5	4	3
Identifying available staff to review applications	10	18	12	6	3
Reporting results of second review	9	17	14	5	3
Training staff to perform second review	9	16	15	6	3
Inadequate technology	9	12	9	6	13
Identifying qualified staff to review applications	8	16	15	6	4

Source: State Director Survey

Table E-18. Aspects of the IRA that are challenging for large-sized LEAs (5,000-9,999 students)

Aspect of IRA	Number of States (n=49)				
	Very challenging	Moderately challenging	Not challenging	N/A	Not sure
Completing second review within timeframe	21	7	5	12	4
Volume of applications	19	13	4	10	3
Reporting results of second review	8	15	11	10	5
Identifying available staff to review applications	8	9	17	11	4
Identifying qualified staff to review applications	7	5	21	11	5
Training staff to perform second review	6	11	16	11	5
Inadequate technology	5	7	13	11	13

Source: State Director Survey

Table E-19. Aspects of the IRA that are challenging for very large-sized LEAs (10,000+ students)

Aspect of IRA	Number of States (n=49)				
	Very challenging	Moderately challenging	Not challenging	N/A	Not sure
Volume of applications	23	9	4	9	3
Completing second review within timeframe	23	5	5	11	4
Reporting results of second review	9	14	11	10	5
Identifying available staff to review applications	9	7	17	12	4
Identifying qualified staff to review applications	8	3	21	12	5
Training staff to perform second review	6	10	16	11	5
Inadequate technology	6	5	14	11	13

Source: State Director Survey