

From: Arroyo-Lee Sing, Renee - FNS
Sent: Wednesday, April 18, 2012 2:18 PM
To: 'CSHUCHART@schoolnutrition.org'
Subject: FNS responses to SNA - APEC-II Study
Sensitivity: Confidential

Hello Frank DiPasquale,

I am replying to the School Nutrition Association (SNA) comments for the National School Lunch Program (NSLP) and School Breakfast Program (SBP) Access, Participation, Eligibility, and Certification Study II (APEC-II Study) referenced in the Federal Register Volume 77, Number 27, Thursday, February 9, 2012. Please find FNS responses to SNA questions in the attached pdf.

Thank you for your time to provide comments on this eminent project.

Kind regards,



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April 4, 2012

Mr. Steven Carlson
Office of Research and Analysis
Food and Nutrition Service
U.S. Department of Agriculture
3101 Park Center Drive, Room 1014
Alexandria, VA 22302

Dear Mr. Carlson:

The School Nutrition Association (SNA) appreciates the opportunity to provide comments in response to the proposed information collection for the National School Lunch Program (NSLP) and School Breakfast Program (SBP) Access, Participation, Eligibility, and Certification Study II (APEC-II Study). This request for comments appeared in Federal Register Volume 77, Number 27, Thursday, February 9, 2012.

Our more than 55,000 members throughout the country are very interested in this study, and want to cooperate as much as possible in order to ensure the success of this study. We are most interested in exploring with you how the APEC-II Study can be designed to provide a dynamic on-going view of the NSLP and SBP, rather than a static study that captures a single moment in time.

As we know you appreciate, SNA members are concerned that the prior APEC Study has been, in some instances, misused. The data from the prior study has all too often been used to suggest a static impression regarding school meal costs and school meal operations. While the information collected during school year (SY) 2005-2006, may have been an accurate snapshot of the information collected at that time, school meal programs today are vastly different because of the passage and implementation of the Child Nutrition and WIC Reauthorization Act of 2004 (the 2004 Act) (Public Law 108-265).

It is also certain that these programs will continue to change with the on-going implementation of the Healthy Hunger-Free Kids Act of 2010 (HHFKA) (Public Law 111-296). Since many of these provisions are only now being implemented, or have been in place for only a very short time, unless the data is analyzed over a period of years the conclusions reached from a single year may be unfair and misleading to the public at large.



Matters that Should Be Included in APEC-II

SNA recommends that the following matters be included as part of APEC-II:

Community Eligibility Standards – To ease the administration of meal applications and meal counting and claiming procedures, many School Food Authorities (SFAs) have taken advantage of Provision 2 and Provision 3 designations established by Section 11(a)(1) of the Richard B. Russell National School Lunch Act. Section 104(a) of HHFKA further amended section 11(a)(1) to establish the Community Eligibility option. A number of SFAs have advised SNA that while they would like to take advantage of Provision 2, Provision 3, and Community Eligibility, they are being precluded from doing so by local and state authorities who depend upon the data obtained as part of the school meal application process for a myriad of other uses. As a result, SFAs are effectively precluded from fully utilizing existing procedures for simplifying the administration of NSLP and SBP. SNA recommends that APEC-II explore the use of Provision 2, Provision 3, and Community Eligibility, including both the benefits resulting from such use and the impediments to greater use of these options.

Response: As in APEC-I, the SFA survey in APEC-II includes a comprehensive series of questions about the districts' and sampled schools' participation in Provision 2 and Provision 3. These questions provide information on the prevalence of participation in these provisions and changes since APEC-I. We had also added similar questions about participation in CEO. In response to this comment, we added two questions to the SFA director survey, to be asked of those not already utilizing Provision 2, Provision 3, or the Community Eligibility Option. The questions identify if the SFA has considered utilizing one of these options, and their rationale.

Direct Certification - All districts are required under the 2004 Act to use direct certification. However, when the data was collected for APEC-I, only a small number of districts had been required to begin direct certification. The study and other research have found that districts that use direct certification are considerably more accurate in determining program eligibility. HHFKA adds additional provisions supporting the use of direct certification. SNA recommends that APEC-II closely examine the increase in direct certification since APEC-I, the reasons for the increase, and the outlook for future increases as a result of HHFKA.

Response: APEC-II will report on the change in the prevalence of direct certification (both overall as well as in the types of methods used by districts to directly certify students) since SY 2005-2006. The topics and issues raised by SNA are being directly and more comprehensively explored under other studies being conducted by the Food and Nutrition Service, including an annual report to



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Congress on State progress in reaching eligible children through direct certification and a study looking at ways to improve the operations of direct certification.

Direct Certification in the National School Lunch Program: State Implementation Progress School Year 2010-2011: Report to Congress available on the FNS website at <http://www.fns.usda.gov/ORA/menu/Published/CNP/cnp.htm> provides an annual assessment of the effectiveness of state and local efforts to directly certify children for free meals. This report estimates the number of school-age SNAP participants and the number of children directly certified for free school meals in each State as a measure of state performance. The report also provides some insight into the States with the most efficient direct certification systems

The purpose of the Direct Certification Improvement Study is to update information compiled in the 2005 study of Data Matching in the National School Lunch Program. This study will build on the knowledge already accumulated from preceding studies by examining current methods of direct certification used by state and local agencies, and challenges facing states and local education agencies (LEAs) in attaining high matching rates. The study will also look in-depth at state processes for certifying unmatched SNAP participants, and will characterize unmatched SNAP participants after independently matching categorically approved NSLP applications with SNAP data used for direct certification in seven states. This study will also seek to identify potential improvements in data-matching techniques and tools to increase matching rates.

Error Determination - What may constitute an “error” is of prime concern to SNA.

- **Erroneous Application Errors** – SFAs must depend upon the timeliness and accuracy of information provided by the family member or guardian (the applicant) completing the child’s application. At times the applicant provides information that may in fact be inaccurate or incomplete. As a consequence, some children may be erroneously designated as eligible for free meals instead of reduced price meals, or may be erroneously designated as eligible for reduced price meals instead of free meals. These errors are attributed to the SFA, even though the SFA has no way to either identify these mistakes or to correct them. SNA recommends that APEC-II carefully examine these erroneous application errors, and offer suggestions as to a better way to attribute these errors given the limitations faced by SFAs.

Response: As in APEC-I, APEC-II will categorize certification errors into household reporting errors and administrative errors. Household reporting error is a measure of how accurately the household reported information on the application, while administrative error is a measure of how accurately the district, typically the local education agency, determines eligibility based on the information on the application. Reporting errors made by households are not attributed to the SFA.



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- Over-certification Errors - SNA worked with FNS to determine the cause and find a solution for possible errors resulting in over-certification of students in the NSLP and the SBP. SNA along with FNS has looked at the data and talked with school nutrition professionals to try to gain an understanding of the problem. We found that there is a combination of underlying factors. We believe that there are some flaws in the assumptions made from the data. For example, if a child is approved eligible for free or reduced price meals at one school and then moves to another school during the school year, that child may appear on the roster at both schools. The child is receiving only one meal. We know that there are a significant number of children in our inner cities who may move several times each school year, and that there are not effective methods in place to track this movement. SNA recommends that APEC-II include an assessment of the reasons for over-certification, and make recommendations regarding steps that can be taken to reduce errors due to student movement.

Response: As in APEC-I, APEC-II will request information about changes in enrollment among the sampled students that occurred during the school year, including if and when the student transferred into or out of the school. If the student transferred out of the school, we will include his/her status (as either correct or in error) only for the months in which he/she was in the school. We seek to identify the certification accuracy of students transferring into the school through a special spring data collection of newly certified or newly enrolled students. Because students who transfer within the district do not need to complete a new application, we have added an item, in response to this comment, to the list of enrollment information we collect that indicates whether the student transferred within the district so we can consider their status separately.

APEC-II is designed to identify the contribution that certain types of errors make toward the overall erroneous payments. FNS recognizes that there are a number of additional important policy and operational issues that could be addressed to fully understand and describe the sources, causes, and solutions to improper payments. However, addressing all of these would impose a significant burden on State agencies, SFAs, and other respondents. Therefore, we had to make a number of choices that limit the scope of this project to a central goal: estimating the extent of erroneous payments and identifying the contribution that certain types of errors make toward the overall level. Recommendations regarding steps that can be taken to reduce errors due to student movement, while important, exceed the scope of this project.

- SFA Personnel Errors - In response to the original APEC study, SNA launched a training effort to ensure that school nutrition employees who process meal applications and who serve as cashiers in school cafeterias are properly trained in the regulations and laws governing the NSLP. These programs have been effective, and will be enhanced by the requirements included in Section 306 of HFFKA, establishing professional standards for school food service personnel. SNA recommends that APEC-II include an assessment of the effectiveness of current staff training efforts, and provide for an evaluation of the new standards and training required by Section 306 of HFFKA.



Response: APEC-II will assess whether there has been a change since SY 2005-2006 in the errors related to meal counting and claiming, which the training was intended to address. A rigorous assessment of the effectiveness of training efforts, while potentially important and useful, is also beyond the scope of the current project and would require substantial additional data collection and a redesign of the study..

Study Period – As noted above, SNA is very concerned about the misuse of static information. While it is understandable that any study will review operations at a given point in time, the additional time needed for the completion of the study report risks the presentation of information that is not an accurate representation of NSLP and SBP operations on the date of publication. While this comment may go beyond the scope of the planned APEC-II study, SNA believes that it is very important and recommends that FNS continue to develop and report data in a longitudinal rather than static fashion.

Response: APEC-II will allow for an assessment of the changes between SY 2005-2006 and SY 2012-2013. It also includes developing models that FNS can use to estimate erroneous payments in subsequent years. The APEC-II reports will emphasize that the estimates are tied to SY 2012-2013 and note substantial changes in certification procedures, reimbursable meal determinations, or other administrative changes that could affect error rates. We acknowledge that the longitudinal data would have value for the future; we would hope to repeat this study periodically as resources and funding permits.

Technology and Error Rates – SFAs have increasingly moved towards greater uses of technology in order to facilitate school meal applications, automated approval processes (including direct certification), and capturing meal purchases at the points of sale. Additional technology is being developed to further assist SFAs in the implementation of several HHFKA requirements. SNA recommends that APEC II include an assessment of what is the level of technology currently being used by SFAs, and compare error rates for SFAs using this technology with error rates for SFAs not using technology to determine if error rates are materially different between the two methods.

Response: In response to this comment, we have added two questions to the SFA survey to identify the use of technology. We will be able to look at whether erroneous payments differ according to the level of technology in use. However, the APEC-II study design will not be able to assess whether these differences in erroneous payments are caused by the use of technology. While we recognize the importance of the use of technology to reduce erroneous payments, the study design to best estimate erroneous payments is not consistent with a design to assess the effectiveness of technology. Therefore, adding the examination of the effectiveness of technology to the project would go beyond the scope of the work and raise costs beyond what is available for this project.



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Again, SNA appreciates this opportunity to offer these recommendations regarding the APEC-II study, and looks forward to our continuing cooperative and effective working relationship with FNS.

Sincerely,

A handwritten signature in black ink that reads "Frank DiPasquale". The signature is fluid and cursive, with the first name "Frank" being more prominent.

Frank DiPasquale
Chief Executive Officer