



United States
Department of
Agriculture

Food and
Nutrition
Service

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DATE: July 1, 2013

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SUBJECT: Release of the new *State Agency (NSLP/SNAP) Direct Certification Rate Data Element Report* (Form FNS-834)

TO: Regional Directors Regional Directors
 Special Nutrition Programs Supplemental Nutrition Assistance Program
 All Regions All Regions

 State Directors State Directors
 Child Nutrition Programs Supplemental Nutrition Assistance Program
 All States All States

The *Food, Conservation, and Energy Act of 2008* (Public Law 110-246) and the *Richard B. Russell National School Lunch Act*, as amended by the *Healthy, Hunger-Free Kids Act of 2010* (HHFKA, Public Law 111-296) require that children living in households receiving assistance under the Supplemental Nutrition Assistance Program (SNAP) be directly certified for free school meals under the National School Lunch Program (NSLP) and/or the School Breakfast Program. Each year, the Food and Nutrition Service (FNS) is required to assess State performance in directly certifying such children, to report the findings in a Report to Congress, and, with the advent of the HHFKA, to compare each State's direct certification performance rate to certain mandated benchmarks (95% for school year (SY) 2013-2014 and beyond).

This memorandum provides information on the new form FNS-834—the *State Agency (NSLP/SNAP) Direct Certification Rate Data Element Report*—which is to be used to report two of the three data elements needed to compute the State's direct certification performance rates. The final rule—the *National School Lunch Program: Direct Certification Continuous Improvement Plans required by the Healthy, Hunger-Free Kids Act of 2010*, published on February 22, 2013—added a new section 7 CFR 245.12 to NSLP regulations and amended SNAP regulations at 7 CFR 272.5 to provide for this data collection. On April 30, 2013, the Office of Management and Budget (OMB) approved the new form. The FNS-834 will be used starting with SY 2013-2014.

STATE AGENCY RESPONSIBILITIES

The FNS-834 is an interagency form, and both the SNAP State agency and the NSLP State agency will complete separate submissions:

- **SNAP State Agency – Data Element #2** - The SNAP State agency must calculate the unduplicated count of school-aged children in households receiving SNAP benefits (not including households receiving zero benefits) during the months of July, August, and September, report that count on the FNS-834 as Data

Element #2, and submit the completed form both to FNS and to the NSLP State agency by December 1st each year. (Specific instructions for this calculation are on the FNS-834 and will be covered by Q-and-As that will soon follow.)

- **NSLP State Agency – Data Element #3** - The NSLP State agency must ensure that a “Special Provision Match” is run (no later than the last operating day in October) between SNAP records and student enrollment records from special provision schools operating in a **non-base** year. In addition, it must report the total number of SNAP children in the State found in this “Special Provision Match” as Data Element #3 on the FNS-834, and it must submit the completed FNS-834 to FNS by December 1st each year. If a State is not geared up to run this “Special Provision Match” for SY 2013-2014, the NSLP State agency may, for SY 2013-2014 only, utilize the alternative phase-in procedures for NSLP State agencies reporting Data Element #3 that are detailed in a separate section below. States with schools operating Community Eligibility have certain options available to them each year for complying with these requirements for Community Eligibility schools. (See further discussion on both of these options in the sections that follow as well as in the Q-and-As that will soon follow.)
- **NSLP State Agency or SNAP State Agency – Check Box** - In an effort to improve data sources to more closely approximate data elements, the SNAP State agency and NSLP State agency have the option of checking off the box on the FNS-834 to indicate that the State has special circumstances that may affect its direct certification rate calculation in a quantifiable way. If the box is checked, the appropriate State agency will be contacted and asked to forward a description of the circumstance, the count of the number of children affected by the circumstance, the methodology for estimating the count, and the source(s) of published State or Federal data used to support that methodology. FNS will consider these circumstances on a case-by-case basis, and will examine how the effect of such special circumstances could help keep FNS’s own methodology dynamic and better able to adapt to improved data sources.

The intent is for the FNS-834 to be incorporated into the Food Programs Reporting System (FPRS), but FNS does not expect this to be in place for the December 1, 2013, submission. Until reporting through FPRS is established, the NSLP State agency and the SNAP State agency are to submit their completed forms to FNS by email. To do so, each State agency should attach its form to an email (naming the file “**FNS-834 – [State’s Name] Submission from the [NSLP or SNAP] State agency**” and using the same filename in the subject line of the email) and send it to CNStatesystems@fns.usda.gov by December 1st.

In addition, the SNAP State agency is to submit a copy of its completed form to the NSLP State Director no later than December 1st each year, in a manner agreed upon by both agencies, so that the NSLP State agency can use the reported count of the number of school-aged children in SNAP households in the State (Data Element #2) to monitor their own direct certification performance.

ALTERNATIVE PHASE-IN PROCEDURES FOR NSLP STATE AGENCIES REPORTING DATA ELEMENT #3, FOR SY 2013-2014 ONLY

The preamble to the final rule, *National School Lunch Program: Direct Certification Continuous Improvement Plans Required by the Healthy, Hunger-Free Kids Act of 2010*, states that there will be alternative phase-in procedures for SY 2012-2013 for those States that are not geared up to run the “Special Provision Match” for the first year of the FNS-834. However, the final rule was not published until February 22, 2013, and the FNS-834 was not approved until April 30, 2013, so the form was not in effect for SY 2012-2013. As such, there will be alternative phase-in procedures that an NSLP State agency may choose to utilize for the phase-in year (SY 2013-2014) for any special provision school operating in a non-base year for which the State cannot ensure that a “Special Provision Match” can be performed, as follows:

- **“Base Year Percentage Option” for SY 2013-2014 Only** - The NSLP State agency may elect to use, for special provision schools operating in a non-base year—for SY 2013-2014 only—the most recent **base-year** direct certification percentage free rates for such schools in lieu of running the “Special Provision Match” for these schools. To do this, one would compare the number of children **directly certified as free in the base year** to the **total number certified as free in that same base year**, and apply that percentage to the number reported as free by the school in SY 2013-2014. This will yield the count that may be attributed to this school’s portion of Data Element #3. To be able to use this “Base Year Percentage Option” for a particular special provision school operating in a non-base year for SY 2013-2014, the school must have conducted direct certification in the base year and have access to this data.

To get the total count for Data Element #3 for the first year (SY 2013-2014), the NSLP State agency may use a combination of:

- “Special Provision Match” counts—from whatever special provision schools operating in a non-base year where the match can be run; and
- “Base Year Percentage Option” counts—from those special provision schools operating in a non-base year for which direct certification data during the base year is available and that are not in the “Special Provision Match” counts.

COMMUNITY ELIGIBILITY PROVISION SCHOOL OPTIONS

Those schools operating under Community Eligibility are also considered to be special provision schools that fall under the guidance of this memorandum.

States that have special provision schools operating Community Eligibility may include these schools in the “Special Provision Match,” or, alternatively, may choose to include for these schools:

- the count of the number of identified students directly matched with SNAP used in determining the Community Eligibility claiming percentage for that school year; or

- the count from the SNAP match conducted by April 1 of the same calendar year, whether or not it was used in the Community Eligibility claiming percentages.

OTHER GUIDANCE

The FNS-834 (see attached) provides instructions and additional information about the data elements being collected as well as the new formula for computing direct certification performance rates. The preamble of the final rule (see attached) provides a discussion of the new methodology and the reasons for its adoption.

To explain the new requirements in more detail and to answer any questions Regional or State staff may have, FNS will conduct webinars and issue Q-and-As in the coming weeks.

State agencies should direct any questions to the appropriate FNS Regional Office. Regional Offices with questions should contact the SNP Child Nutrition Division or the SNAP Program Development Division.

Sincerely,



For Cynthia Long
Director
Child Nutrition Division
Special Nutrition Programs



Lizbeth Silbermann
Director
Program Development Division
Supplemental Nutrition Assistance Program

Attachments:

Form FNS-834 - *State Agency (NSLP/SNAP) Direct Certification Rate Data Element Report*

Final Rule - *National School Lunch Program: Direct Certification Continuous Improvement Plans Required by the Healthy, Hunger-Free Kids Act of 2010*