

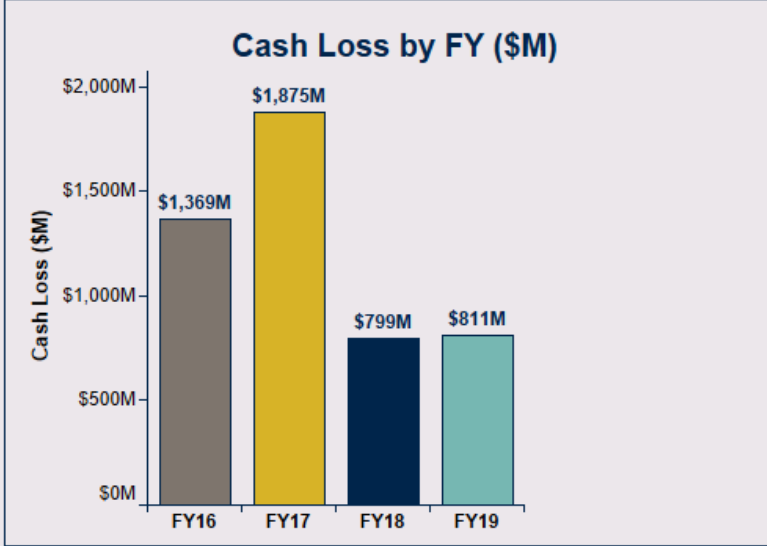
Goal: Getting Payments Right

Program or Activity National School Lunch	Reporting Period Q3 2020
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Change from Previous FY (\$M)	\$12M	
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USDA USDA
National School Lunch

Brief Program Description:
The National School Lunch Program (NSLP) is a federally assisted meal program operating in public and nonprofit private schools and residential child care institutions. It provides nutritionally balanced, low-cost or free meals to children.



Key Milestones	Status	ECD
1 Develop mitigation strategies to get the payment right the first time	Completed	Oct-19
2 Evaluate the ROI of the mitigation strategy	On-Track	Sep-20
3 Determine which strategies have the best ROI to prevent cash loss	On-Track	Sep-20
4 Implement new mitigation strategies to prevent cash loss	On-Track	Sep-20
5 Analyze results of implementing new strategies	On-Track	Sep-20

Quarterly Progress Goals	Status	Notes	ECD
1 Q3 2020 The third Access, Participation, Eligibility, and Certification Study (APEC III) is now complete and FNS is identifying research projects that will be designed to address errors resulting in certification and aggregation errors.	On-Track	N/A	Dec-20
2 Q3 2020 Work with the GSA, Office of Evaluation Sciences (OES) to develop one or two projects designed to reduce error in school meal programs as part of the OES collaboration with the Office of Management and Budget to "get payments right."	On-Track	N/A	Dec-20

Recent Accomplishments	Date
1 Analyzed public comments on two proposed rulemakings with significant integrity provisions; preparing final rules in response to those comments (Simplifying Meal Service and Monitoring Requirements in the NSLP and SBP and CN Integrity Rule.	Jan-20
2 Conducted debriefing sessions with the 3 state agencies that connected their state data collection systems (for the NSLP and SBP eligibility verification process) to USDA's data validation service.	Jan-20
3 The newest APEC study (APEC III) has been completed and the final report is in Department clearance. FNS anticipates it will be publicly available late this year.	Jan-20

Amt(\$)	Root Cause	Root Cause Description	Mitigation Strategy	Anticipated Impact of Mitigation
\$437M	Program design or structural issues	Household errors on applications for school meal benefits place children in the wrong benefit category. Households do not submit income documentation at application time, and just 3% of approved applicants are selected for follow-up verification.	Internal Process or Policy Change	USDA believes that widespread use of applications that target the type of household error identified by USDA's nationwide study of program error (conducted in satisfaction of IPIA requirements) will improve benefit certification accuracy.
\$374M	Administrative or process errors made by: state or local agency	This includes administrative error by school district staff responsible for certifying applicants for program benefits, and by local and state agency staff in counting and reporting meals for federal reimbursement.	Internal Process or Policy Change	Monitoring, technical assistance, and training are ongoing responsibilities in this decentralized program. With typical rates of staff turnover at the state and local levels, these efforts help maintain relatively low administrative error rates.

Cash Loss - Cash loss to the Government includes amounts that should not have been paid and in theory should/could be recovered.