Payment Integrity Scorecard

Program or Activity
Food and Nutrition Service (FNS) School Breakfast Program (SBP)

Reporting Period
Q2 2025

FY 2024 Overpayment Amount ($M)*

$306

*Estimate based a sampling time frame starting 7/2017 and ending 6/2018

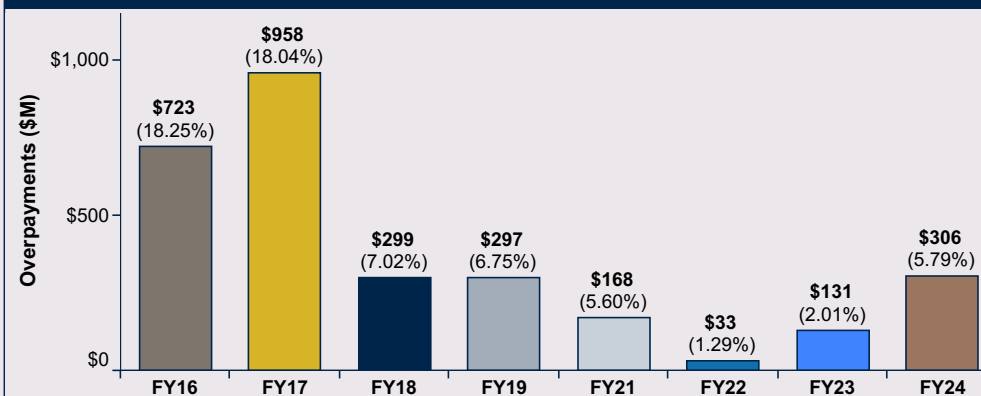### U.S. Department of Agriculture
Food and Nutrition Service (FNS) School Breakfast Program (SBP)

Brief Program Description & summary of overpayment causes and barriers to prevention:

The School Breakfast Program (SBP) is a federally assisted meal program operating in public and nonprofit private schools and residential child care institutions. It reimburses participating schools and institutions for the cost of providing meals to eligible children. SBP overpayments are primarily due to errors in determining children's eligibility for program benefits. Errors in counting and claiming meals for federal reimbursement is a secondary source of over payment. The most significant barrier to prevention is the decentralized nature of the program. Certifying children for benefits and counting meals for reimbursement are handled independently by tens of thousands of schools and school districts.

Historical Payment Rate and Amount ($M)
(Overpayment as Percentage of Total Outlays)

Bar chart — Overpayments ($M):
- FY16: $723 (18.25%)
- FY17: $958 (18.04%)
- FY18: $299 (7.02%)
- FY19: $297 (6.75%)
- FY21: $168 (5.60%)
- FY22: $33 (1.29%)
- FY23: $131 (2.01%)
- FY24: $306 (5.79%)

Discussion of Actions Taken in the Preceding Quarter and Actions Planned in the Following Quarter to Prevent Overpayments

In the past quarter, FNS cooperated with auditors as part of an audit of FNS' compliance with the Payment Integrity Information Act of 2019 (PIIA). The audit involved reviewing published improper payment estimates, sampling and estimation plans, corrective action plans, and reduction targets. In the process, FNS better streamlined its improper payment reporting mechanisms to optimize measuring and documenting procedures. In the following quarter, FNS plans to enhance the existing Child Nutrition dashboards with additional data and visualizations. This will help promote data sharing and understanding among regions and states, improving program data literacy.

	Accomplishments in Reducing Overpayment	Date
1	Management Evaluations (MEs) for 2025 have been scheduled. They determine whether the State agency has taken steps to ensure SFA compliance with regulations and whether the State agency is administering SBP in accordance with requirements and good management practices.	Mar-25
2	The data validation service (DVS) works with states' existing reporting systems to provide real time data quality edit checks for the School Food Authority (SFA) Verification Collection Report (FNS-742). Results were shared with regional offices ahead of upcoming MEs.	Mar-25
3	The Fourth Access, Participation, Eligibility and Certification Study (APEC IV) aims to provide current and nationally representative data for improper payments on SBP. The contractor has finished the data collection phase and is in the early stages of data analysis.	Mar-25

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	Goals towards Reducing Overpayments	Status	ECD
1	With the completion of data collection, FNS and its contractor will begin analyzing results of the newest IP study for SBP. This is the beginning of the process that will help us update our IP estimates and better identify root causes. Most recently, FNS collaborated with the contractor to discuss the analysis plan with the aim of finalizing the presentation of data tables.	On-Track	Jun-25

	Recovery Method	Brief Description of Plans to Recover Overpayments	Brief Description of Actions Taken to Recover Overpayments
1		FNS has been granted a waiver for recovery of overpayments due to the nature of the program (i.e., State level administration, where States distribute reimbursements to program operators who submit claims and for monitoring and oversight of the claims submission process)	FNS has been granted a waiver for recovery of overpayments due to the nature of the program (i.e., State level administration, where States distribute reimbursements to program operators who submit claims and for monitoring and oversight of the claims submission process)

Amt($)	Root Cause of Overpayment	Root Cause Description	Mitigation Strategy	Brief Description of Mitigation Strategy and Anticipated Impact
$306M	Overpayments outside the agency control that occurred because of a Failure to Access Data/Information Needed.	USDA's Community Eligibility Provision (CEP) and Direct Certification with Medicaid pilot projects (DC-M) use cross-agency data sharing to certify children for SBP benefits without application error. Not all eligible states, schools and districts participate in CEP or DC-M.	Automation - automatically controlled operation, process, or system.	USDA provides resources to help states improve integrity. FNS facilitates conversations with states to maximize direct certification, which reduces error by eliminating household applications. Household applications are our biggest source of error.