

Verification Requirement for “Pricing” Centers

Note: This handout applies only to child and adult care centers that have a “pricing” program, which means that meal charges are separate from tuition charges.

Verification is the confirmation of eligibility for free and reduced-price meals for participants in the Child and Adult Care Food Program (CACFP).

Policy

- Each year, centers with a “pricing” program must verify the accuracy of information reported on three percent of approved Household Income Statements (HIS forms) for participants enrolled in October. Verification must begin in October of each year and be concluded by November 30. See the attached outline of the verification process, *Verification Process for CACFP Sponsors Who Operate a Pricing Program*, for complete requirements.

Verification results must be recorded on the attached Verification Summary and maintained on file for three years from the end of the fiscal year to which they apply. Selected households must be notified in writing of their selection for verification and must receive notification of the results using the attached form letters.

- *If any Household Income Statement cannot be verified as having been correctly approved*, the center must:
 1. Notify affected households of the reduction or termination of meal benefits using the attached form letters.
 2. If needed, revise the center’s rates of reimbursement by reporting the correct numbers of enrolled participants in categories A, B and C on the November claim in the Cyber-Linked Interactive Child Nutrition System (CLiCS).

Attachments

- Verification Process for CACFP Sponsors Who Operate a Pricing Program.
- Form letters to request information from households and notify households of results.
- Verification Summary form for recording verification results.

This handout, including these attachments, is available on the Food and Nutrition Service (FNS) website under Child and Adult Care Food Program for Centers-Household Income Statements.

Verification Process for CACFP Sponsors Who Operate a Pricing Program

Definition

Verification is confirmation of eligibility for free and reduced price meals under the Child and Adult Care Food Program. Verification **must** include either confirmation of income eligibility **OR** confirmation that the household receives benefits from Supplemental Nutrition Assistance Program (SNAP), Food Distribution Program on Indian Reservations (FDPIR), Minnesota Family Investment Plan (MFIP), or in the case of an adult day care participant, currently receiving Supplemental Security Income (SSI) or Medicaid benefits.

Verification Requirements

Annually, each sponsor must select and verify a sample of applications approved for free or reduced-price benefits. Sponsors must use a "random" sampling method to select applications to be verified.

The required sample size is based on:

1. The total number of approved applications (HIS's categorized as an A or B) on file on October 31, and
2. A random sampling of selected applications to be verified.

Example:

An application is counted as one application regardless of whether it is a multi-child application or an application for one child. The sample size depends on the number of paper applications, not the number of children represented.

Implementation

The random selection of applications must not involve discrimination against anyone on the basis of race, color, national origin, age, sex, or disability.

The sponsor **must** complete the verification process for all households that have been notified of their selection for verification and have been asked to submit verification information.

The sponsor **must** follow up with any household notified of their selection for verification.

Random Sampling

The sponsor **must** verify a minimum of three percent of the total number of approved applications. To calculate the minimum required sample size, multiply the total number of approved applications by .03 and round any decimals up.

Example: 100 total applications x .03 = 3 applications

Note: If the calculation results in a number that is less than one, a minimum of at least one application must be verified.

A random selection procedure must be used.

Household Notification

When a household is selected for verification and is required by the sponsor to submit documents or other forms of evidence to document eligibility, the household **must** be sent a

notice or letter informing them of their selection and the types of information acceptable to the sponsor. The notice or letter **must** include the following:

1. That the household has been selected for verification;
2. The types of acceptable information that may be provided to confirm current income, including pay stubs, award letters from welfare departments, social security, and support decrees from courts;
3. That the household **must** submit documentation of one month's income for the month prior to application, the month in which they applied or for any month after that;
4. That the household, if receiving benefits, must provide proof that a household member received benefits from SNAP, FDPIR or MFIP or in the case of an adult day care participant, is currently certified to receive SSI or Medicaid;
5. That information **must** be provided by a date as specified by the sponsor and that failure to do so will result in termination of benefits; and
6. The name and telephone number of an official designated by the sponsor who can answer questions and provide assistance.

When the sponsor uses agency records to verify eligibility, the verification selection letter is **not** required, since the household will not have to provide documents.

Verification Methods

Eligibility confirmation can be obtained from the following sources:

1. Written evidence - such as pay stubs from employer or award letters from welfare department or other governmental agencies as submitted by the household.
2. Agency Records - where confirmation of eligibility is obtained directly from a government agency.
3. Collateral contact - such as a person outside of the household who is knowledgeable about the household's circumstances and can give confirmation of a household's income or SNAP/MFIP/FDPIR status or for an adult day care participant, confirmation that they are currently receiving SSI or Medicaid benefits.

The Notice of Adverse Action

The notice must be sent to all households for whom benefits are to be reduced or terminated. The household must be given 10-calendar days advance notice of the change. The first day of the 10-day period is the day the notice is sent. The notice **must** include:

1. The change in benefits.
2. The reasons for the change.
3. That an appeal **must** be filed within the 10 day advance notice period to ensure continued benefits while awaiting a hearing and decision.
4. The instructions on how to appeal.

5. That the household may reapply for benefits at any time during the year, and
6. That SNAP/MFIP/FDPIR households or adult day care participants who reported receiving SSI or Medicaid may submit an application containing household names and income information and provide written evidence of current household income.

Benefits During Appeal of Verification Results

When a household appeals a reduction or termination of benefits within the 10-calendar-day advance notice period, the sponsor **must** continue to provide the benefits for which the participant was originally approved until a final determination is made.

When a household **does not** appeal a reduction or termination of benefits during the 10-calendar-day advance notice period, the actual reduction or termination of benefits **must** take place immediately after the 10-day advance notice period.

Record of Verification

The sponsor must keep the following information on file as a record of the verification process:

1. The total number of applications on file on October 31.
2. The number of applications verified.
3. The number of applications/households, if any that changed status as a result of verification.
4. A copy of each application selected for verification and copies of documents supplied by each household to support reported information.
5. The date verification was completed. (Note: verification should be completed by November 30).
6. Results of the verification process recorded on a summary form.

Reporting Changes via the Monthly Claim

If one or more participants change eligibility status as a result of verification, you must report your new numbers of A, B, C participants on your next monthly claim for reimbursement.

Verification Selection Letter

WE MUST CHECK YOUR APPLICATION

You must send the information we need, or contact _____ by _____, or your child(ren) will stop getting free or reduced-price meals/snacks.

Center: _____

Date: _____

Dear _____:

We are checking your Household Income Statement. Federal rules require that we do this to make sure only eligible children get free or reduced-price meals/snacks. You must send us information to prove that _____ is/are eligible.

If possible, send copies, not original papers. If you do send originals, they will be sent back to you only if you ask.

1. IF YOU WERE RECEIVING BENEFITS FROM **SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM (SNAP)**, **MINNESOTA FAMILY INVESTMENT PROGRAM (MFIP)** OR **FOOD DISTRIBUTION PROGRAM ON INDIAN RESERVATIONS (FDPIR)** WHEN YOU APPLIED FOR FREE OR REDUCED-PRICE MEALS/SNACKS, OR AT ANY TIME SINCE THEN, SEND US A COPY OF ONE OF THESE:

- SNAP or MFIP or FDPIR Certification Notice that shows dates of certification.
- Letter from SNAP or MFIP or FDPIR office that shows dates of certification.
- Do *not* send your EBT card.

2. IF THE CHILD IS A FOSTER CHILD:

Provide written documentation that verifies the child is the legal responsibility of the agency or court or provide the name and contact information for a person at the agency or court who can verify that the child is a foster child.

3. IF NO ONE IN YOUR HOUSEHOLD RECEIVES SNAP or MFIP or FDPIR benefits:

Send this page along with papers that show the amount of money your household gets from each source of income. The papers you send must show the **name** of the person who received the income, the **date** it was received, **how much** was received and **how often** it was received.

Send information to:

Acceptable papers include:

JOBS: Paycheck stub or pay envelope that shows the amount and how often pay is received; letter from employer stating gross wages and how often you are paid; or, if you work for yourself, business or farming papers, such as ledger or tax books.

SOCIAL SECURITY, PENSIONS OR RETIREMENT: Social Security retirement benefit letter, statement of benefits received or pension award notice.

UNEMPLOYMENT, DISABILITY OR WORKER'S COMP: Notice of eligibility from State employment security office, check stub or letter from the Worker's Compensation's office.

WELFARE PAYMENTS: Benefit letter from the Minnesota Family Investment Program (MFIP), Supplemental Nutrition Assistance Program (SNAP), or Food Distribution on Indian Reservations (FDPIR).

CHILD SUPPORT OR ALIMONY: Court decree, agreement or copies of checks received.

OTHER INCOME (SUCH AS RENTAL INCOME): Information that shows the amount of income received, how often it is received, and the date received.

NO INCOME: A brief note explaining how you provide food, clothing and housing for your household, and when you expect an income.

MILITARY HOUSING PRIVATIZATION INITIATIVE: Letter or rental contract showing that your housing is part of the Military Privatized Housing Initiative.

TIMEFRAME OF ACCEPTABLE INCOME DOCUMENTATION: Please submit proof of one month's income; you could use the month prior to application, the month you applied or any month after that.

If you have questions or need help, please call _____ at _____ . The call is free. _____ .

You may also e-mail us at _____ .

Sincerely,

Nondiscrimination statement: This explains what to do if you believe you have been treated unfairly.

The U.S. Department of Agriculture (USDA) prohibits discrimination against its customers, employees, and applicants for employment on the bases of race, color, national origin, age, disability, sex, gender identity, religion, reprisal, and where applicable, political beliefs, marital status, familial or parental status, sexual orientation, or all or part of an individual's income is derived from any public assistance program, or protected genetic information in employment or in any program or activity conducted or funded by the Department. (Not all prohibited bases will apply to all programs and/or employment activities.)

If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form found online at http://www.ascr.usda.gov/complaint_filing_cust.html or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax (202) 690-7442 or email at program.intake@usda.gov.

Individuals who are deaf, hard of hearing or have speech disabilities may contact USDA through the Federal Relay Service at (800) 877-8339; or (800) 845-6136 (Spanish).

USDA is an equal opportunity provider and employer.

Verification Notification Letter

WE HAVE CHECKED YOUR APPLICATION

Center: _____

Date: _____

Dear _____:

We checked the information you sent us to prove that _____ is/are eligible for free or reduced-price meals/snacks and have decided that:

- Your child(ren)'s eligibility has not changed.
- Starting _____, your child(ren)'s eligibility for meals/snacks will be changed from **reduced-price to free** because your income is within the free meal eligibility limits. Your child(ren) will receive meals/snacks at no cost.
- Starting _____, your child(ren)'s eligibility for meals/snacks will be changed from **free to reduced-price** because your income is over the limit. Reduced-price meals/snacks cost \$0.40 for lunch, \$0.30 for breakfast and \$0.15 for snack.
- Starting _____, **your child(ren) is/are no longer eligible** for free or reduced-price meals/snacks for the following reason(s):
 - Records do not show that any household member received benefits from the Supplemental Nutrition Assistance Program (SNAP), Minnesota Family Investment Program (MFIP) or Food Distribution Program on Indian Reservations (FDPIR).
 - Your income is over the limit for free or reduced-price meals/snacks.
 - You did not provide: _____
 - You did not respond to our request.

Meals cost _____ for lunch, _____ for breakfast and _____ for snack. If your household income goes down or your household size goes up, you may apply again. If you were previously denied benefits because no one in the household received SNAP, MFIP or FDPIR benefits, you may reapply based on income eligibility. If you did not provide proof of current eligibility, you will be asked to do so if you reapply.

If you disagree with this decision, you may discuss it with _____ at _____. You also have the right to a fair hearing. If you request a hearing by _____, your child(ren) will continue to receive free or reduced price meals/snacks until the decision of the hearing official is made. You may request a hearing by calling or writing to: _____.

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The U.S. Department of Agriculture (USDA) prohibits discrimination against its customers, employees, and applicants for employment on the bases of race, color, national origin, age, disability, sex, gender identity, religion, reprisal, and where applicable, political beliefs, marital status, familial or parental status, sexual orientation, or all or part of an individual's income is derived from any public assistance program, or protected genetic information in employment or in any program or activity conducted or funded by the Department. (Not all prohibited bases will apply to all programs and/or employment activities.)

If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form found online at http://www.ascr.usda.gov/complaint_filing_cust.html or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax (202) 690-7442 or email at program.intake@usda.gov.

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Verification Summary

(Verification Process to be completed by November 30)

Sponsor Name/ID Number: _____

Year: _____

Number of applications (i.e. HIS's categorized as an A or B) on file as of October 31: _____

Total number of applications selected for verification: _____

Date verification notices were sent to selected households: _____

SUMMARY OF VERIFICATION	NUMBER OF HIS's AFFECTED	NUMBER OF PARTICIPANTS AFFECTED
No Change in Status		
Category A to Category B		
Category A to Category C		
Category B to Category A		
Category B to Category C		
TOTALS		

Date the verification process was completed? _____

NOTE: Retain copies of the verified applications (HIS) along with copies of the supporting documents submitted by households.