

# Conducting the Verification Process September 2025

presented by:  
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## Learning Objectives

### Key Terms

### What is Verification?

### Important Verification Dates

### Initial Verification

- Establishing the Sample Pool
- Establishing the Sample Size

### Application Selection procedures

- Standard
- Alternate 1
- Alternate 2
- Completing the Sample Size

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## Learning Objectives

### Qualifying to Use an Alternate Sample Size

- Lowered Non-Response Rate
- Improved Non-Response Rate

### Post Selection Procedures

- Confirmation reviews
- Replacing applications

### Household Notification of Selection

- Contacting the household

### Sources For Verification

- Collateral Contacts
- Agency Records

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## Learning Objectives

### Households that Re-apply for Program Benefits

- Documentation

### Recordkeeping

- Individual Applications

### Verification for Cause

- General
- Verification for Cause for School District Employees

### Common Misunderstandings

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# Key Terms

## Direct Verification

Using records from public agencies to verify income and/or program participation.

[\(The State Agency's Direct Verification Module\)](#)

Item	Description
SFA Manager	SFA's Profile, Site and Hold Information
Potential Sponsor	Potential Sponsor
Application Packet	Applications Forms (SFA and Site)
Application Manager Dashboard	Application Management Tool
Meal Patterns Compliance Summary	Number of Menu Pattern Certifications by SFA Summary
Second Review of Applications	FNS 874 report for SFA selected to conduct a second review of applications.
Verification Report	Mandatory Annual Verification Report
Verification Summary	Mandatory Annual Verification Report (FNS-742) Summary
Food Safety Inspections	Number of Food Safety Inspections by Site
Food Safety Inspections Summary	Number of Food Safety Inspections by Site Summary
Paid Lunch Equity Tool	Paid Lunch Equity Tool
Paid Lunch Equity Tool Summary	Paid Lunch Equity Tool Summary
Financial Report	School Food Annual Revenues and Expenditures Report
FFVP Grant Checklist	Fresh Fruit and Vegetable Program Grant Information by Site Overview
FFVP Grant Allocations	Fresh Fruit and Vegetable Program Grant Allocations
FFVP Invitations and Approvals	Fresh Fruit and Vegetable Program Invitations and Approvals
FFVP Application Packet	Fresh Fruit and Vegetable Program Application Forms (SFA and Site)
Capital Expenditure Request	Request for funds to purchase capital items >= \$5,000
Site Enrollment	Site Enrollment and Eligibility
Free/Reduced Student List	Free/Reduced Student List
Community Eligibility Provision	Enrollment and Eligibility for Community Eligibility Provision
USDA Waivers	USDA Waivers available for participation
USDA Waiver Manager Dashboard	USDA Waiver Participation, Tracking, and Reporting
Download Forms	Forms Available for Downloading
Document Library	Library containing downloadable documents and urls
Direct Certification	Direct Certification List and Individual Student Lookup

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# Key Terms:

**Error Prone**

Applications within \$100 per month of the applicable Income Eligibility Guidelines.

**Random Sampling**

Each application has an equal chance of being selected.

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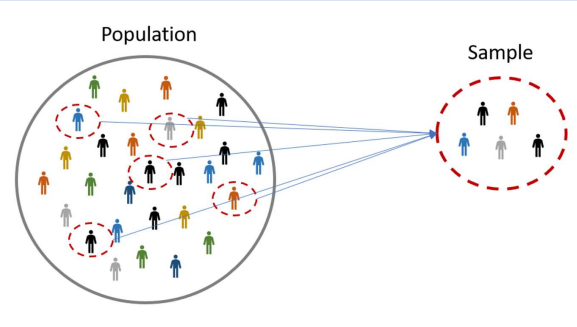
## Key Terms:

**•Sample Pool**

The total number of free and reduced applications approved as of October 2

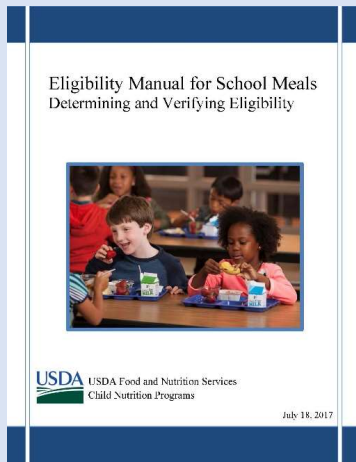
**•Sample Size**

The number of applications subject to Verification;



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## What is Verification ?



- Verification is the confirmation of eligibility for free and reduced-price meals.
- Refer to the Eligibility Manual for School Meals, July 2017 section 6, pages 96-115
- Not for denied applications

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## What Must Verification include?

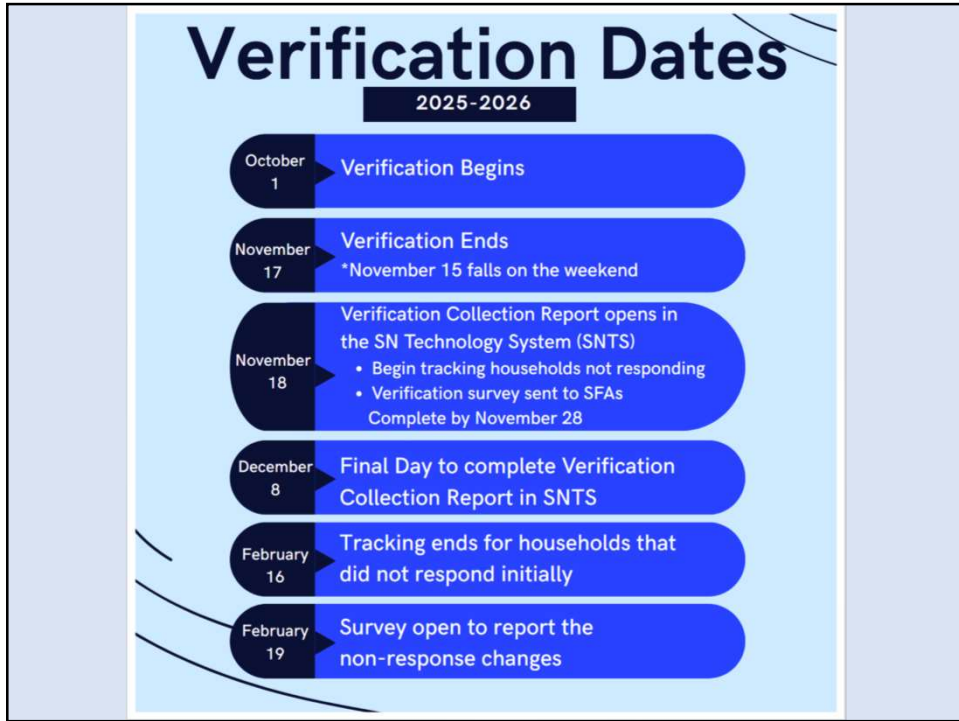
- Confirmation of either income eligibility **OR**
- The child or any member of the household is receiving assistance under FNS, FDPIR, or TANF/Work First Cash Assistance **OR**
- The child is Other Source Categorically Eligible.

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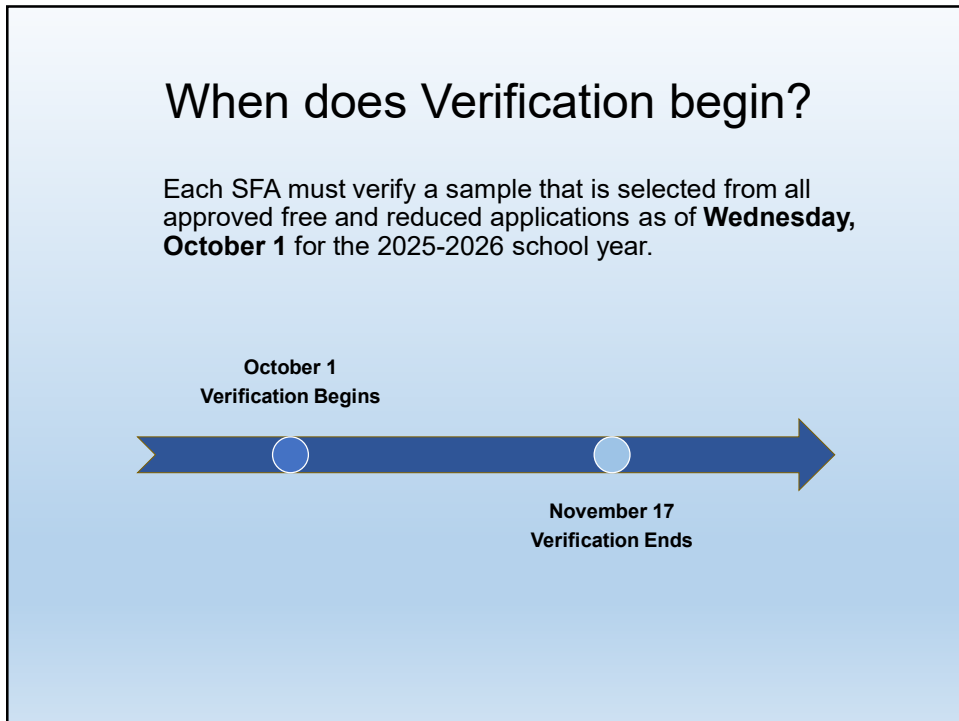
## When is Verification not required?

- Children certified under Direct Certification
- Children in RCCIs
  - Does not include day students
- Special Milk Program (SMP) Sponsors
- School with non-pricing programs
- 100% Community Eligibility Provision
- Other FNS determined exemptions

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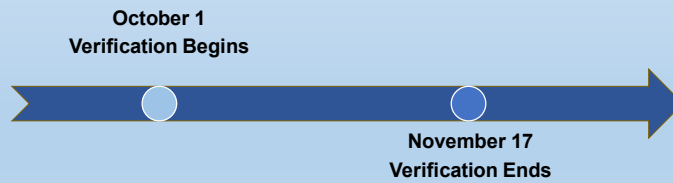


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## When does Verification end?

Verification of the selected applications must be completed by **Monday, November 17, 2025**

*(If the SFA knows in advance the deadline cannot be met, a written request for an extension must be made to the SA).*

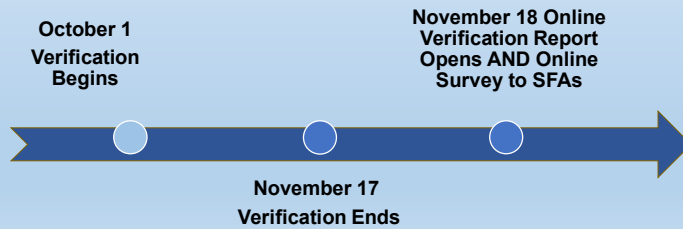


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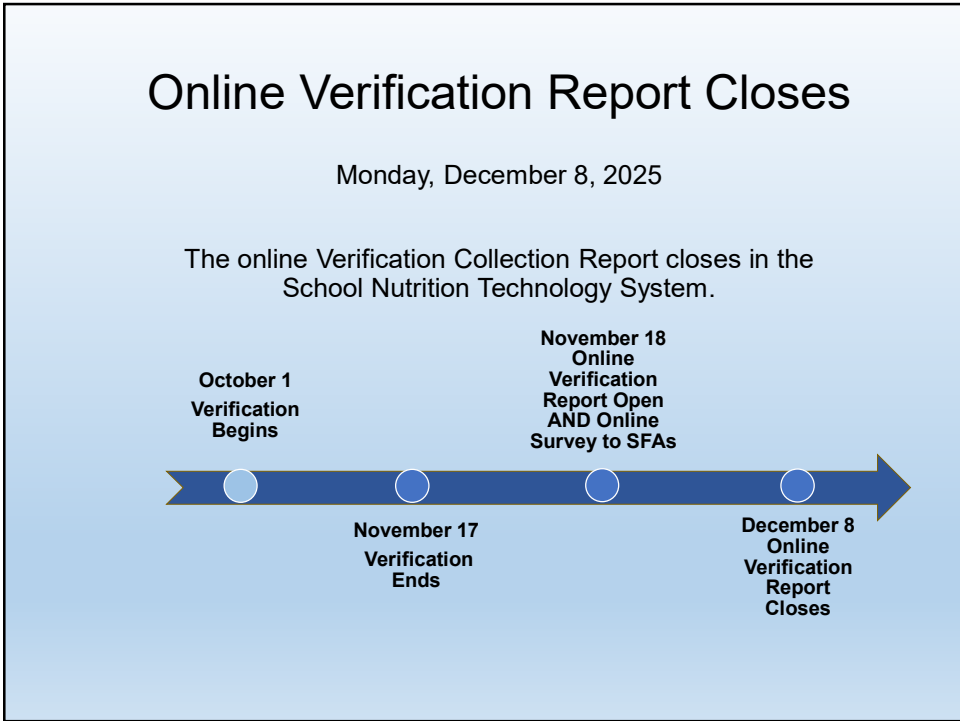
## Online Verification Report Opens

Tuesday, November 18, 2025

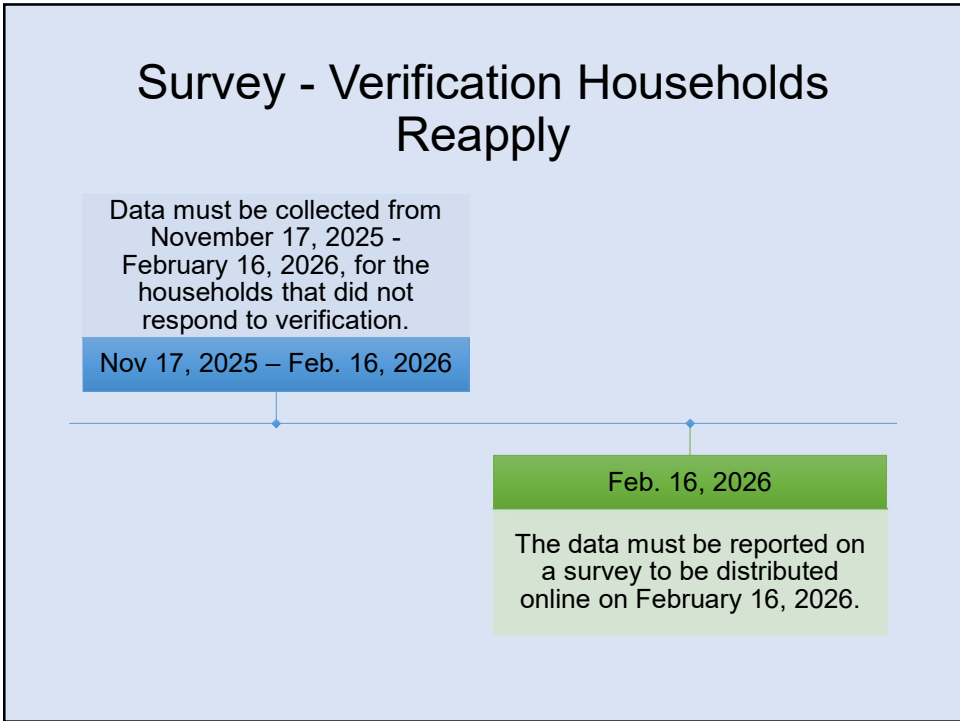
- The online Verification Report opens in the School Nutrition Technology System **AND**
- Online survey - the SFA must report to the State Agency that verification activities



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## How do I establish the Sample Pool?

- Total number of approved applications on file as of October 1 of the current school year.
- The sample pool depends on the number of applications (paper or electronic)
- Mixed Household applications



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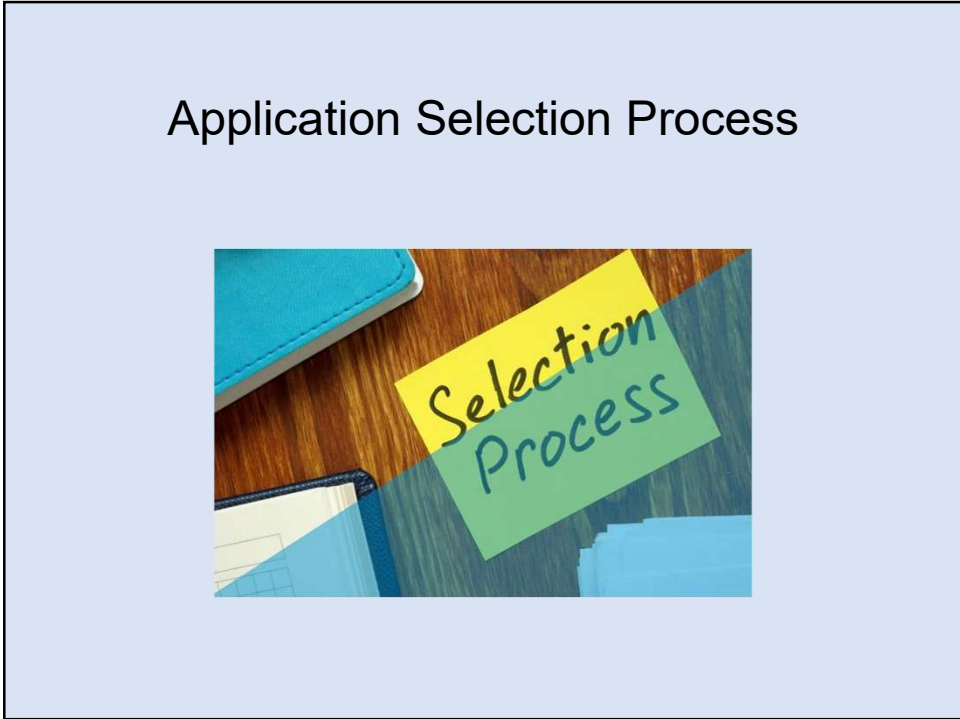
## How do I establish the Sample Size?

The SFA calculates the sample size (number of applications to be verified)—ALWAYS ROUND UP

You must verify at least one application.


NEVER verify 100% of the applications!

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## What Verification Method should I use?



The **State Agency (SA)** provided each School Food Authority (SFA) with the Verification Method they should use for SY 23- 24.

The SFA used this information to complete the electronic application (Question #54)

52. Is the Verification Process completed at the Central Office?

53. Will the NCDPI Direct Verification automated system be used?

54. Which Verification Method will be utilized? Alternate Two

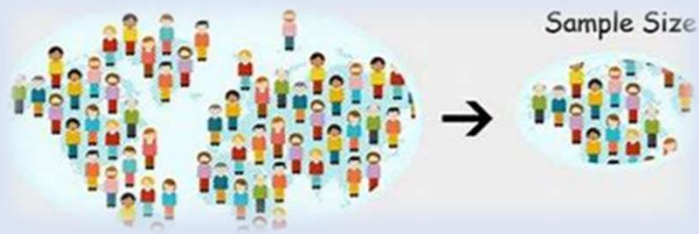
55. Will the prototype Verification Plan provided by the NCDPI be used?

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## How To Determine Sample Size

### Three Methods:

- ⦿ Standard
- ⦿ Alternate One
- ⦿ Alternate Two



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## Standard Sample Size

### Verify the lesser of:

**3%** of all applications approved as of October 2 selected from error prone for the school year **OR**

3,000 error prone approved applications as of October 3 for the school year.



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## Example # 1 for Standard

Example:

- $3\% \times 245 = 7.35$
- # to verify = 8



245 APPROVED  
FREE AND  
REDUCED  
APPLICATIONS  
ON FILE



50 APPLICATIONS  
**(ERROR PRONE)**



YOU WOULD  
SELECT 8  
APPLICATIONS  
RANDOMLY  
FROM THE 50  
**ERROR PRONE**  
APPLICATIONS.

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## Example # 2 for Standard

- 135 approved free and reduced applications on file
- 3 applications make up the Error Prone Sample


Example:

$$3\% \times 135 = 4.05$$

# to verify = 5



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## Alternate One Sample

Verify the lesser of:

- 3% of all approved applications selected at random as of October 1

OR

- 3,000 applications selected at random from all the applications approved as of October 1

**3% or 3,000**

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## Example of Alternate One

2001 approved free and reduced applications on file

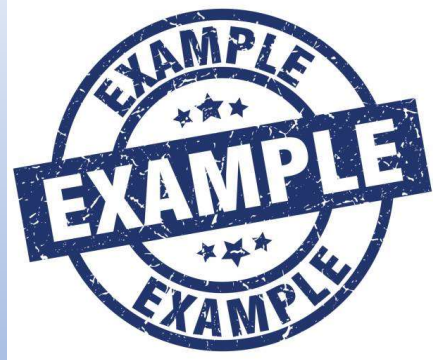
Example:  
 $3\% \times 2005 = 60.15$

# to verify = 61

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## Example of Alternate Two

- The lesser of the sum of:  
1000 applications approved as of October 1
- OR
- 1% all applications approved as of October 1
- PLUS
- The lesser of 500 or .5% of all applications approved as of October 1 that provided a case number



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## Example of Alternate Two

1500 Approved Free and Reduced Applications (on file)	102 Applications are approved using case number
1% of 1500 = 15 applications	.5% of 102 applications = .51 applications
15 applications	1 application
**Select applications from error prone applications**	**Select application randomly from the approved case number applications**
<b>15 applications + 1 application = 16 applications to VERIFY</b>	

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## How Do I Complete the Sample Size?



- Error prone applications? Select applications at random from all approved applications including income and case numbers.
- If the number of error prone applications exceed the amount required, then randomly select the sample size from the error prone applications.

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## How do I qualify for an Alternate Sample Size?



### Lowered Non-Response Rate



An SFA may choose an alternate sample size method when the non-response rate for the previous year is less than 20%



### Improved Non-Response Rate



An SFA (20,000+ children) may choose an alternate sample size method if their non-response rate for Year 2 is 10% below the non-response rate for the Year 1.

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## How do I qualify for an Alternate Sample Size?

- From Year 1 to Year 2
- Must improve non-response by 10%

YEAR 1	YEAR 2
21,000 Children (6,000 Applications)	21,000 Children (6,000 Applications)
180 Applications Verified (3% X 6,000)	180 Applications (3% X 6,000)
180 Applications – 45 Households did not respond	180 Applications - 40 Households did not respond
Non-Response Rate = 25%	Non-Response Rate = 22.2%

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## Before you contact the household...

### Post Selection Procedures

#1 Required Confirmation Reviews

# 2 Optional Replacement of certain applications



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## Required Confirmation Reviews

1

Confirming Official  
must confirm

2

Determine that  
the eligibility  
status of  
application was  
approved  
correctly.

3

This person must  
initial or sign the  
selected  
application(s)  
prior to mailing  
letter to the  
household.

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## 2<sup>nd</sup> Review of Applications

All SFAs are conducting the 2<sup>nd</sup> review of  
applications  
(ensure the signature is in place).

Look one last time at the application to  
ensure the eligibility determination is  
correct!



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# Replacing Applications

After completing the confirmation review, the SFA may on a case-by-case basis replace up to 5% of the applications selected.



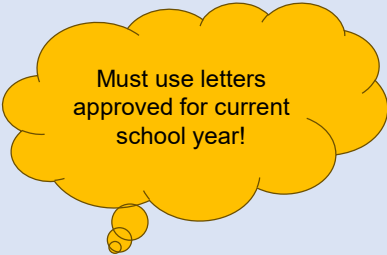
Example: 60 applications approved replace up to 5% = 3

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# Verification Selection Letter

The letter must include the following:

- Household was selected for verification;
- Types of acceptable current income documentation
- Proof of benefits
- Date information is required
- Name of SFA official who can answer questions
- No-cost telephone number



**WE MUST CHECK YOUR APPLICATION**

You must send the information we need, or contact [name] by [date], or your children will stop getting free or reduced-price meals.

School \_\_\_\_\_ Date \_\_\_\_\_

Dear \_\_\_\_\_

We are checking your Free and Reduced-Price School Meals Application. Federal rules require that we do this to make sure only eligible children get free or reduced-price meals. You must send us information to prove that [name(s) of children]([date]) 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** [Food and Nutrition Services (formerly the Food Stamp Program), OR Work First Cash Assistance (formerly Temporary Assistance for Needy Families or TANF)] **WHEN YOU APPLIED FOR FREE OR REDUCED-PRICE MEALS, SEND US A COPY OF ONE OF THESE:**

- Food and Nutrition Services (formerly Temporary Assistance for Needy Families or TANF) Certification Notice that shows dates of certification
- Letter from [agency name] (formerly the Food Stamp Program or Work First Cash Assistance), showing the dates of certification
- Do not send your original documents.

**2. IF YOU GET THIS LETTER** [HOMELESS, MIGRANT, OR RUNAWAY CHILD, PLEASE CONTACT [SCHOOL, HOME, OR] LIAISON, OR MIGRANT COORDINATOR NAME, EMAIL ADDRESS, PHONE NUMBER] FOR HELP.

**3. 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.

**4. IF NO ONE IN YOUR HOUSEHOLD RECEIVES** Food and Nutrition Services (FNS, formerly the Food Stamp Program) or Work First Cash Assistance (formerly TANF) or FOPR 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: [address]

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# Sources of Verification

- Written evidence required
- Primary Source of Verification is most often pay stubs, award letters from welfare departments or governmental agencies
- Acceptable written evidence for income eligible households
- Name of household member
- Amount of income received
- Frequency received
- Date received

EMPLOYEE NAME / ADDRESS		SSN	REPORTING PERIOD	PAY DATE		Employee #
Sample Company Name Sample Company Address		XXX-XX-1234	02/07/2018 - 02/13/2018	02/14/2018		7859
INCOME	RATE	HOURS	CURRENT PAY	DEDUCTIONS	TOTAL	YTD TOTAL
GROSS EARNINGS	\$20	40	\$800.00	STATUTORY DEDUCTIONS		
				FICA-MEDICARE	\$11.60	\$81.20
				FICA SOCIAL SECURITY	\$49.60	\$347.20
				FEDERAL TAX	\$108.10	\$756.70
				STATE TAX	\$40.00	\$280.00
YTD GROSS	YTD DEDUCTIONS	YTD NET PAY	TOTAL	DEDUCTIONS	NET PAY	
\$5,600.00	\$1,485.10	\$4,114.90	\$800.00	\$299.30	\$590.70	



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# Proof of Income Letter

Acceptable written documentation for Assistance Programs and Other Source Categorical is an official letter from the program.

**PROOF OF INCOME LETTER**  
AGENCY LETTERHEAD

Date: \_\_\_\_\_

**RE: VERIFICATION OF SALARY**

To: TFC (The Foster's Group)

This letter is to inform you that \_\_\_\_\_  
ID: \_\_\_\_\_ This letter was prepared by TFC  
Date: \_\_\_\_\_

The employee's current position is \_\_\_\_\_  
and his/her current salary or wage is \$ \_\_\_\_\_ per month (before any salary, allowances, travel cost, overtime).

His/her gross salary for the last 3 months has been:

01/2018	\$ _____
02/2018	\$ _____
03/2018	\$ _____

If you have any questions or need help or information, please contact me on the date's below.

Sincerely,

\_\_\_\_\_  
Employee Number: \_\_\_\_\_

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## Collateral Contacts

A person who is outside of the household

- The household's circumstances or confirmation of a households' income

Agencies, and Religious or Civic Organizations

Collateral contacts should only be contacted when the household is unable to provide information.

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## Agency Records

A household's eligibility may be confirmed through the use of information maintained by other government agencies to which the State agency, SFA, or school has legal access.

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## Acceptable timeframe



- Acceptable documentation of income or receipt of assistance from any of the stated sources
- Provided for any point in time between the month prior to application and the time the household is required to provide income documentation.

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### When a Household Provides Pay Stubs

- If the household is paid weekly, one pay stub is sufficient
- If the pay stub includes overtime, the determining official should work with the household to determine whether the overtime is received in other pay periods.

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## No Income

-  Zero income?
-  How are living expenses met?
-  May request additional written documentation or collateral contacts.




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## Direct Verification



Direct Verification (DV) is using records from public agencies to verify income or program participation.



In North Carolina, the DV process is in the DCV system



Conducted prior to sending out verification selection letters to the household

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## When is Verification considered complete for DV Applications?

Application Selected for Verification	What do we do now?
Original Determination – Free meal benefits In DV System – Free meal benefits  Exact match (free application/free in DV)	Verification is complete
Original Determination – Reduced benefits In DV System – Free benefits	Verification is complete once the status letter is sent to household within three days.
Original Determination – Free meal benefits In DV System – Reduced meal benefits	Verification must be completed through regular verification activities

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## CONTINUING THE VERIFICATION PROCESS



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## Follow Up Required? Yes!

### The SFA must make a follow-up attempt:

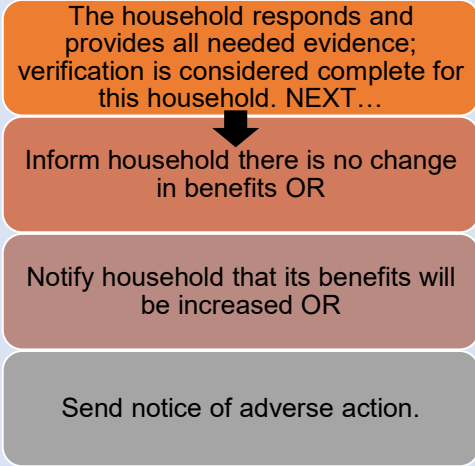
- √ No response from household
- √ Insufficient evidence from household
- √ No designated collateral contacts or
- √ Collateral contacts unable or unwilling to provide requested information



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## Follow Up Attempt:



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## When is Verification considered complete?

Demonstration of Completion	Follow Up Action, If Required
The household submits adequate evidence of income or categorical eligibility	Verification is complete
The household submits adequate evidence of income which indicates that the child(ren) should receive a greater or lesser level of benefits	Verification is complete when the adverse action is sent OR the household is notified that its benefits will be increased or decreased
Demonstration of Completion	Follow Up Action, If Required
The household indicates that it no longer wishes to receive free or reduced price meals	Verification is complete when the notice of adverse action is sent
The application provides case numbers and it is determined that no household member is receiving benefits from an Assistance Program	Verification is complete when the notice of adverse action is sent

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## Effective Time of the Change



**HIGHER BENEFITS** Effective immediately and implemented no later than **THREE** operating days and household is notified.




**LOWER BENEFITS - TEN** calendar days adverse action notice

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## Notice of Adverse Action

The first day of the advance notice period is the day the notice is sent. The notice must advise the household of the following:

- Change in benefits
- Reasons for the change
- How to appeal
- Option to reapply for benefits



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## Households that Reapply for Program Benefits



Households with a reduction or termination in benefits may reapply during the school year.

(NOTICE: These are not considered new applications...but the original application not verified by November 15 is null.)

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## Recordkeeping

The SFA should maintain:

- The Verification Plan
- The approved Verification Selection Method
- The Verification Sample Pool & Size
- Documentation of Replaced Files
- The Confirmation or copies of applications
- Second attempts made
- Results letter



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## Individual Applications Recordkeeping

For each application verified the SFA must retain either:

- Copies of all relevant correspondence between the households selected for verification and the SFA.

One of the following for all documentation used to verify eligibility:



- All documents submitted by the household or reproductions of those documents; or
- In cases where the actual documents or photocopies cannot be kept, the verifying official must make a written record of the documents

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## Individual Applications Recordkeeping

- Document the reason for the change, the date the household was notified, if necessary, and the date it became effective; and
- If applicable, records of follow-up attempts and results. LEAs should also record:
  - Any additional information necessary to show the efforts made by the LEA to meet the verification requirements;
  - Title and signature of the verifying official; and
  - Criteria for replacing applications for verification.



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## What is Verification for Cause?



The SFA has an obligation to verify all questionable applications which is known as **Verification for cause**.



Once the verification information is requested the verification process must be completed.

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## Verification Collection Report (FNS 742)

Students directly certified as Medicaid Free must be included in reporting

Student data cannot include the Medicaid Reduced students

Section 3 - Include the number of students directly certified with Medicaid for Free meals (along with other direct certifications).

Section 4 must only include counts of students certified for Free and Reduced via an application.

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## Verification Collection Report (FNS 742)

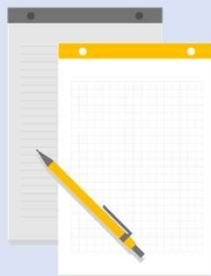
“Verification for cause” must be recorded on the Verification Report in the School Nutrition Technology System (SNTS).

\*DO NOT add to the number in the verification sample size.

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## Special Cases - School District Employees

- SFAs can conduct verification for cause when known or available information indicates school district employees may have misrepresented their incomes.
- USDA recommends consultation with the SFA's legal counsel to address integrity concerns



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## Common Misunderstandings



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## Common Misunderstandings

1. The verification process did not begin or end on time (October 1, November 17)
2. SFA uses the incorrect verification method.
3. SFA does not understand the sample size
4. The software did not select the correct number of applications for the sample size.
5. Verification software is not compliant.
6. The sample size was not rounded up therefore there are not enough applications verified



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## Common Misunderstandings

The confirmation process did not take place

An application was pulled for Directly Certified student.

Only one attempt made to collect the verification information.

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## Common Misunderstandings

- Documentation was not maintained for the second attempt.
- A student withdraws during the verification process the process cannot be completed
- Households that reapply must provide another application with current income or proof of FNS.

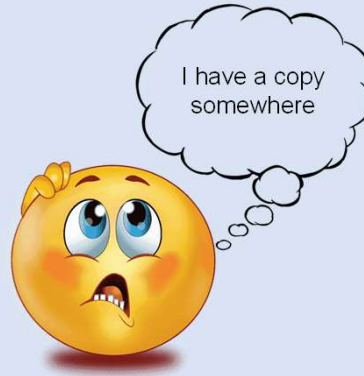


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## Common Misunderstandings

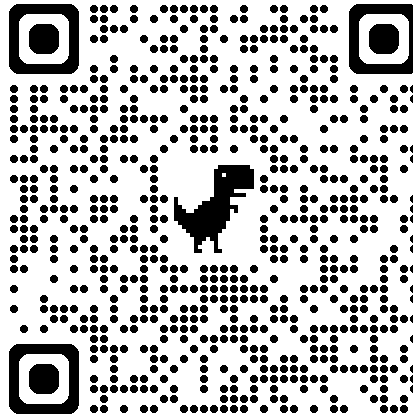
Proper and accurate record keeping is not available  
(i.e. selection letters are not in the verification file)



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## How did we do? Share your feedback!

1. Open camera app on phone or device
2. Point camera at QR code to the right → (and hold still!)
3. Tap on URL that appears on screen
4. Complete survey that opens in your device's web browser
5. Make sure to hit "Submit" at the end!



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**Thank you for participating in the  
Verification Webinar.**

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<p>Questions?</p> <p>Contact your Service Area Consultant</p> <p>or</p> <p>Dana Edwards Program Analyst <a href="mailto:dana.Edwards@dpi.nc.gov">dana.Edwards@dpi.nc.gov</a></p>	A row of seven blue coffee mugs arranged in a slightly curved line on a light blue background. Each mug is filled with a dark liquid, likely coffee, and has a shadow cast to its right.
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