

**Before beginning the verification process** you need to download the latest Direct Certification Quarterly Update and process it using LA-08 [Direct Certification Menu]. See our website's support page for those instructions which is located at <http://www.systemsdesignusa.com/SDsite/manuals/manuals.html> The file named: [Direct Certification Update](#)

After processing the Direct Certification Quarterly Update you should also process the DIRECT CERT BY ASSOCIATION (LA-08-14).

**Before** starting the Audit Verification process, you should verify that all students have the appropriate status in their records. You may check for errors by running LA-19 (Rocket Scan customers use LA-15-03) APPL/STUDENT STATUS MISMATCHES and correcting any errors that are noted. *If you make changes to the student master we recommend you run LA-19 again to verify that **all** student changes have been properly applied.* **NOTE:** Due to the Audit Verification process being started BEFORE the end of the 30-day Benefit Carryover period that those students who are not included on a Current Application will be included in this report since that have a status of F or R and do not have an associated application.

The Lunch Applications Program accommodates the verification of Family Applications for the USDA Free and Reduced Lunch Program. The rules provide for a sample audit to verify accuracy of selected applications for the current school year.

The Lunch Application program allows the Food Service Department to:

- Select a randomized group of applications for auditing.
- Print letters for those families whose application was selected requesting the supporting documents
- Print additional letters for those families who haven't responded to the initial request for documentation
- Record the results of the verification audit on the application
- Print audit result letters to the families advising them of their status as a result of the audit
- Print a report of the results of the application
- Print a report of the application totals
- Print a report of the application totals for a previous date

***The District is responsible for using the correct verification method Unless you receive a letter from the State directing you to use one of the other methods you will use the Basic (Focused) method. (Alternate Method 1 (Random) or Alternate Method 2 (Focused)) based upon Non-Response Rate from last year.*** Most districts will be using the Basic (Focused) Verification Method. If you are unsure of which method to use, contact your ESC or TDA representative for guidance.

To accomplish these tasks, the Lunch Application program administrator will execute certain operations which are explained here in this document. All of these options, except the recording of the results, are selected from the same menu.

From the Master Menu select LA (LUNCH APPLICATION MENU) and then select 09 (AUDIT VERIFICATION MENU) and the AUDIT VERIFICATION MENU displays:

## AUDIT VERIFICATION MENU

01 = ALT. METHOD 1 (RANDOM)                      13 = **BASIC & ALT. METHOD 2 (FOCUSED)**  
02 = ALT. METHOD 1 LETTERS                    14 = **BASIC & ALT. METHOD 2 LETTERS**

05 = PRINT AUDIT LETTER-INDIVIDUALS        17 = PRINT ADVERSE ACTION LETTERS  
06 = APPLICATION TOTALS REPORT            18 = VERIFICATION RESULTS REPORT  
07 = APPL/ARCHIVED STUD F/R COUNTS       19 = VERIFICATION TOTALS FORM

23 = REPRINT VERIFICATION REPT/FORM

<ESC> = RETURN TO PREVIOUS MENU

ENTER MENU OPTION-[            ]

### **REMINDER:**

You will need to determine which form of Audit applies to you: Alternate Method 1 (Random) or Alternate Method 2 (Focused). If you cannot determine the type of Audit to perform, contact your Regional ESC Representative for help.

### **Alternate Method 1 (Random) Selection**

Options LA-09-01 and LA-09-02 will be expanded later.

### **Basic & Alternate Method 2 (Focused) Audit Selection**

This process should be run on the morning of October 1 BEFORE processing any new applications.

**NOTE: We recommended that NO applications be processed on the day of Audit Selection.** If applications are processed on the same day it will cause variations in the numbers you report when you record your Audit Results.

Option LA-09-13 (Alternate Method 2 (Focused)) provides for the selection of the applications to be audited and a report. After selecting this option you will be prompted for the **Printer #** for the selection results report. The screen displays:

R E A D    T H I S    C A R E F U L L Y

BEFORE running this process, please  
visit Systems Design support page at  
<http://www.SystemsDesignUSA.com>, go to  
the Support page and check for updates  
to this process.

HAVE YOU CHECKED FOR UPDATES?(Y/N) \*

This step reminds you to check the support page for any new notices or changes. Please do not fail to do this or your audit may not produce accurate results. If you answer **N** you will be returned to the menu; otherwise if you have checked the website and your system is ready to initiate the Audit Verification Process type **Y**.

You will be prompted **ALL OK? (Y/N) - [\*]** to confirm that you want to begin the Audit Verification Process. Type **Y** to begin or type **N** to exit.

If this is your first time to run this process there will be a delay while all of the work fields are cleared for the year.

The system prompts you for the starting date and ending date of Free and Reduced Applications to be considered for the audit:

```
10/01/10          BASIC OR FOCUSED AUDIT SELECTION          LAM210--32

ENTER DISTRICT NUMBER-[01]   Systems Design
      A U D I T   F O R   A P P L I C A T I O N S   B E T W E E N
      START DATE: 07/01/2010          STOP DATE: 10/01/2010
```

For **START DATE**: you will need to type **070110**.

For **STOP DATE**: you will need to type **100110**.

The system prompts:

```
ENTER PERCENT TO VERIFY-[*****%] OF INCOME BASED APPLICATIONS
```

To select 3% you will type **3** and press **[ENTER]**.

The system prompts:

```
ENTER PERCENT TO VERIFY-[*****%] OF SNAP/TANF
Enter 0 If You Are Doing Error Prone
```

Type **0** and press **[ENTER]**.

You will be prompted:

```
INCLUDE TEMPORARIES (Y/N) ?-[*]
```

Type **Y** so Temporary Approved (zero income) applications will be included in the selection process.

You will be prompted:

```
INCLUDE FOSTER CHILDREN (Y/N) ?-[*]
```

Type **Y** so Foster Children applications will be included in the selection process.

The system automatically fills in the next option:

```
INCLUDE CATEGORICALLY FREE (Y/N) ?-[N]
```

You will be asked to confirm your selections:

```
ALL OK? (Y/N) -[_]
```

Type **Y** if your selections are correct, otherwise type **N** to re-enter your selections. Type **C** to cancel this process and exit the program.

The system will display counts as the applications are selected.

```
PROCESSING RECORDS FROM LUNCH APPL MASTER:
      FAMILY CODE:

      # RECORDS READ:          4    0000004
      # RECORDS QUALIFIED:00003    00003
      # RECORDS MARKED:    000000+          000000+
                                  MAYBES^
0003          000001+
```

When the process is finished you will be asked to enter the Audit Date:

```
ENTER AUDIT DATE -- [***** ]
```

You may enter the current date **100110**.

The system will print at least two pages of report. IT IS IMPORTANT TO KEEP THESE PAPERS as they contain the result of the Audit Selection Process.

The report will list Non SNAP/Non TANF Applications information followed by the SNAP/TANF Applications information count and Students count. At the end of the report is a recap showing various Application and Student counts as a result of the selection process. The report will print listing the Applications selected for Auditing.

## **Audit Letters**

Option LA-09-14 (BASIC & ALT. METHOD 2 LETTERS) provides for printing letters to those families whose application has been selected for audit. This option is also used to print the second and Final Notice letters for those districts who desire to send additional letters.

After selecting this option you will be prompted for the printer # where the letters are to print.

The system prompts for what letters are to be printed:

1. PRINT ALL
2. PRINT LETTER FOR SELECT APPLICATIONS
9. EXIT

```
ENTER SELECTION - *
```

Type **1** to print letters for All selected applications, type **2** to print letters for user specified applications.

You will be prompted to enter the **LETTER RUN DATE** for the letters. This is the date to be printed on the letter. If you press ENTER then today's date will be used. You can future date letters if you want to include lead-time to prepare them for mailing. The **REQUIRED RETURN DATE** is the date the applicant is to respond by. The **FIRST, SECOND OR FINAL NOTICE** prompt allows you to include the desired phrase on your letters. Enter 1 for FIRST NOTICE, 2 for SECOND NOTICE or 3 for FINAL NOTICE. If you press ENTER then 1 (FIRST NOTICE) will be used. The **HEAR FROM DATE** is the date the client will have heard from you if there was adverse action. You will be prompted to confirm your selections. The letters will be generated.

If you had selected PRINT LETTER FOR SELECT APPLICATIONS the following screen displays.

```
ENTER THE FAMILY CODE: [*****]
```

```
ENTER THE STUDENT ID: [      ]
```

You may enter the Family Code for any letter you wish to reprint. If you want to specify a Student ID, press [ENTER] at the ENTER THE FAMILY CODE: prompt and enter the Student ID of any of the students on an application. You may also type ? and press [ENTER] to do a student lookup.

Information displays about any Family Code or Student ID you have entered and the cursor will return to ENTER THE FAMILY CODE so you may select more letters to print. When you have finished selecting all the letters to reprint, press [ENTER] at both ENTER THE FAMILY CODE and ENTER THE STUDENT ID. The selected letters will print.

## **Audit Letters-Individuals**

Option LA-09-05 (PRINT AUDIT LETTER-INDIVIDUALS) provides for printing letters for user specified families whose application has been selected for audit. This option can be used to print letters for specific applications.

After selecting this option you will be prompted for the printer # where the letters are to print.

You will be prompted to enter the **FAMILY CODE** or **STUDENT ID** of an application to select for printing. If you know the Family Code then enter the code otherwise press ENTER and you will be prompted for a **STUDENT ID**. If you know the Student ID enter it otherwise you may press "?" and ENTER to use the student lookup screen. When an application is found that matches the information you entered, the **APPLICATION #** will display on the screen. You may continue to enter more Family Codes or Student IDs for additional letters. During the entry of IDs if you select a family or student that does not have Free or Reduced status the system will display a message to that effect and you will need to press ENTER to continue entry. When all IDs have been entered press ENTER at both **FAMILY CODE** and **STUDENT ID** fields.

You will be prompted to enter the **LETTER RUN DATE** for the Non-SNAP/Non-TANF letters. This is the date to be printed on the letter. If you press ENTER then today's date will be used. You can future date letters if you want to include lead-time to prepare them for mailing. The **REQUIRED RETURN DATE** is the date the applicant is to respond by. The **FIRST, SECOND OR FINAL NOTICE** prompt allows you to include the desired phrase on your letters. Enter 1 for FIRST NOTICE, 2 for SECOND NOTICE or 3 for FINAL NOTICE. If you press ENTER then 1 (FIRST NOTICE) will be used. The **HEAR FROM DATE** is the date the client will have heard from you if there was adverse action. You will be prompted to confirm your selections. The letters will be generated.

## **Verify Lunch Deny Grace Period**

To verify the setting of your system's Lunch Grace Period you will need to be at the Main Menu.

1. Type SM for SYSTEM MAINTENANCE
2. Type 08 for SYSTEM PARAMETER FILE MAINT.
3. Type 01 at the **ENTER DISTRICT NUMBER** prompt. A menu displays.
4. Type 02 to select the DISTRICT RECORD.
5. Type 01 for this **ENTER DISTRICT NUMBER** prompt.
6. Your system's District record displays.
7. Examine Field 09 - LUNCH DENY GRACE.

The value will usually be set to 10 or the number of days your District allows for the grace period for adverse action to a Lunch Application. If this field is blank it will use 0 for the Grace Period days meaning that negative actions take effect immediately and this will possibly cause your Daily Reports to indicate excess Free or Reduced meals being served.

**NOTE:** You *MUST* set this value to 10 *BEFORE* recording verification results. We suggest that you leave it set to zero until the end of the 30-Day Carryover Benefit. **Care will need to be exercised for any NEW applications received once this value has been set.** It will most likely require manual adjustment of the effective dates if a result is negative.

8. Change the field if necessary.
9. Type Y at the **ALL OK?** prompt to store the record.
10. Type 99 for this **ENTER DISTRICT NUMBER** prompt.
11. Type MM at the **ENTER MENU OPTION** prompt to return to the main menu.

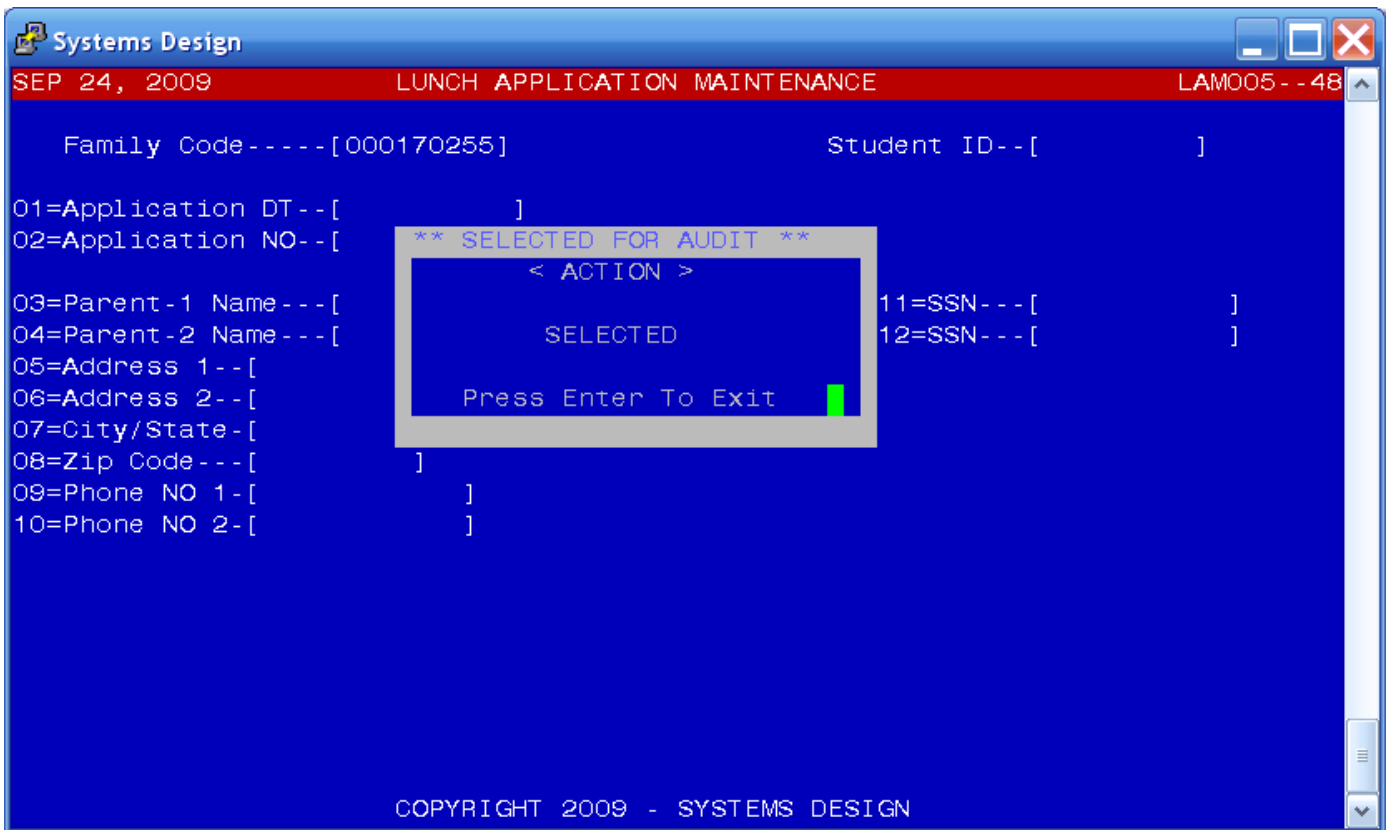
## **Recording Verification Results**

**BEFORE** proceeding, **verify** that your system's LUNCH DENY GRACE PERIOD is **properly set to 10**. See above section to perform that function. If it is not set properly, the effective date will calculate improperly.

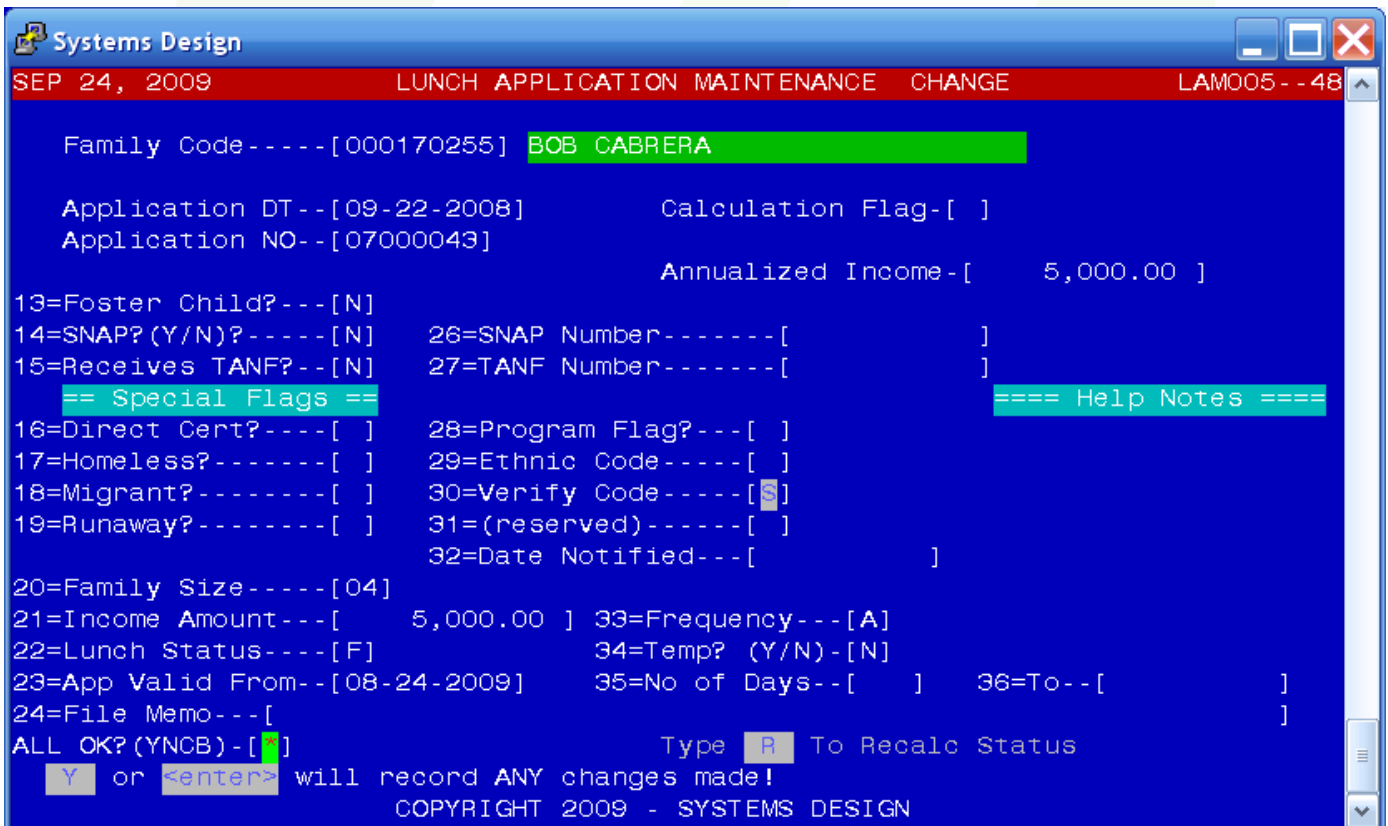
Option LA-01 (LUNCH APPLICATION MAINTENANCE) allows the recording of the verification results.

This description assumes the operator is already familiar with Lunch Application Maintenance.

In LUNCH APPLICATION MAINTENANCE call up the application and if the application has been selected for audit, a window displays the current status of the audit verification process (SELECTED, ADVERSE or VERIFIED.) Press ENTER to continue.



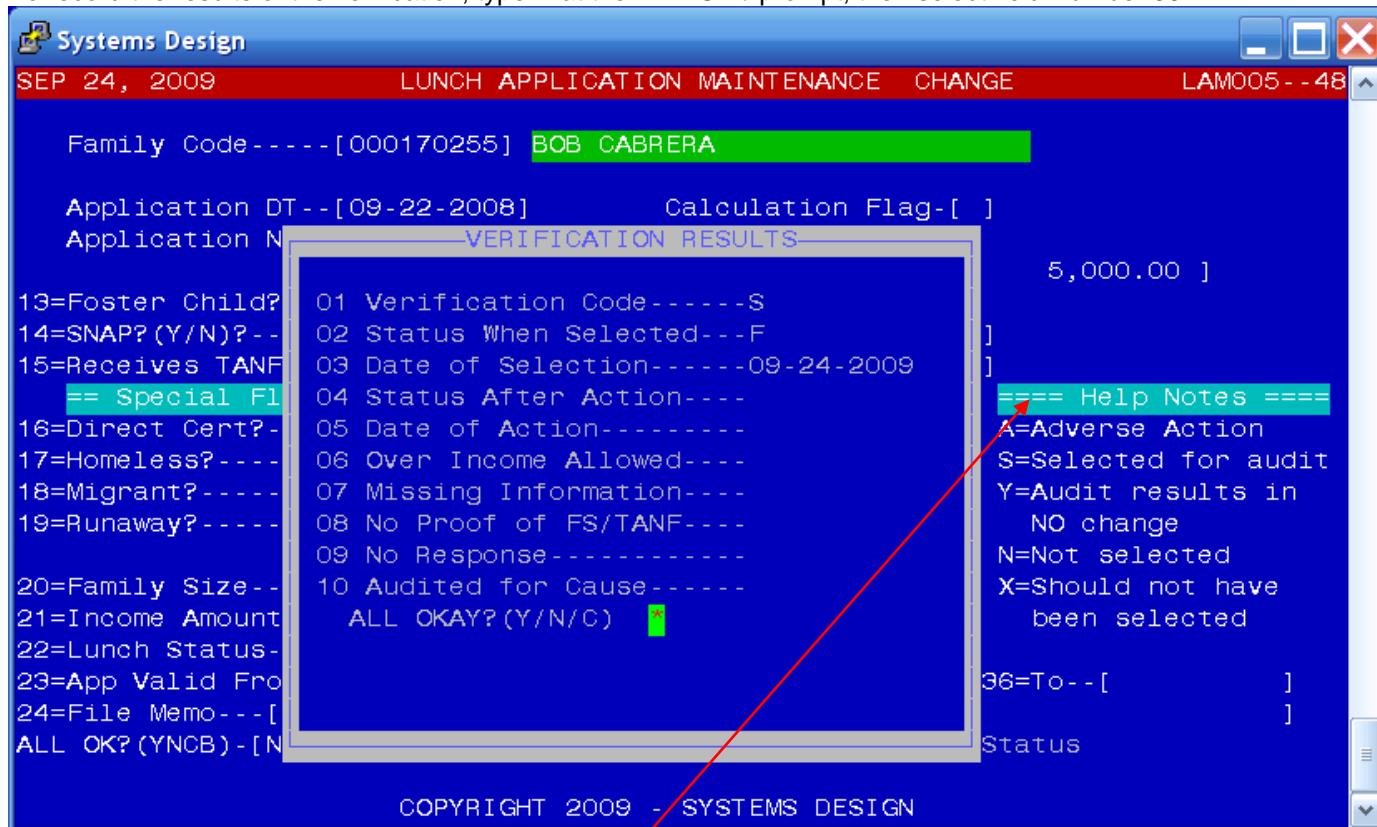
You may press Y or ENTER at the **ALL OK?** prompt to proceed to the second screen.



Record any changes based on the results that the applicant provided, such as updating the household size or income amounts [Remember to use the ? option on Filed 21 to record individual Income and Frequency amounts.]

Remember to Recalculate the Status after making any changes to the data on this screen. The Verification Results Window may pop-up after the Recalculation. You may press Y to make it go away so you may see the underlying screen and review the recalculated Lunch Status [Field 22].

To record the results of the verification, type N at the **ALL OK?** prompt, then select field Number 30.



To make a change to any field, type N at the **ALL OKAY?** prompt. You will then be prompted **WHICH?** where you may specify the field number to be changed.

You will ALWAYS update Field Numbers 01, 04 and 05 with the result of the verification. Additionally if the audit ended with an Adverse Action, then you will also need to indicate the reason by placing a **Y** in one of Fields 06 – 09.

**Field Number 01 [Verification Code].** You will notice the various Codes that are allowed are listed to the right of the pop-up windows in the Help Notes. Normally there will only be three of the codes used. **S** indicates the application was selected for audit. **A** indicates verification that resulted in adverse action with a lowering or loss of benefits. **Y** indicates verification that resulted in no negative result [the benefit stayed the same or was increased, i.e. Reduced to Free].

**Field Number 04 [Status After Action].** Record the Lunch Status that resulted after you verified the applicant's data.

**Field Number 05 [Date of Action].** Record the date you verified the applicant's data.

**Field Number 06-09 [Reason for Adverse Action].** If there was an adverse action put a **Y** on the appropriate line.

If an application went from Free to Reduced you would mark line 06 [Over Income Allowed] since they exceeded the limit for the Free benefit.

If a parent called and asked to be removed from the program as a result of being asked to provide the required documents we understand you may mark it as Missing Information since the parent did respond to your request.

**Field Number 10 [Audited for Cause].** This field is used to mark applications that you have manually added to be audited for cause.

When you have finished making changes, type Y at the **ALL OK?** prompt at the bottom of the screen. Make any necessary changes on the Student screen and keep the changes.

**IMPORTANT:** If your result is a **No Response**, you must manually update Fields 22 and 23. Set Field 22 to **D** for Denied and keep the application then call it back up and change Field 23 to Today's date [this Denied result is immediate since the applicant received their 10-day notice in the Selected for Verification letter.] You will need to use LA-24 or FS-01-01 to call up the students on this application and update 09 [STATUS CHG DT] to today's date.

## ***Adverse Action Letters***

Option LA-09-17 (PRINT ADVERSE ACTION LETTERS) will print letters advising them of any changes as a result of the verification. The result may be one of the following:

- Free to Reduced
- Reduced to Free
- Free or Reduced to Denied (Paid) for the reason recorded in the Lunch Application for one of the following:
  - Income over the allowable amount
  - Failure to provide proof of eligibility or missing information
  - Records indicate applicant is not receiving SNAPs/TANF at this time
  - Failure to respond to the request
- Eligibility Status has not changed

If you would like to print sample letters to verify the content (wording, names, addresses) you may use the SM-16 (PRINT SAMPLE LETTERS) option. This will only print the English version of your letters.

After selecting this option you will be prompted for the printer # where the letters are to print.

The **LETTER RUN DATE** will be filled in automatically by the system. The **REQUIRED RETURN DATE** is the date the applicant is to respond by. You will then be prompted to select which letters are to be printed. Option 1 - PRINT ALL will only print letters for those families who have not previously had a letter printed notifying them of the audit result unless who specify a reprint. Option 2 - REPRINT prompts for the range of dates to reprint letters. To reprint letters for a single date enter the date as both the **START DATE** and **STOP DATE**. Option 3 will allow you to select the families for which letters are to print.

You will be prompted to confirm your selections.

If you requested that letters for specific applications be printed you will be prompted to enter the **FAMILY CODE** or **STUDENT ID** of an application to select for printing. If you know the Family Code enter it otherwise press ENTER and you will be prompted for a **STUDENT ID**. If you know the Student ID enter it otherwise you may press "?" and ENTER to use the student lookup screen. You may continue to enter more Family Codes or Student IDs for additional letters. When all IDs have been entered press ENTER at both **FAMILY CODE** and **STUDENT ID** fields.

The requested letters will print.

## ***Application Totals Report***

Option LA-09-06 (APPLICATION TOTALS REPORT) prints the counts as a result of the selection process from your live data based on categories for filing the results of your verification audit. This is similar to the report produced in the selection process (LA-09-13) except that no detail is listed but there is an additional analysis by Student User Code.

You will be prompted for the **PERIOD START DATE** and the **PERIOD END DATE** of the Application Dates to be analyzed.

Next you will be prompted whether or not to **INCLUDE TEMPORARIES**, **INCLUDE FOSTER CHILDREN** and **INCLUDE DIRECT CERTS** Applications. Enter Y or N depending on your reporting requirements.

You will be prompted **ALL OK?** to indicate if you are satisfied with your selections. Enter N to re-enter your responses. Enter Y to accept your responses and proceed with printing the report.

## **Application Totals Report from Archived Counts**

Option LA-09-07 (APPLICATION TOTALS REPORT) prints the counts as a result of the selection process from the archived records of your student's statuses based on categories for filing the results of your verification audit. This is the same report as LA-09-06 except that the results are from your archived data rather than your live data.

You will be prompted for the **PERIOD START DATE** and the **PERIOD END DATE** of the Application Dates to be analyzed. **It is REQUIRED that the dates you specify be a weekday (Monday – Friday) since those are the only days that the student's statuses are archived.** If your reporting period starts or ends on a Saturday or Sunday, you will need to specify the preceding Friday's date since that would be state of the statuses on the weekends.

Next you will be prompted whether or not to **INCLUDE TEMPORARIES**, **INCLUDE FOSTER CHILDREN** and **INCLUDE DIRECT CERTS** Applications. Enter Y or N depending on your reporting requirements.

You will be prompted **ALL OK?** to indicate if you are satisfied with your selections. Enter N to re-enter your responses. Enter Y to accept your responses and proceed with printing the report.

**NOTE:** If you receive an error message similar to the following it indicates that you selected a date for which there are no archived status records. Verify the weekday of the dates you entered to ensure they fall in the range of Monday through Friday.

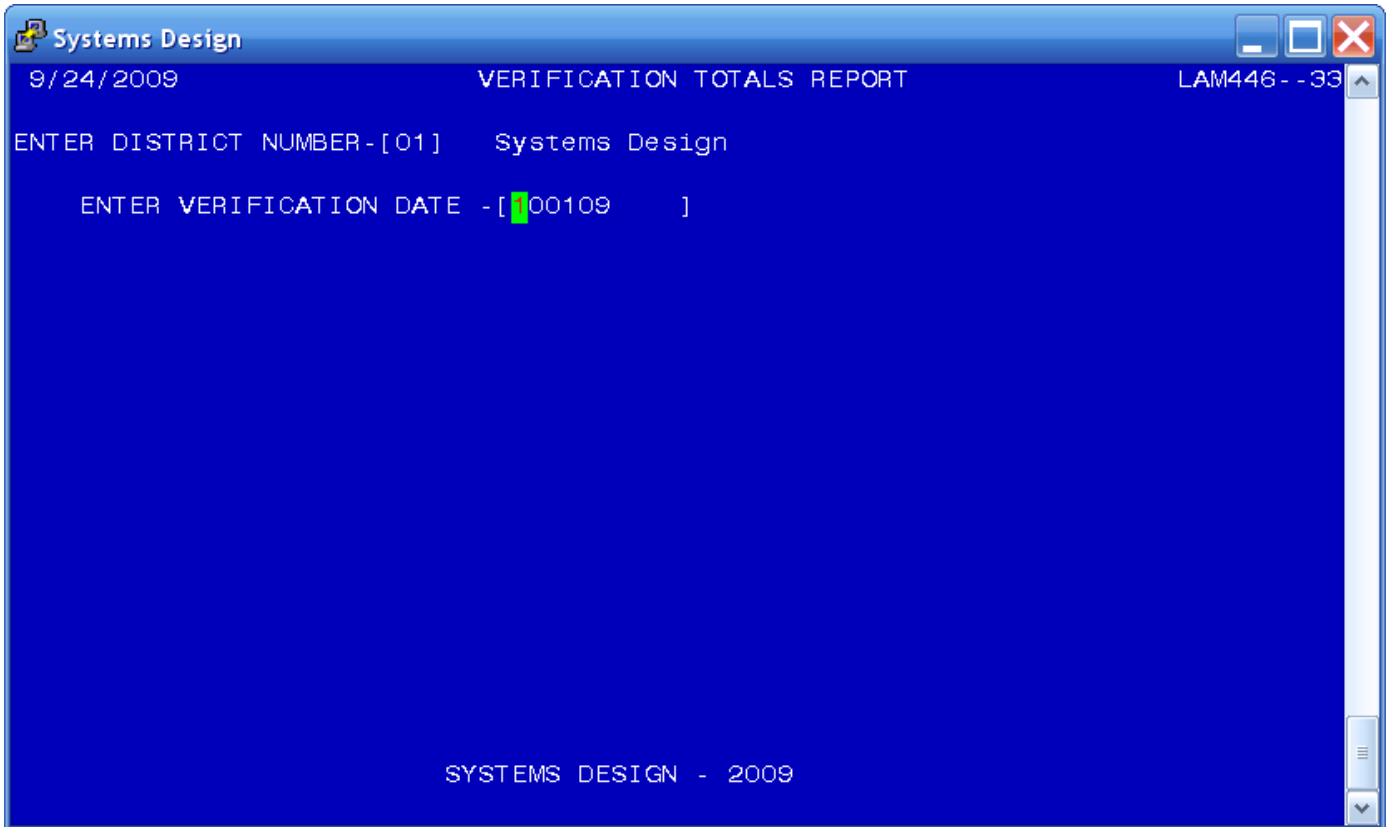
```

                                     3500 - BAD OPEN
                                     EXTRFILE
ALL OK? (YNC) - [Y]                 ENTER 'T' TO TERMINATE   CALL SYSTEM DESIGN
SYSTEMS DESIGN - 2006
```

## **Verification Results Report**

Option LA-09-18 (VERIFICATION RESULTS REPORT) produces a report of the Applications and their Audit Verification Results filling out the report you file with CNPIMS.

Specify the printer where the report is to be produced and accept your selection.



The system prompts ENTER VERIFICATION DATE. You may press [ENTER] to accept the default Verification Date shown on the screen. You may enter the date for any weekday (Monday thru Friday) that has passed since the file is produced from your archived records and not your live records. In years where the verification date falls on a weekend day you will use the date of the previous Friday instead since that is the date when the snapshot will have been taken for your data.

The system prompts ENTER REPORT DATE.

The system prompts INCLUDE TEMPORARIES. Press [ENTER] or type Y for yes.

The system prompts INCLUDE FOSTER CHILDREN. Press [ENTER] or type Y for yes.

The system will automatically select N [no] for INCLUDE CATEGORICALLY FREE.

The system prompts ALL OK. Type Y if your answers are correct and you are ready to proceed. Type N if you would like to correct your answers. Type C to cancel the report. You will be prompted to confirm your decision to cancel the report.

**Once the report is printed, you must check the report for errors.** Detectable errors that will produce invalid results are noted on the first page(s). If you have applications that are still marked as selected then the message INCOMPLETE will print at the right edge of the report line along with a warning message underneath the selected applications. You can review see a sample of this type of error below.





Item # 12 - Report as of February 15.			
From the verified applications reported in #7-11 above, record those that reapplied and were re-approved on or before February 15. Then go into CNPIMS, enter this information and submit this report electronically to TDA on or before March 1.	A	B	C
	FREE ELIGIBLE based on FS/TANF Application (Categorically Eligible)	FREE ELIGIBLE based on Income/Household Size Application (Income Eligible)	REDUCED PRICE ELIGIBLE
12. Reapplied and re-approved on or before Feb. 15.	# of applications		
	# of students		

Note: includes temporaries, includes foster children, and excludes categorically free. excludes homeless, migrants, and runaways.

