


**Memorandum**

**Date:** July 17, 2015

**To:** Julie Wise, OMB Desk Officer, Food and Nutrition Service

**Through:** Ruth Brown, Department Clearance Officer, United States Department of Agriculture, Office of Chief Information Office

**From:** Edward Harper, Director, Office of Program Integrity, Child Nutrition Programs, USDA Food and Nutrition Service

Christina Sandberg, Information Collection Officer, Planning and Regulatory Affairs Office, Food and Nutrition Service (FNS) 

**Re:** Request Approval to Perform Research Under Approved Generic OMB Clearance No. 0584-0524

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The USDA Food and Nutrition Service requests OMB approval for a formative research project under generic clearance number 0584-0524. The proposed research will focus on the communication between school districts and households in the process of verifying household eligibility for free and reduced price school meal benefits under the National School Lunch Program (NSLP) and the School Breakfast Program (SBP).

Local educational agencies (LEAs) are required by statute 42 U.S.C. 1758(b)(3)(D) to verify a small sample of household applications approved for free or reduced price benefits each school year. LEAs select their samples from approved applications on file as of October 1, and notify households by letter that they have been selected for verification review. The letters instruct households to return documentation in support of the type and amount of income that they reported on their applications.

On review of the documentation submitted by households, LEAs either confirm or amend the certification decisions reached at the time the applications were originally processed. Households that fail to return supporting documentation lose their free or reduced-price benefits. A 2004 USDA case study found that many of the households that failed to respond to LEA verification requests were, in fact, income eligible for the benefits that were awarded to them at the time their applications were processed.

The goal of this research is to identify communication protocols that reduce the incidence of household nonresponse to LEA verification requests. The project will test the effectiveness of changes in the content of LEA letters to households notifying them of their selection for verification review. The project will also test the effectiveness of various follow-up contact procedures.

The project will be led by the White House Social and Behavioral Sciences Team in cooperation with FNS.

### **1. Title of Project**

Test Modified Communication Protocols to Reduce Household Nonresponse in NSLP/SBP Verification Process

### **2. Control Number**

0584-0524, expiration date: 6/30/2016

### **3. Entities affected by this project**

- **Local educational agencies**

The research team will recruit LEAs to participate in separate intervention and control groups.

The research team will work with LEAs in the intervention group to modify the content and timing of the notification letters that they send to households selected for verification review. The research team will also modify the timing, frequency, and/or content of the LEAs' follow-up contact with households that fail to respond to the initial letter.

LEAs in the control group will use the same letters and follow-up protocols that they would have used in the absence of the project.

LEAs in both the intervention and control groups will record the verification procedures that they followed, and the results of the process. Results will be shared with the research team. LEAs will report the following data to the research team on a household-level basis:

- dates of application review and approval for all NSLP households
- dates that initial and follow-up contact is made with the sampled households,
- the immediate outcome of follow-up telephone contact with households,
- the ultimate outcome of the verification process (using the same measures reported on the FNS-742 (OMB No. 0584-0026, Exp. 4/30/2016)), and
- the date that household documentation is provided to the LEAs.

- **Household applicants for free and reduced price school meals**

Although the household applicants are affected by this project, they are not part of the respondent group. Households will not be contacted by FNS or the research team. Their obligation to respond to LEA requests for verification documentation is no different, whether their LEA is part of the intervention group or the control group.

#### 4. Research Objectives and Design

##### Objectives:

This project will test the effectiveness of limited changes in the content and timing of letters sent by LEAs to households requesting documentation to support the households' applications for free or reduced price school meal benefits. The project will also test the effectiveness of changes in LEAs' follow-up communication protocol with households. In both cases effectiveness will be measured by:

- the rate at which households respond to LEA communication with the requested documentation,
- the time it takes households to respond to the LEAs' initial and follow-up requests, and
- the rate of response after each step in the communication process (initial letter, first follow-up message or phone call, second follow-up message or call, etc.)

The ultimate goal of the project is to identify communication protocols that reduce the household nonresponse rate. Households that fail to respond to the LEA request for documentation lose their free or reduced price benefits. In the school year 2013-2014 verification process, about 35 percent of households contacted by their LEAs failed to respond. Research conducted by USDA in 2004 suggests that many of these households may be income-eligible for free or reduced-price meals.<sup>1</sup>

The project will take place in the summer and fall of 2015, during the application and verification process for school year 2015-2016.

##### Sample selection:

The research team will select intervention and control samples of LEAs. The samples will be drawn from the most current available FNS-742 dataset. The FNS-742 is an LEA-level form submitted annually by State agencies that administer the school meal programs. It is one of the few forms with LEA level statistics, making it ideal for use in selecting LEA-level samples for FNS research projects.

Because the project is focused on the NSLP/SBP verification process, the research team will draw their samples from the subset of LEAs that will process traditional applications in school year 2015-2016. The following LEAs will be dropped from the FNS-742 universe before selecting the intervention and control group samples:

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<sup>1</sup> The 2004 *USDA Case Study of National School Lunch Program Verification Outcomes in Large Metropolitan School Districts* (<http://www.fns.usda.gov/case-study-national-school-lunch-program-verification-outcomes-large-metropolitan-school-districts>) found that just over half of households that failed to respond to verification requests in 21 large metropolitan LEAs in the fall of 2002 were eligible for at least the level of benefits they were initially certified to receive. Although the LEAs examined in the case study are not representative of all LEAs, and the makeup of the households that are subject to verification review today is much different than was the case in 2002, the structure of the verification process has not changed much over the years. For this reason, these findings continue to raise concern that the verification process is a barrier to program access for some households.

- LEAs that operate district-wide under the Community Eligibility Provision as of school year 2014-2015,
- LEAs that are likely candidates for CEP participation in school year 2015-2016,
- LEAs with enrollments of 75,000 or more (to reduce the burden on LEAs that are frequently selected for participation in FNS studies),
- LEAs that have been selected for on-site data collection for a major FNS study in school year 2015-2016, and
- LEAs that operate under NSLP/SBP Provision 2 or Provision 3 and will be in a non-base year in school year 2015-2016.

On selection of LEAs for participation in the project, FNS will contact the appropriate FNS Regional Offices and State Agencies by letter to inform them of the purpose of the project and the nature of the data collection. FNS and the research team will then contact the State agencies, working with them to secure the participation of the selected LEAs. Once a group of willing LEAs has been assembled, each LEA will be assigned randomly to either the intervention or control condition.

The research team will provide a written protocol to all intervention and control LEAs agreeing to participate, and will hold a conference call and individual phone calls with any LEAs that require assistance in implementing the research protocol.

#### 5. Number of participants / respondents

Respondent Type		Number selected for recruitment	Number that agree to participate*
Local Educational Agencies	Intervention Group	62	59
	Control Group	61	58
<b>Total</b>		<b>123</b>	<b>117</b>

\* - assumes a 95% participation rate, comparable to the participation rate of LEAs selected for the USDA's May 2015 *Access, Participation, Eligibility, and Certification Study*. If fewer than 95% of contacted LEAs agree to participate, we may draw additional LEAs from the recruitment pool to maintain the number of participants shown in the table. Because the list of LEAs identified for recruitment is sorted in descending order of verification letters issued in SY 2013-2014, any additional LEAs drawn beyond the initial 123 will reduce the average burden per LEA in Table 7.

#### Control group

LEAs selected for the project's control group will conduct their usual verification processes – the same processes that they would have used in the absence of their participation in the project. Control group LEAs will provide information on verification outcomes to their State agencies under existing reporting requirements. Those results will be reported by the States to FNS on

form FNS-742. In addition to this routine reporting, control group LEAs will be asked to submit two additional documents to the research team:

- i. A copy of their verification letter
- ii. A brief document explaining their strategy for obtaining verification, including any unique steps they took to obtain verification data (e.g. did they call individuals? Did they follow up by sending second mailings or sending notes home with kids from school?)

### Intervention group

LEAs selected for the project's intervention group will implement the following steps as part of the intervention protocol:

- i. Use of a verification letter designed by the research team that incorporates insights from the behavioral sciences literature. The letter may be customized by the LEA with input from the research team and FNS.
- ii. Send verification letters to households on a continuous basis (as certification decisions are made), either along with letters notifying households of their certification for program benefits, or in a separate mailing at the same time.
  - Some LEAs may already send verification letters to households on a continuous basis as applications are processed, which is permitted under current regulations; for these LEAs, the intervention protocol may require very little change in current procedure.
  - For all other LEAs, the research team will provide assistance on selecting and notifying households for verification on a continuous basis.
- iii. Follow a standard protocol for reminding households to return verification documentation; this will include one or more letters or emails designed by the research team and sent to households at intervals specified by the research team. The protocol may also include one or more phone calls to households.
- iv. Acceptance of household documentation in multiple forms:
  - photocopies delivered by mail (the current standard)
  - original documents delivered by mail with expectation that the LEA will return original documents to the household
  - emailed pictures of documents
- v. Provide documentation to the research team that records when each step in the intervention protocol was implemented, the responses received from households, and the dates of responses from households.

## 6. Time Needed per Response

The following table contains the estimated average time per response for LEAs in both the intervention and control groups.

Respondent Type		Type of response	Time	
			minutes	hours
Local Educational Agencies	Intervention Group	Recruitment and follow up discussion with research team in conference call and/or individually	90	1.50
		Customization of verification letter	120	2.00
		Review instructions and implement intervention group protocol: 1. understand and implement continuous sampling/selection process - one time cost	15	0.25
		2. marginal cost per letter prepared	1	0.02
		Reminders to households	5	0.08
		Processing documentation other than paper copies: 1. copy and return original documents, 2. process emailed documents	3	0.05
		Documenting household response, with dates	2	0.03
		Preparing final report on household level outcomes	30	0.50
	Control Group	Recruitment and follow up discussion with research team in conference call and/or individually	90	1.50
		Provide copy of verification letter	10	0.17
		Preparing document that describes standard verification protocol and actual steps taken to encourage household response	60	1.00
		Documenting household response, with dates	2	0.03
		Preparing final report on household level outcomes	30	0.50

Respondent Type		Type of response	Time	
			minutes	hours
	LEAs that choose not to participate	Recruitment	30	0.50
State Agencies	All States with LEAs selected for Recruitment	Recruitment / Informational	60	1.00

**7. Total Burden Hours on Public<sup>2</sup>**

(a) Affected Public	Respondent Type	(b) Type of Response	(c) Attachment	(d) Number of Respondents	(e) Responses per Respondent	(f) Number of Responses (d × e)	(g) Hours per Response	(h) Total Burden Hours (f × g)	
Local Educational Agencies	Intervention Group	Recruitment and follow up discussion with research team in conference call and/or individually.	Attachment H	59	1	59	1.50	88.50	
		Customization of verification letter	Attachment A	59	1	59	2.00	118.00	
		Review instructions and implement intervention group protocol: <sup>1</sup>							
		1. understand and implement continuous sampling/selection process - one time cost 2. marginal cost per letter prepared	Attachment D (provides instructions) <sup>6</sup> Attachment A	59	1	59	0.25	14.75	
		Reminders to households <sup>2</sup>	Attachments B & C	59	131	7,729	0.08	618.32	

<sup>2</sup> Several of the calculations in the table make use of these figures:

- a. On average, the LEAs that will be contacted for participation in this project sent verification letters to 175 households in school year 2013-2014.
- b. The average nonresponse rate in these LEAs was 47 percent in school year 2013-2014.



(a) Affected Public	Respondent Type	(b) Type of Response	(c) Attachment	(d) Number of Respondents	(e) Responses per Respondent	(f) Number of Responses (d × e)	(g) Hours per Response	(h) Total Burden Hours (f × g)
		Processing documentation other than paper copies. <sup>3</sup> 1. copy and return original documents, 2. process emailed documents	Attachment D (provides instructions) <sup>6</sup>	59	67	3,953	0.05	197.65
		Documenting household response, with dates <sup>4</sup>	Attachment F	59	175	10,325	0.03	309.75
		Preparing final report on household level outcomes	Attachment D (provides instructions) <sup>6</sup>	59	1	59	0.50	29.50
	Control Group	Recruitment and follow up discussion with research team in conference call and/or individually.	Attachment H	58	1	58	1.50	87.00
		Provide copy of verification letter	Attachment E (provides instructions) <sup>7</sup>	58	1	58	0.17	9.86

(a) Affected Public	Respondent Type	(b) Type of Response	(c) Attachment	(d) Number of Respondents	(e) Responses per Respondent	(f) Number of Responses (d × e)	(g) Hours per Response	(h) Total Burden Hours (f × g)
		Preparing document that describes standard verification protocol and actual steps taken to encourage household response	Attachment E (provides instructions) <sup>7</sup>	58	1	58	1.00	58.00
		Documenting household response, with dates <sup>4</sup>	Attachment F	58	175	10,150	0.03	304.50
		Preparing final report on household level outcomes	Attachment E (provides instructions) <sup>7</sup>	58	1	58	0.50	29.00
	LEAs that choose not to participate	Recruitment	Attachment H	6	1	6	0.50	3.00
State Agencies <sup>5</sup>	All States with LEAs selected for Recruitment	Recruitment / Informational	Attachment G	40	1	40	1.00	40.00
<b>Total</b>				<b>163</b>		<b>42,996</b>		<b>2,114.33</b>

Table 7 notes:

1. Initial cost of setting up a continuous sampling/selection process plus the marginal added cost of sending verification letters as households are selected.
2. Assumes reminders will be sent to 75% of households contacted for verification. The LEAs that will be recruited for this project had a response rate of 53%, on average, by the end of the verification process in SY 2013-2014. This burden hour estimate assumes that just 25% of households will respond promptly to the initial verification letters sent by intervention group LEAs and will require no reminders.

3. Assumes that half of all respondents will send documentation other than paper copies to intervention group LEAs when given the opportunity. Also assumes that the project will reduce the SY 2013-2014 nonresponse rate in half in the intervention group. So, the estimated number of households per intervention group LEA that will send documentation other than paper copies is 175 (average number of households contacted for verification per LEA) x 50% (households that send original documents or emailed pictures) x 76% (assumes that the response rate increases from roughly 53% to roughly 76% in intervention LEAs). This gives roughly 67 households per intervention group LEA.
4. Applies to all households selected for verification review.
5. State agencies will be contacted to inform them that one or more LEAs in their States have been selected for recruitment. The State recruitment letter offers a high level description of the project and encourages the State agency to contact the USDA or SBST with any questions.
6. The burden hours associated with Attachment D include both one-time costs and a variable cost per verification transaction. The one-time activities (review instructions and implement intervention group protocol, and preparing final report on household level outcomes) are estimated to average about 45 minutes (0.75 hours), as listed in the OMB Disclosure Statement. The remaining activity associated with Attachment D (processing documentation other than paper copies) is estimated to average about 3 (0.05 hours) minutes per response, as listed in the OMB Disclosure Statement.
7. The total estimated time for all of the activities associated with Attachment E (provide copy of verification letter, preparing document that describes standard verification protocol and actual steps taken to encourage household response, and preparing final report on household level outcomes) is estimated to average about an hour and 40 minutes (1.67 hours) per response as listed in the OMB Disclosure Statement.

## Methodology / Research Design

### Statistical testing:

Using 2013-2014 school year data, we calculated an intraclass correlation coefficient of approximately 0.08, which implies a minimum detectable effect (MDE) of **0.075** for a two-cell (intervention/control) randomized sample of the size proposed. This means that from a base response rate of 53%, we will be able to detect the effect of treatments that increase the response rate to at least 60.5%. We will not be able to detect the treatment effect if the increase is *smaller* than 7.5%, but will be able to detect larger effects.

### *Intervention details: changes to letter*

An alternative verification letter will be provided to all intervention LEAs. The letter can be customized by LEAs, or by the research team with LEA input.

### *Intervention details: changes to timing*

Currently, LEAs determine the verification sample in one of three ways:

1. Verification process 1: Standard
2. Verification process 2: Alternate 1
3. Verification process 3: Alternate 2

Currently, LEAs using the Standard verification process wait until at least 1 October to begin verification. They determine the total number of applications and multiply by 0.03 to obtain the total number of applications to verify. They also determine the total number of error-prone applications (applications with incomes within \$100 of the limit). They then select the verification sample as the lesser of:

- (Total applications)\*0.03, selected from error prone applications.
- 3,000 error prone applications.

To use the 3% sample method continuously (rather than on or after 1 October), LEAs would simply determine whether or not an individual application required verification *at the time of eligibility determination*. There are a number of ways to do this. One way to do this would be to establish a random order ahead of time, such that, for example, the first approved application that is considered error prone is asked for verification, the second is not, the third is not, and so on. This way, as soon as individuals are determined to be eligible, it is known whether the household income must be verified. This would allow for a much shorter lag between application and verification.

While predetermining a random order is likely to be the most simple and straightforward methodology, other more complex methodologies are available to satisfy potential concerns. For example, a simple predetermined list is not capable of ensuring that precisely 3% of the final sample is selected for verification, since the total size of the sample cannot be known ahead of time. A slightly modified strategy would maintain most of the benefits of continuous verification while also ensuring that precisely 3% of the final sample is selected for verification.

A predetermined order could be generated, just as above. This order, however, would cut off at a predetermined point, to allow for uncertainty in the total number of applications that an LEA received.

Suppose that 1,000 error-prone applications were approved by an LEA in the previous school year. If it were known that exactly 1,000 applications would be approved again in the next school year, using the predetermined list method would work fine – exactly 1,000 instances of “verify” or “don’t verify” could be assembled ahead of time and applied to each of the 1,000 approved error-prone applications. LEAs do not, however, know exactly how many applications will be approved in the coming school year. The number of approved applications in the previous year can provide an estimate of the number expected in the coming year, but not an exact number. In this case, the predetermined list could end at 800, leaving a 20% sample buffer. The 801<sup>st</sup> application that was approved and considered error prone, as well as all subsequent such applications, would be held until the normal 1 October deadline. On this date, the necessary number of approved applications would be sampled in bulk to ensure that precisely 3% of the total sample were selected for verification.

The research team will help LEAs to determine an exact procedure for conducting the continuous sampling.

Since LEAs are required to notify households of an eligibility determination – i.e. notify them of a successful application – LEAs will include a request for verification at this time for selected households. Collapsing the verification step and the notification step will reduce the total communications burden on the LEAs.

#### *Intervention details: Reminders*

The intervention protocol includes extra reminders to households selected for verification. Currently, reminders are encouraged but not required under statute. The intervention will include reminder letters, emails, and/or texts to households that have been selected for verification. Letters and emails are the most straightforward technology to use, and thus these are the modes of communication that we expect all of the treatment LEAs to be capable of utilizing. The research team will design the reminder template to have a similar look and feel to the redesigned letter.

Parents may benefit from receiving a personalized follow-up call asking them if they have received the verification letter, reminding them of the deadline, and asking them if they have any difficulty submitting the requested documents.

### **8. Federal Costs**

FNS will offer to pay the costs of:

1. stamped return envelopes included with the initial verification letters sent by intervention group LEAs to households,
2. the cost of letters and/or postcards plus postage for up to two reminder mailings by intervention group LEAs to households

A high end estimate of this cost assumes that all households selected for verification by the intervention group LEAs are sent postage-paid return envelopes with their initial verification letters, and are all contacted by mail two additional times during the course of the intervention.

Total Federal cost: \$17,000

## 9. Confidentiality

### Household level information

LEAs will collect no additional information from households through this project. All household level information collected by LEAs as part of the certification and verification processes will remain with the LEAs. LEAs will report only summary statistics on verification outcomes to FNS and the research team.<sup>3</sup>

## 10. List of Attachments

- Attachment A: “Attachment A - Modified Verification Letter.docx”
- Attachment B: “Attachment B - Reminder Letter.docx”
- Attachment C: “Attachment C - Intervention-Reminder Call Script.docx”
- Attachment D: “Attachment D - Protocol for Treatment LEAs.docx”
- Attachment E: “Attachment E - Protocol for Control LEAs.docx”
- Attachment F: “Attachment F - Rolling assignment procedure worksheet.xlsx”
- Attachment G: “Attachment G - State Recruitment Letter.docx”
- Attachment H: “Attachment H - LEA Recruitment Letter.docx”

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<sup>3</sup> One of the columns in Attachment F, “Attachment F - Rolling assignment procedure worksheet.xlsx” is labeled “Head of Household.” This is meant to be a place where LEAs can record something about each household that will enable them to identify the household and link to their other existing record-keeping systems. This column is needed to make the workbook user-friendly for LEAs; FNS has no interest in this information. To prevent transfer or retention of this information, the research team will ask all treatment LEAs to delete this column before submitting to the team; and will, if necessary, delete the information in the event that an LEA accidentally transmits that information to the team.