



SEP 19 2013

United States  
Department of  
Agriculture

Food and  
Nutrition  
Service

3101 Park  
Center Drive

Alexandria, VA  
22302-1500

**SUBJECT:** Supplemental Nutrition Assistance Program (SNAP)-Fiscal Year (FY) 2014  
Target Areas for Management Evaluations (MEs)

**TO:** Regional Administrators  
All Regions

The purpose of this memo is to transmit target areas and procedures for MEs for FY 2014. The regulations at 7 CFR 275.8 provide that State agencies shall review the national target areas specified by the Food and Nutrition Service (FNS). FNS has identified four target areas that State agencies must review. In addition, FNS has identified four other program areas that State agencies should review on an at-risk basis only.

**FY 2014 State Target Areas:**

1. Program Access - to include on-line application processing and initial and recertification application processing timeliness;
2. Recipient Integrity;
3. Employment and Training (E&T) programs with total annual budgets in excess of \$3 million (Federal and State funds); and
4. Able-bodied adults without dependents (ABAWDs) Tracking System for all States that do not have a statewide ABAWD waiver.

MEs for the State target areas must be conducted in accordance with the following schedule or on a more frequent basis if there is an identified risk. State agencies must submit a plan that covers the three year review cycle and provide updates annually.

- In large project areas every year;
- In medium areas every two years; and
- In small project areas every three years.

**State At-Risk Areas:** States agencies have the flexibility to review other areas on an at-risk basis. In determining risk, the State agency should take into consideration the time elapsed since an area has been reviewed, deficiencies identified at that time, and any recent changes to the program area.

**The FY 2014 State At-Risk review areas are:**

1. Recipient Claims Management/Treasury Offset Program;
2. Nutrition Education;
3. E&T programs that: (a) Have added innovative new components in the last year; (b) Have not had a review in the last three years; or, (c) Are planning a large expansion of their E&T program in the upcoming fiscal year; and
4. Electronic Benefit Transfer (including issuance, card and Personal Identification Number (PIN) security, and separation of duties as it relates to issuance).

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The regulations at 7 CFR 275.9(b) provide that State agencies develop a plan prior to each ME review. Under the regulations at 275.5(b)(2), each project area must be reviewed at least every three years. Allowing State agencies to submit a plan that covers a three year review cycle and provide updates annually is consistent with the regulations.

We appreciate the effort made by you, your staff, and your State agency partners in ensuring SNAP integrity and access are maintained. If you have any questions or require assistance, please contact Moira Johnston at (703) 305-2515 or Victor Hall at (703) 305-0736.

A handwritten signature in black ink, appearing to read "Jessica Shahin". The signature is fluid and cursive, with a prominent "J" and "S".

Jessica Shahin  
Associate Administrator  
Supplemental Nutrition Assistance Program



SEP 11 2013

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**SUBJECT:** Supplemental Nutrition Assistance Program – Fiscal Year 2014 Target Areas for Management Evaluations

**TO:** Regional Administrators  
All Regions

The purpose of this memo is to transmit national target areas and procedures for Management Evaluations (MEs) for Fiscal Year (FY) 2014. The Food and Nutrition Service (FNS), with input from the Regional Offices (ROs), has identified four national target areas for the ROs to review during FY 2014. In addition, FNS has selected six other program areas that ROs should review on an at-risk basis.

### **Annual ME Reviews**

MEs for the Federal target areas must be performed on an annual basis in accordance with Federal Regulation 275.3(a). Each year, FNS identifies specific areas required to be reviewed by the ROs.

The FY 2014 Federal Target Areas are:

1. Program Access at the State agency level (including online application processing and initial and recertification application processing timeliness);
2. Recipient integrity;
3. Employment and Training (E&T) programs with total annual budgets in excess of \$3 million (Federal and State funds); and
4. ABAWD Tracking System for all States that do not have a statewide ABAWD waiver.

### **Review of the States ME system**

In addition to the annual ME reviews, the ROs shall conduct a review of the State agency's ME system on a biennial basis. FNS may review a State agency's ME system on a more frequent basis if a regular review reveals serious deficiencies in the ME system.

This review will include, but not be limited to, a determination of whether or not the State agency is complying with FNS regulations, an assessment of the State agency's methods and procedures for conducting ME reviews, and an assessment of the data collection by the State agency in conducting the review. ROs may consolidate the scheduling of these reviews to reduce the frequency of entry into the State agencies.

### **Federal At-Risk Areas**

ROs have flexibility to review other areas on an at-risk basis. In determining risk, the RO should take into consideration the time elapsed since an area has been reviewed, deficiencies identified at that time, and any recent changes to the program area. The RO does not need to include the reason a program was not reviewed in the ME review report that is sent to the State agencies.

ROs suggested a review of the case and procedural error rate (CAPER) in FY 2014. As there is not a current module to cover this area, the ROs will update the Quality Control (QC) ME module to include CAPER by March 31, 2014. ROs are expected to test the new module in the State in their region with the highest CAPER. Results from the test QC ME will be used to inform FY 2015 ME targets.

### **The FY 2014 Federal At-Risk Areas are:**

1. Recipient Claims Management/Treasury Offset Program;
2. Nutrition Education;
3. E&T programs that: (a) Have added innovative new components in the last year; (b) Have not had a review in the last 3 years; or, (c) Are planning a large expansion of their E&T program in the upcoming fiscal year;
4. Electronic Benefit Transfer (including issuance, card and Personal Identification Number (PIN) security, and separation of duties as it relates to issuance)
5. Test Quality Control (QC) ME covering case and procedural error rates in one State; and
6. State MEs on a biennial basis or as needed.

### **Federal Procedures**

ROs should note the following procedures for completing MEs in FY 2014.

- Reviews of national target areas and State ME systems—regardless of whether it is a target area or at-risk area in a given year--*must be completed onsite*.
- To determine whether to perform an ME for an at risk area ROs should refer to the ME review guides and consider changes in the past year that put the State agency at risk for compliance problems such as recent staffing cuts, personnel changes, reduced budgets, or policy changes.
- ROs must use the standardized ME review guides to review the specified program areas.

### **Review Staff**

If reviewers at the RO are not familiar with a target area, the RO may need to train reviewers to conduct the review or assign the review to other staff within the RO who have the expertise. For example, financial management staff may monitor and review the financial aspects of a component, information technology staff may monitor and review an automated function, or civil rights staff may review an overlapping client services component. This will help ensure that problems are identified and corrected.

### **Reports of RO Review Activity**

The ROs are required to submit the following information related to their review activity:

- **Review Schedule:** Each RO must submit a schedule of review visits, including review type and coverage, to Victor Hall, Program Design Branch, by October 31, 2013. Please include program access reviews (PARs) to local offices in this schedule and indicate which areas will be reviewed in each State.
- **Summary of Review Activities:** Each RO must enter a summary of each completed ME and a year-end summary into the tracking tool located on the Partner Web. (Please note that changes will be forthcoming concerning the current tracking tool). Contact Shanita Brackett at [Shanita.Brackett@fns.usda.gov](mailto:Shanita.Brackett@fns.usda.gov) for more information or to gain access to the tool. Summaries of all review activities must be completed and entered into the tool no later than November 30, 2014.

We appreciate the effort made by you, your staff, and your State agency partners to ensure the integrity of and improved access to SNAP. If you have any questions or require assistance, please contact Moira Johnston at (703) 305-2515 or Victor Hall at (703) 305-0736.



Jessica Shahin  
Associate Administrator  
Supplemental Nutrition Assistance Program