

**EVALUATION REPORT:  
THE NEW DIRECT CERTIFICATION PROCESS FOR APPROVING ELIGIBLE  
STUDENTS FOR FREE SCHOOL MEAL BENEFITS IN THE STATE OF ILLINOIS**

**Submitted to the Illinois State Board of Education**

**by**

**Beverly S. Bunch, Ph.D., Co-Principal Investigator  
Ernest L. Cowles, Ph.D., Co-Principal Investigator  
Richard Schuldt, M.A., Senior Researcher**

**Institute for Legal, Administrative and Policy Studies  
Center for State Policy and Leadership  
University of Illinois at Springfield  
Springfield, Illinois  
August 2004**

## ACKNOWLEDGEMENTS

Our heartfelt thanks to the great research team who worked with us on this evaluation project. Special thanks are in order for Jeri Frederick who stepped in mid-course to ably serve as the Project Manager. Members of the Institute for Legal, Administrative and Policy Studies ISBE Evaluation Team included at various points:

Jeri Frederick  
Melissa Angermeier  
Alice Bettis  
Do Lim Choi, DPA  
Rebekah J. Lanphierd  
Lou Ann McGahey, M.A.  
Amir Parssian, Ph.D.  
Jim Stevens, M.A.

We also gratefully acknowledge the work of the late Lee Frost-Kumpf, Ph.D. on this study. Dr. Frost-Kumpf was a major contributor to the development of this project and served as its Principal Investigator until midway through this year when he became terminally ill. We truly will miss his expertise, insights and humor.

We are additionally indebted to Roxanne M. Ramage, M.S., R.D., S.F.N.S., Principal Operations Consultant with the Illinois State Board of Education, Nutrition Programs and Support Services whose help and patience throughout this study allowed us to overcome obstacles that could have prevented the study from going forward. Finally, we would like to express our sincere appreciation to Paul J. Strasberg, Ph.D., Social Science Research Analyst, Food and Nutrition Service, United States Department of Agriculture. The conceptualization for this study was originally presented by Dr. Strasberg in a concept paper titled: "Evaluating a Statewide Public Policy Shift: What effect will the Illinois State Child Nutrition Agency's shift to mailing direct certification letters to households have on benefit accuracy, the targeting of poor children and program integrity?" in July 2002. Moreover, Dr. Strasberg's ongoing advice and assistance as the project's Technical Adviser was invaluable during the course of the study. We also would like to acknowledge the support provided by Food and Nutrition Service, United States Department of Agriculture for travel expenses to its offices in Washington, D.C., for the authors to present a briefing on the study's findings.

Finally, we are extremely indebted to the staff members of the various school district sites listed below for their help in assisting us in the data collection and in understanding the direct certification process in their respective systems.

*School District 46*  
*Community Unit School District 300*  
*Belvidere Community Unit School District 100*  
*South Beloit Community Unit School District 320*  
*Plainfield School District 202*  
*Kankakee School District 111*  
*Manteno District. 5*  
*Sterling Community Unit School District 5*  
*Alwood Community Unit School District 225*  
*Springfield School District 186*  
*Litchfield District. 12*  
*Mattoon Community Unit School District 2*  
*Cahokia Community Unit School District 187*  
*Edwardsville Community Unit School District 7*  
*Schuylar County Community Unit School District 1*  
*Staunton Community Unit School District 6*  
*Murphysboro Community Unit School District 186*  
*Massac Unit School District 1*  
*Wabash Community Unit School District 348*  
*Leyden Community. HS District. 212*  
*Palatine Community Cons School District 15*  
*J S Morton HS District. 201*  
*Bellwood School District 88*  
*Darien School District 61/Eisenhower Jr. HS*  
*Belleville Twp HS East District 201*  
*Whiteside School District 115*  
*Washington Community High School District 308*  
*District 50 Schools*

This study and report were funded through National School Lunch Program State Administrative Expenses Funds, provided to the Illinois State Board of Education by the Food and Nutrition Service, United States Department of Agriculture. Views expressed in the report represent those of the authors and not those of Illinois State Board of Education or USDA Food and Nutrition Service.

## Table of Contents

INTRODUCTION.....	1
BACKGROUND.....	2
RESEARCH QUESTIONS AND DESIGN .....	3
<b>Research Questions.....</b>	<b>3</b>
<b>Research Design .....</b>	<b>4</b>
Free Lunch Approval Rates .....	4
Administration of Eligibility Determination for Free and Reduced Price Meal Benefits .....	7
Verification Process and Findings.....	8
RESEARCH FINDINGS .....	9
<b>Free/Reduced Price School Lunch Certification.....</b>	<b>9</b>
Statewide Estimates (excluding Chicago).....	9
Estimates by Region.....	11
Estimates by Urban vs. Rural Areas .....	12
Estimates by High vs. Moderate vs. Low SFA Free Lunch Approval Rates.....	14
<b>Administrative Aspects .....</b>	<b>15</b>
ISBE Perspective.....	15
SFA Perspectives .....	16
<b>Electronic Match Direct Certification .....</b>	<b>20</b>
<b>Verification Results.....</b>	<b>20</b>
CONCLUSION .....	22
APPENDIX A: SAMPLING STRATIFICATION AND SAMPLING ERROR .....	24
APPENDIX B: DATA ISSUES.....	29
APPENDIX C: COMPARISON OF WEIGHTED VERSUS UNWEIGHTED STATEWIDE ESTIMATES .....	33
APPENDIX D: BASIS OF FREE LUNCH APPROVALS FOR STUDENTS RECEIVING TANF/FS.....	35
APPENDIX E: LISTING OF SAMPLE SFAs BY STRATA .....	38

## List of Tables

Table 1:	Statewide Estimates (excluding Chicago) for Free/Reduced Price Lunch Approval Rates for Illinois Students Who Are Recipients of TANF or Food Stamps.....	10
Table 2:	Statewide Estimates (excluding Chicago) of How Students Who Receive TANF or Food Stamps Were Approved for Free/ Reduced Price School Lunch .....	11
Table 3:	Estimates by Region for Free/Reduced Price School Lunch Approval Rates for Illinois Students Who are Recipients of TANF of Food Stamps .....	11
Table 4:	Estimates by Region for How Students Who Receive TANF or Food Stamps Were Approved for Free/Reduced Price School Lunch .....	12
Table 5:	Rural Vs. Urban Estimates for Free/Reduced Price Lunch Approval Rates for Illinois Students Who Are Recipients of TANF or Food Stamps.....	13
Table 6:	Urban Vs. Rural Estimates for How Students Who Receive TANF or Food Stamps Were Approved for Free/Reduced Price School Lunch.....	13
Table 7:	Estimates for Free/Reduced Price Lunch Approval Rates for Illinois Students Who Are Recipients of TANF or Food Stamps Grouped by SFA Free Lunch Approval Rates.....	14
Table 8:	Estimates for How Students Who Receive TANF or Food Stamps Were Approved for Free/Reduced Price School Lunch--Grouped by SFA Free Lunch Approval Rates .....	14
Table 9:	Comparison of Applications Verified in SY 2002-03 Versus SY 2001-02 .....	21
Table A-1:	Chicago Suburban Sampling Cells.....	26
Table A-2:	Downstate Urban Sampling.....	26
Table A-3:	Downstate Rural Sampling.....	27
Table C-1:	Comparison of Statewide Estimates Utilizing Unweighted Individual Student Data vs. Weighted SFA Data.....	34
Table D-1:	Statewide Estimates (excluding Chicago) of How Students Who Receive TANF or Food Stamps Were Approved for Free or Reduced Price School Lunch.....	36
Table D-2:	Regional Estimates of How Students Who Receive TANF or Food Stamps Were Approved for Free or Reduced Price School Lunch .....	36
Table D-3:	Rural vs. Urban Estimates of How Students Who Receive TANF or Food Stamps Were Approved for Free or Reduced Price School Lunch.....	37
Table D-4:	Estimates of How Students Who Receive TANF or Food Stamps Were Approved for Free or Reduced Price School Lunch .....	37

## List of Figures

Figure 1: Illinois Students Addressed in This Study .....	5
Figure 2: Research Design Overview .....	6
Figure 3: Sampled Districts and Regional Divisions .....	27

## Introduction

The Illinois State Board of Education (ISBE) introduced a new direct certification process for the school year (SY) 2002-03. Under this new process, ISBE sends a letter to the parent/guardian of each school-aged child in Illinois who receives Temporary Aid to Needy Families (TANF) or food stamps (FS). The parent/guardian is instructed to send the bottom portion of the letter, the eligibility certificate, to the child's school. If the child delivers the eligibility certificate to the school, he/she becomes approved for free meal benefits in the National School Lunch Program (NSLP).

The goal of the new direct certification process is to increase the number of eligible children who are approved for free meals. ISBE officials also hope that the new process will decrease the administrative burden on School Food Authority (SFA) officials and improve the effectiveness of the verification process that is used to check the current eligibility of a small percentage of households receiving free/reduced price school lunch benefits – though directly certified children are excluded from the verification requirement.

ISBE contracted with the Institute for Legal, Administrative and Policy Studies, a unit of the Center for State Policy and Leadership (CSPL) at the University of Illinois at Springfield to analyze the extent to which this new direct certification process has achieved these goals. The researchers selected a sample of 27 Illinois SFAs and conducted site visits at each of those SFAs to collect data on a sample of students who had been receiving FS/TANF benefits in summer 2002 and whose parents/guardians had been sent the direct certification letter.<sup>1</sup> In each study SFA, data were collected for SY 2001-02, the year prior to the implementation of the new process, and SY 2002-03, the first year of the implementation. These data, along with information obtained from interviews with SFA administrators, form the basis of the findings presented in this report.

This study is important for the State of Illinois, but it also is important in a broader context. At the federal level, U.S. Department of Agriculture officials who administer the National School Lunch Program (NSLP) are interested in identifying ways to increase certification of eligible children for free meals. The change to the direct certification process implemented in SY 2002-03 by the State of Illinois has been discussed as one potential means for achieving this goal. Therefore, Illinois' experiences implementing this direct certification program may provide useful information to other state and national officials interested in this approach.

This report is organized as follows. The first section provides background information on the administration of the National School Lunch Program in the State of Illinois. The next section discusses the research questions and research design. The following section presents the research findings and analysis. The report concludes with a summary of the major findings.

---

<sup>1</sup> Originally 29 SFAs were selected; however, the researchers were unable to collect the necessary data at two of these SFAs.

## Background

The State of Illinois had approximately 692,000 children approved for free school lunch and an additional 122,000 approved for reduced price school lunch at the beginning of SY 2002-03.<sup>2</sup> This represents about 36.9% and 6.5%, respectively, of the approximately 1.9 million children enrolled in the schools that operate the NSLP.

There were approximately 304,000 school-age children receiving FS/TANF benefits in the State of Illinois in SY2002-03. While all FS/TANF recipients of school age are eligible for free meals, their approval requires one of two certification processes to be successful. They must be (1) directly certified, or (2) they must submit an application to the SFA and the SFA must determine the child to be eligible based on the information provided on the application.

In the past, the majority of Illinois students approved for free meals were approved through the application process.<sup>3</sup> In this process, the parent or guardian filled out the application form providing the student's TANF/FS case number or information on the household's income and a listing of members in the household. An SFA official checked the TANF/FS number<sup>4</sup> or determined if the reported income fell within the free or reduced price eligibility criteria. The SFA then notified the parent/guardian regarding whether the child was determined to be eligible for free or reduced price school lunch.

For about the past ten years, the State of Illinois also provided SFAs with the option of participating in an electronic match direct certification process. An SFA who chose to participate sent ISBE an electronic list of the students enrolled in that particular school district. ISBE then electronically compared that enrollment list to a file from the Illinois Department of Human Services that lists school-aged children in Illinois who were recipients of TANF/FS. A list of matched students was then sent to the SFA and those students were then approved for free school lunch. The SFA was required to send a confirmation letter to the child's parent/guardian stating that the child had been approved for free lunch. The parent/guardian had the option of declining the free lunch benefits for the child and also, if directly certified for free meals, had to notify SFA officials if they no longer were TANF/FS certified at any time within the school year.

---

<sup>2</sup> These figures, which were obtained from the FNS National Data Bank, were as of October 31 2002.

<sup>3</sup> SFAs vary in terms of the types of outreach they utilize to encourage students to apply for free/reduced price school meal benefits. Some SFAs mail a letter and application for free lunch benefits to all students, while other districts target a mailing to students who received free or reduced price school lunch in the prior year. Other SFAs have the forms available at registration, but do not do a mailing. Some SFAs utilize applications in English and other languages, depending on the background of the students, while others provide applications in English only.

<sup>4</sup> In the past, SFAs have expressed concerns about their ability to check whether the reported TANF/FS case number is a valid number. In response to these concerns, in SY 2002-03 ISBE provided the SFAs with guidelines for recognizing valid FS/TANF case numbers.



About 50 of the SFAs in Illinois who participate in the NSLP participated in the electronic match direct certification process during SY 2001-02 and SY 2002-03. ISBE officials note that they believe the electronic match process is not working effectively, i.e., the number of matches is significantly less than what they would expect. In SY 2003-04 ISBE plans to discontinue the electronic match direct certification process for all SFAs other than the Chicago Public School District SFA.

Given the concerns about the inadequacy of the electronic match direct certification process and the desire to increase the number of eligible children who are approved to receive free meals, ISBE officials decided to undertake a new direct certification process. In SY 2002-03, a direct certification letters was mailed to all households with TANF/FS children as of summer 2002. In sum, approximately 304,000 direct certification letters were mailed. Depending on household circumstances, letters were prepared in either English or Spanish.<sup>5</sup>

### **Research Questions And Design**

This research analyzes the impact of the new Illinois direct certification process during its first year of implementation.

#### **Research Questions**

This study addresses the following research questions:

- (1) To what extent did the new direct certification process increase free school lunch approval rates among students who receive TANF/FS?
- (2) What types of impact, if any, did the new process have on the SFA officials who administer the program?
- (3) What types of impact, if any, did the new direct certification process have on the SFA verification process and findings?

---

<sup>5</sup> ISBE utilized a code on the TANF/FS records that indicates a household's language preference for correspondence to determine whether to send the letter in English or Spanish.

## Research Design

This section describes the research design for each of the research questions.

### Free Lunch Approval Rates

To determine if the new direct certification program has impacted free lunch approval rates by children who receive TANF/FS, one ideally would want to compare the statewide approval rates for these children for SY 2001-02, the year prior to the initiation of the new direct certification process, to the rates for SY 2002-03, the first year the new process was implemented. Further, one would want to control for other exogenous factors (e.g., changes in economic conditions and TANF/FS participation statewide between the two time periods.) If the program achieved its goal, one would expect the free school lunch approval rates among TANF/FS children in SY 2002-03 to be higher than the rates in SY 2001-02 (assuming all other relevant factors are constant).

ISBE collects data on the total number of students approved for free meals<sup>6</sup>; however, it is not possible to tell from the existing data how many of the students approved for free meals are receiving TANF/FS. Further, it is not possible to tell how many of students who receive TANF/FS are *not* approved for free meals.

Therefore, the research design for this study focuses on an estimation of SY 2001-02 and SY 2002-03 statewide figures for free lunch certification rates for students who receive TANF/FS. Given the mobility of many low-income families and the potential for bias based on some families being easier to locate and more willing to provide information than others, the research team decided to identify free lunch certification by utilizing SFA records rather than contacting individual households. A stratified random sample of public school districts (hereafter referred to as SFAs – School Food Authorities) was selected, and then within each SFA, a random group of students who receive TANF/FS was selected. The study originally was designed to provide estimates for the whole state; however, due to delays in obtaining the necessary data, the Chicago Public School District SFA is not included in this study.<sup>7</sup>

As summarized in Figure 1, this study focuses on Illinois school-aged children who are receiving TANF/FS. This report addresses students who receive TANF/FS who are enrolled in an Illinois public school district other than the Chicago Public School District.

---

<sup>6</sup> In SY 2002-03, approximately 692,000 students (36.9% of the 1,875,977 students enrolled in SFAs that participate in the NSLP) were receiving free lunch compared to about 678,000 in SY 2001-02 (36.1% of the 1,877,269 students enrolled in SFAs that participate in the NSLP).

<sup>7</sup> Initially, the research team also had planned to include the Chicago Archdiocese SFA; however, the lack of centralized enrollment data precluded this.

**Figure 1: Illinois Students Addressed in This Study**

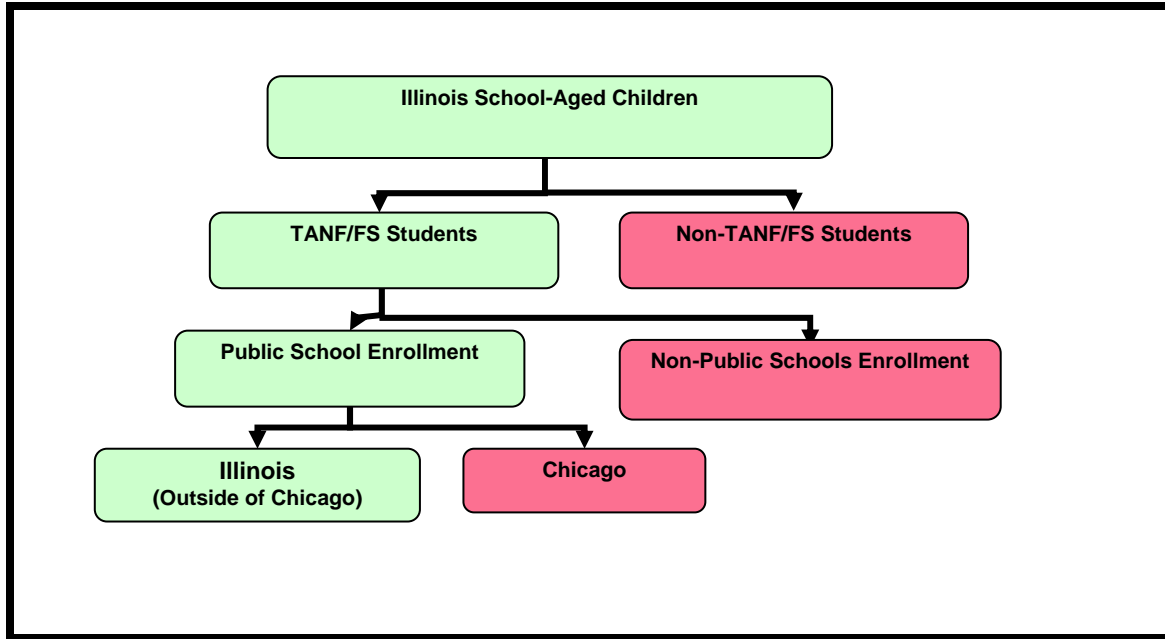
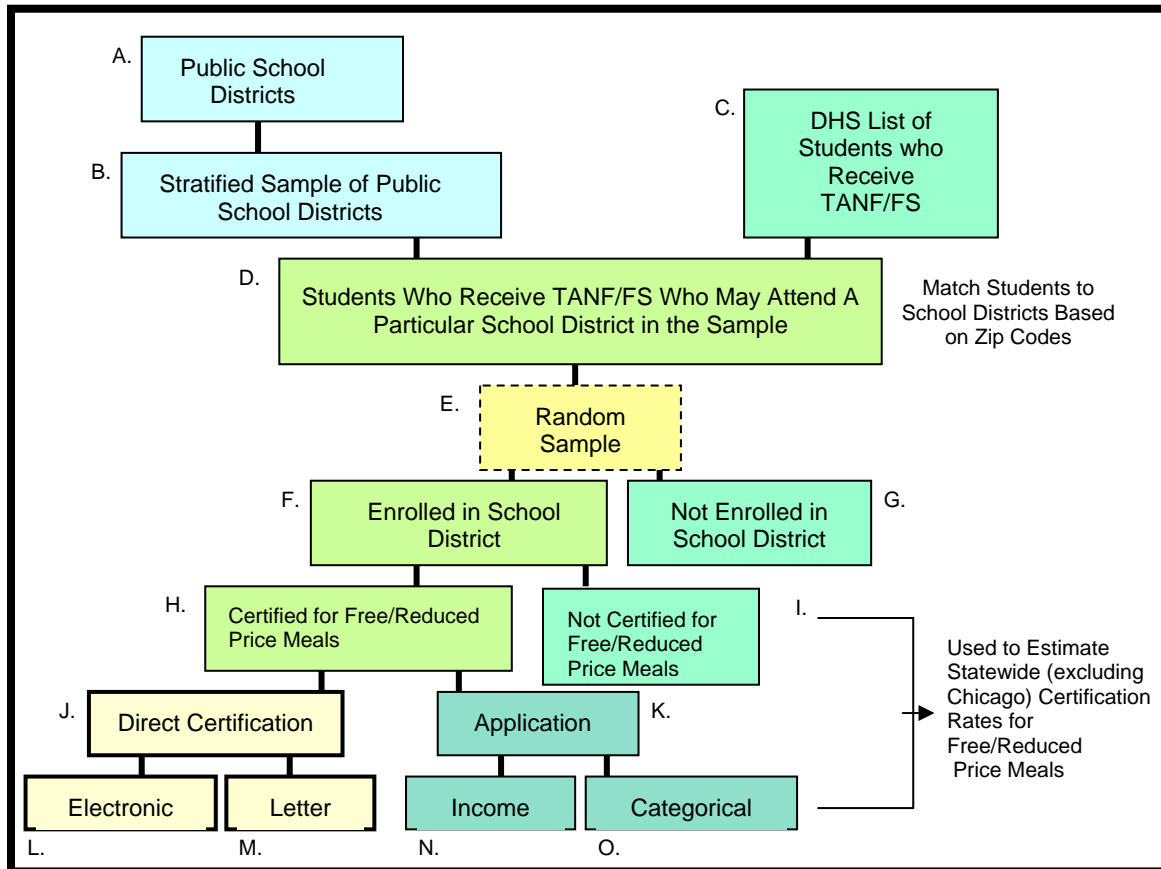


Figure 2 shows an overview of the research design. A stratified sample of SFAs was selected based on characteristics of SFAs that might affect the impacts of the new direct certification process (Block B of Figure 2). These characteristics included the geographical location of the SFA (suburban Chicago, northern Illinois – excluding the Chicago area, central Illinois, and southern Illinois), whether the SFA is in an urban or rural area, and whether the SFA has a relatively high, moderate, or low free/reduced price lunch approval rate among all of its students (see Appendix A for a description of each of these categories). Chicago suburban SFAs were further divided into SFAs that serve students in grades kindergarten through high school (unitary school districts) versus those that serve only high school students or only elementary/junior high school students.

**Figure 2: Research Design Overview**



An SFA was then randomly selected to represent each of the resulting 24 different categories of SFAs (see Appendix A for a description of the random sampling process and a listing of the 24 categories). In the case of a category that includes SFAs that represent only certain grades, an SFA was selected that serves high school students and another SFA was selected that feeds into that high school and serves only elementary and junior high students.

The Department of Human Services (DHS) provided the research team with the list of the 304,000 children to whom direct certification letters were sent to their parents (Block C in Figure 2). This list included the child's name, parent's name, and address; however, no information was available regarding which school or school district the child attends. Therefore, for each SFA in the sample the research team identified which zip codes corresponded to the area served by that SFA. A random sample of students was selected for each SFA from the list of students on the DHS list whose zip codes corresponded to those of the SFA (Blocks D and E).

The research team then conducted site visits at each of the randomly selected SFAs. The team first identified which students from the random sample were actually enrolled

at that school district (Block F).<sup>8</sup> For the students who were found to be enrolled, the researchers collected data on whether the student was approved for free or reduced price meal benefits (Block H), and if so, whether the student had been approved for free or reduced price meal benefits on the basis of direct certification (Block J) or through an application (Block K). The directly certified students were identified as being certified through the electronic match process (Block L) or on the basis of a direct certification letter (Block M). When data were available, a distinction was made whether the application approvals were made on the basis of income and household size (Block N) or categorical approval, i.e., on the basis of the TANF/FS number (Block O).<sup>9</sup>

Data collection was undertaken for each of the years SY 2001-02 and SY 2002-03. The same SFAs were utilized for both years, but for each year, a different independent random sample of about 2,300 students was selected. The samples were based on a list provided by the Department of Human Services of the school-aged children who were receiving TANF/FS in each of the two years, respectively.

Because the SFAs in this study were specifically selected to represent the different characteristics of the range of SFAs across Illinois, it would be illogical to assume each should contribute equally to the pooled estimate. To overcome this problem, the student data were aggregated by SFA and then the SFA data were weighted by the proportion of free lunch approvals accounted for by the larger category which each of the selected SFAs represented. To illustrate, a typical small, rural SFA in southern Illinois likely would not have as many students approved for free lunches as an SFA reflecting a large urban northern district. Therefore, it would not make sense to treat both as having the same impact on estimating the number of students who were approved for free and reduced lunches.

Estimates also were prepared for the different regions, urban vs. rural areas, and for three SFA groups identified as having high, moderate, or low free lunch approval rates.

The major limitations associated with this research design include both sampling error and measurement error. These topics are discussed in Appendix A & B respectively.

#### Administration of Eligibility Determination for Free and Reduced Price Meal Benefits

One of the expected benefits of the new direct certification process was that it would ease the administrative burden on SFA officials. Students who returned the direct certification letter would be approved for free meals without any additional forms or verification. This would make it easier for the parents/guardians, but also was expected to ease the administrative burden on SFA officials.

---

<sup>8</sup> Some students may have moved or could be attending a private school. Also, a zip code could apply to more than one SFA.

<sup>9</sup> Because not all of the SFAs had this information readily available, statewide estimates were not prepared indicating what percentage of the applications was categorical versus approved on the basis of income and household size. However, this information is available upon request for the SFAs in the sample that had this information readily available.

The research team explored the administrative impacts of the new direct certification process primarily through interviews conducted with SFA administrators in the sample of SFAs. To provide a context from which the study's findings could be viewed, these administrators were asked about their experiences and perspectives regarding the new direct certification process.

### Verification Process and Findings

Federal regulations require that SFAs participating in the National School Lunch Program verify the current eligibility of a percentage of households approved for free or reduced price meal benefits.

SFAs have their choice of using several different approaches in the verification process. Many SFAs elect to do a random sample in which they must sample at least three percent or 3,000, whichever is less, of all approved applications on file as of October 31.<sup>10</sup> Some SFAs do a focused sample that consists of a smaller required percentage of the applications, but focuses on applications that have a reported income level that is within \$100 of the monthly income eligibility guidelines. Alternatively, SFAs can choose to verify all applications. For the applications that are selected for verification—regardless of whether they were initially approved on the basis of a TANF/FS case number or household income and size, the SFA is required to obtain documentation of TANF/FS receipt or documentation of income for the most recently completed month for all household members.

Students who are approved for free meals on the basis of direct certification (either through the electronic match process or the new direct certification process) are not subject to verification and are not supposed to be included in the number of applications that is used to calculate the minimum number of applications that must be verified. Therefore, if some students who otherwise would have filed an application now utilize direct certification, then the total pool of applications that is subject to verification would be smaller.

To obtain information about the impact of the direct certification letter process on the SFA verification process and findings, the research team included questions about the verification process in the interviews and also asked for a copy of the SFA's verification report summary pages for SY 2001-02 and SY 2002-03. The summary pages were utilized to determine what changes, if any, occurred in terms of the number of applications that were verified and the outcomes of those verifications.

---

<sup>10</sup> An application is counted as one regardless of whether it covers multiple children or a single child. The sample size is driven by the number of applications, not the number of children covered by those applications. Some of the SFAs in the sample utilized one application for multiple children in the same household, while others used one application per child.

## Research Findings

### Free/Reduced Price School Lunch Certification

Data collected from the SFAs in the sample were used to estimate three statewide rates among children receiving TANF/FS:

1. the percentage of this population approved for free meals;
2. the percentage of this population approved for reduced price meals; and
3. the percentage of this population not approved for free or reduced price meals, hereafter referred to as “% paid lunch”.

These percentages were estimated for both SY 2001-02 and SY 2002-03.

The data also were used to calculate estimates by region, for urban versus rural areas, and for SFAs grouped by high versus moderate versus low free/reduced price meal certification rates. All of the estimates presented in this section were obtained through the weighting process described in the previous section on research design.

#### Statewide Estimates (excluding Chicago)

Statewide estimates (excluding Chicago) indicate that the free lunch certification rates for students who receive TANF/FS increased from 74% in SY 2001-02, the year prior to the new direct certification process, to 84% in SY 2002-03, the first year of the new direct certification process (see Table 1). This represents a 14% increase or, stated differently, a 10 percentage point increase from SY 2001-02 to SY 2002-03. The percentage point change is statistically significant at a 1 percent significance level.

The percentage of students who receive TANF/FS who were not approved for free or reduced price meals (“% paid” in Table 1) decreased from 26% in 2001-02 to 16% in SY 2002-03. This category may include students who applied for benefits but who were not approved, as well as students who did not apply for benefits. The 10 percentage point decrease in this category is statistically significant at a 1 percent significance level. The estimate for the percentage of TANF/FS students approved for reduced price meals was less than 1% in each of the two years.

**Table 1: Statewide Estimates (excluding Chicago) for Free/Reduced Price Lunch Approval Rates for Illinois Students Who Are Recipients of TANF or Food Stamps**

	<b>SY 2002</b>	<b>SY 2003</b>	<b>Percentage Point Difference</b>
% Approved for Free Lunch	74%	84%	10%**
% Approved for Reduced Price School Lunch <sup>a</sup>	-----	-----	-----
<b>% Paid Lunch<sup>b</sup></b>	26%	16%	-10%**

<sup>a</sup> 1% or less in each year.

<sup>b</sup> Includes all students who were not approved for free or reduced price meals.

\*\* Statistically significant at the  $p < .01$  level

In SY 2002-03, there were approximately 150,000 children in Illinois outside of the Chicago area whose parents/guardians received the direct certification letter.<sup>11</sup> If one assumes that the 10 percentage point increase in the free lunch approval rate noted above is attributable to the new direct certification program and that this increase is reflective of the state as a whole (outside of Chicago), then one could estimate that the new direct certification program resulted in approximately 15,000 more Illinois students outside of Chicago being approved for the free lunch program (150,000 x .10). This estimate is based on the assumption that other important factors that affect free lunch approval rates by these students remained constant between the two years that were addressed in this study and that the quality of the data was comparable for the two years (See Appendix B for a more detailed discussion of the data.).

The SFA sample data also were used to estimate the percentage of students who receive TANF/FS that were approved for the free lunch program on the basis of direct certification (see Table 2). In SY 2001-02, an estimated 6% of these children were directly certified (all through the electronic match process), while in SY 2002-03, 49% were directly certified (48% through the direct certification letter and 1% through the electronic match process). This indicates that close to one-half of the students whose parents/guardians were sent a direct certification letter returned the eligibility certificates to their schools.<sup>12</sup> The percentage of children who receive TANF/FS who were approved through an application decreased significantly from 68% to 35% in this two-year period.

<sup>11</sup> Precise figures on how many of the direct certification letters were sent to children residing in households within Chicago versus the rest of the state are not available. The 150,000 estimated figure for Illinois, excluding Chicago, assumes that about one-half of the students whose parents/guardians received the direct certification letter reside in Chicago. This is roughly consistent with the proportion of total state free lunch approvals attributable to Chicago, as well as the proportion of the students on the DHS list who have zip codes that corresponded to zip codes associated with Chicago schools.

<sup>12</sup> The U.S. Postal Service returned approximately 12,000 (3.9%) of the 304,000 direct certification letters to ISBE stating that these letters had undeliverable addresses.



**Table 2: Statewide Estimates (excluding Chicago) of How Student Who Receive TANF or Food Stamps Were Approved for Free/Reduced Price School Lunch**

	<b>SY 2002</b>	<b>SY 2003</b>	<b>Percentage Point Difference</b>
<b>Total Approved</b>	74%	84%	10%
<b>Direct Certification</b>			
Direct Certification Letter	NA	48%	48%
Electronic Match	6%	1%	-5%
<b>Direct Certification Total</b>	6%	49%	43%**
<b>Application</b>	68%	35%	-33%**

<sup>a</sup> Expressed as a percentage of the number of students who receive TANF or Food Stamps

\*\* Statistically significant at the p < .01 level

### Estimates by Region

There is considerable regional variation among the free/reduced price school lunch approval rates for students who receive TANF/FS (see Table 3). In SY 2001-02, the students who were served by SFAs in suburban Chicago and the south had lower free/reduced price school lunch approval rates (63% and 74%, respectively) compared to students who were served by SFAs in the northern (84%) and central (92%) regions of the state.

**Table 3: Estimates by Region for Free/Reduced Price School Lunch Approval Rates for Illinois Students Who Are Recipients of TANF or Food Stamps**

<b>Region</b>	<b>SY 2002</b>			<b>SY 2003</b>			<b>Percentage Point Change</b>		
	<b>Red.<sup>a</sup></b>	<b>Free</b>	<b>Paid<sup>b</sup></b>	<b>Red.<sup>a</sup></b>	<b>Free</b>	<b>Paid<sup>b</sup></b>	<b>Red.<sup>a</sup></b>	<b>Free</b>	<b>Paid<sup>b</sup></b>
<b>Suburban<sup>c</sup></b>	----	63%	36%	----	77%	23%	----	14%**	-14%**
<b>North<sup>c</sup></b>	----	84%	15%	----	88%	11%	----	4%*	-4%*
<b>Central<sup>c</sup></b>	----	92%	7%	----	94%	5%	----	2%	-2%
<b>South<sup>c</sup></b>	----	74%	24%	----	88%	11%	----	14%	-13%

<sup>a</sup> 1% or less in each year.

<sup>b</sup> Includes all students who were not approved for free or reduced price meals.

<sup>c</sup> Red. + Free + Paid in SY 2002 & SY 2003 columns may not total to 100% due to rounding.

\* Statistically significant at the p < .05 level

\*\* Statistically significant at the p < .01 level

The estimates for the percentage point change in the free/reduced price school lunch approval rates from SY 2001-02 to SY 2002-03 also varied significantly by region. Approval rates for students served by SFAs in suburban Chicago and the south increased by 14 percentage points, while the estimates for the north and central regions increased by only 4 and 2 percentage points, respectively. The percentage point

change for the Chicago suburban area was statistically significant at a 1 percent significance level, while the percentage point change for the northern area was statistically significant at a 5 percent significance level. The percentage of students approved for the free lunch program in the north and central areas already was relatively high in SY 2001-02 and the new direct certification program appears to have impacted these areas less than in the suburban Chicago and southern areas where the free lunch approval rates were lower in SY 2001-02.

There also are variations among the SFAs in terms of the percentage of students who received TANF/FS who were directly certified for free meal benefits (see Table 4). In the first year of the study, the students served by the northern SFAs had the highest percentage of directly certified approvals (20%), followed by the central Illinois SFAs (13%). The percentage estimates for the suburban Chicago area and the south were each less than 5%.

**Table 4: Estimates by Region for How Students Who Receive TANF or Food Stamps Were Approved for Free/Reduced Price School Lunch<sup>a</sup>**

Region	SY 2002		SY 2003				Percentage Point Change			
	<u>Direct Cert</u> Elect.	Appl.	<u>Direct Certification</u> Elect.	Letter	Total	Appl.	<u>Direct Certification</u> Elect.	Letter	Total	Appl.
Suburban	0% <sup>b</sup>	63%	0%	37%	37%	40%	0%	37%	37%**	-23%*
North	20%	65%	0%	59%	59%	30%	-20%	59%	39%**	-35%**
Central	13%	80%	5%	59%	64%	31%	-8%	59%	51%**	-49%**
South	4%	72%	0%	57%	57%	32%	-4%	57%	53%**	-40%**

<sup>a</sup> Expressed as a percentage of the number of students who receive TANF or Food Stamps

<sup>b</sup> The actual estimate was .3%.

\* Statistically significant at the  $p < .05$  level

\*\* Statistically significant at the  $p < .01$  level

Each of the regions had statistically significant increases in the percentage of students who receive TANF/FS who were directly certified in SY 2002-03 compared to the prior year. The estimates for the north, central, and south indicate that in SY 2002-03 over one-half (59%, 64%, and 57%, respectively) of the students who received TANF or food stamps were directly certified for free or reduced price school lunch, while only 37% of the TANF/FS students in the suburban Chicago SFAs were directly certified. The majority of the students who were directly certified in SY2002-03 were approved based on the direct certification letter.<sup>13</sup>

<sup>13</sup> For the random sample of students addressed in this study, only one of the SFAs had students in the sample in SY 2002-03 who had been approved utilizing the electronic match direct certification process.

## Estimates by Urban vs. Rural Areas

The free/reduced price lunch approval rates for urban versus rural areas also indicate significant differences (see Table 5). The estimates indicate that approximately 87% of the students who receive TANF/FS and attend SFAs in rural areas were approved for free/reduced price meals in SY 2001-02, with a slight increase to 89% in SY 2002-03. The new direct certification process did not appear to have a very large impact for the students who attend rural SFAs. However, the estimates for students who attend urban SFAs had lower free/reduced price school lunch approval rates for SY 2001-02 (70%) and showed more of an increase to an estimated level of 83% in SY 2002-03. The percentage point change for urban SFAs was statistically significant at a 1 percent significance level. This result is consistent with the regional estimates in that those areas that had the lowest approval rates in SY 2001-02 appear to be the areas most impacted by the new direct certification process.

**Table 5: Rural Vs. Urban Estimates for Free/Reduced Price Lunch Approval Rates for Illinois Students Who Are Recipients of TANF or Food Stamps**

Region	SY 2002			SY 2003			Percentage Point Change		
	Red. <sup>a</sup>	Free	Paid <sup>b</sup>	Red. <sup>a</sup>	Free	Paid <sup>b</sup>	Red. <sup>a</sup>	Free	Paid <sup>b</sup>
Rural	----	87%	13%	----	89%	11%	----	2%	-2%
Urban	----	70%	29%	----	83%	17%	----	12%**	-12%**

<sup>a</sup> 1% or less in each year

<sup>b</sup> Includes all students who were not approved for free or reduced price meals.

<sup>c</sup> Red. + Free + Paid in the SY 2002 and SY 2003 columns may not total to 100% due to rounding.

\*\* Statistically significant at the p < .01 level

Direct certification was not very prevalent among TANF/FS children in either rural or urban districts in SY 2001-02, 3% and 7%, respectively (see Table 6). However, in SY 2002-03, after the implementation of the direct certification letter, 62% of the students who receive TANF/FS in rural SFAs were directly certified, compared to 46% in urban areas.

**Table 6: Urban Vs. Rural Estimates for How Students Who Receive TANF or Food Stamps Were Approved for Free/Reduced Price School Lunch<sup>a</sup>**

Region	SY 2002		SY 2003				Percentage Point Change			
	DC Elect.	Appl.	Direct Certification Elect.	Letter	Total	Appl.	Direct Certification Elect.	Letter	Total	Appl.
Rural	3%	84%	0%	62%	62%	27%	-3%	62%	59%**	-57%**
Urban	7%	66%	1%	45%	46%	39%	-6%	45%	39%**	-27%**

<sup>a</sup> Expressed as a percentage of the number of students who receive TANF or food stamps

\*\* Statistically significant at the p < .01 level

## Estimates by High vs. Moderate vs. Low SFA Free Lunch Approval Rates

There also are variations associated with groupings based on the level of free lunch approval rates in the SFAs (see Table 7). In SY 2001-02, the free/reduced price school lunch approval rates for students who received TANF/FS ranged from 72% in the low approval SFAs to 77% in the moderate approval SFAs. The figures in SY 2002-03 ranged from 78% in low approval SFAs to 86% in moderate approval SFAs. The percentage point changes in the approval rates were the highest in the high approval SFAs (11 percentage points) and the lowest in the low approval SFAs (6 percentage points). The percentage point changes for the high approval SFAs and the moderate approval SFAs were statistically significant at a 1 percent and 5 percent significance level, respectively.

**Table 7: Estimates for Free/Reduced Price Lunch Approval Rates for Illinois Students Who Are Recipients of TANF or Food Stamps Grouped by SFA Free Lunch Approval Rates**

SFA Free Lunch Approval Rates	SY 2002			SY 2003			Percentage Point Change		
	Red. <sup>a</sup>	Free	Paid <sup>b</sup>	Red. <sup>a</sup>	Free	Paid <sup>b</sup>	Red. <sup>a</sup>	Free	Paid <sup>b</sup>
High Approval <sup>c</sup>	----	73%	27%	----	84%	15%	---	11%**	11%**
Moderate Approval <sup>c</sup>	----	77%	22%	----	86%	13%	----	9%*	-9%*
Low Approval <sup>c</sup>	----	72%	27%	----	78%	21%	----	6%	-6%

<sup>a</sup> 1% or less in each year

<sup>b</sup> Includes all students who were not approved for free or reduced price meals.

<sup>c</sup> Red. + Free + Paid in the SY 2002 and SY 2003 columns may not total to 100% due to rounding.

\*\* Statistically significant at the  $p < .01$  level

\* Statistically significant at the  $p < .05$  level

The estimates indicate significant differences in the percentage of students receiving TANF/FS who were directly certified for free lunch in SY 2002-03, ranging from 44% in high approval SFAs to 61% in moderate approval SFAs (see Table 8). This represents a 58-percentage point change from SY 2001-02 for moderate approval SFAs compared to a 35-percentage point change for high approval SFAs.

**Table 8: Estimates for How Students Who Receive TANF or Food Stamps Were Approved for Free/Reduced Price School Lunch--Grouped by SFA Free Lunch Approval Rates<sup>a</sup>**

SFA Free Lunch Approval Rates	SY 2002		SY 2003				Percentage Point Change			
	DC Elect	Appl.	Direct Certification			Appl.	Direct Certification			
			Elect.	Letter	Total		Elect.	Letter	Total	Appl.
High	9%	64%	2%	42%	44%	41%	-7%	42%	35%**	-23%*
Moderate	3%	76%	0%	61%	61%	26%	-3%	61%	58%**	-50%**
Low	0%	73%	0%	56%	56%	23%	0%	56%	56%**	-50%**

<sup>a</sup> Expressed as a percentage of the number of students who receive TANF or Food Stamps

\*\* Statistically significant at the p< .01 level

\* Statistically significant at the p< .05 level

## Administrative Aspects

This section discusses the administrative impacts associated with the new direct certification process. The information in this section was derived from interviews conducted with ISBE officials in the Nutrition Programs and Support Services Division and with school officials from the 27 SFAs included in the sample for this study.

### ISBE Perspective

ISBE's main role in the administration of the new direct certification process is to obtain the list from DHS of the school-aged children in Illinois who receive TANF/FS, prepare and mail the direct certification letters to the appropriate households, and provide information and guidance to the SFAs regarding how to administer the new program.

In the first year of the program, ISBE mailed 304,000 direct certification letters in late July and August. The first two groups of letters (about 150,000 letters) were mailed on July 30 and August 2. Another two groups of letters (about 132,000) were mailed on August 6 and August 9 and the remaining letters (about 22,000) were mailed on August 22. ISBE officials note that there was a timing problem with the mailing of the direct certification letters as some of the letters did not reach the households prior to school registration. As a result, some of the recipients already had filled out an application form for free/reduced price meals prior to receiving the direct certification letter.

To inform the SFAs about the new direct certification process, ISBE sent each of the SFAs a document about the process and included a description of the approach in a newsletter which was sent to the SFAs and posted on ISBE's website. ISBE also offered a session on the new process at an ISBE workshop and shared information about it with the Illinois School Food Service Association.

ISBE officials said that the reaction of most SFA officials to the announcement of the new direct certification process was positive. According to ISBE officials, SFA officials liked the idea and understood the purpose. Since the implementation of the process, ISBE officials report that most SFA officials have continued to have a positive reaction, except that some SFAs have requested changes to the portion of the direct certification letter that is returned to the SFAs (e.g., the addition of the parent's/guardian's name and return of a full-page letter rather than a tear-off portion).

ISBE officials noted an unexpected benefit that occurred as a result of the new direct certification process. In Illinois, approximately 90-95% of the public school districts participate in the federal National School Lunch Program (NSLP). However, Illinois state law<sup>14</sup> requires public school districts, regardless of whether they participate in the NSLP, to provide free lunch to students who qualify. Some students in districts that were not participating in the NSLP returned their direct certification letters to their schools, which in turn resulted in these schools providing free lunch to these students. According to ISBE officials interviewed during the course of this study, a few of those districts then decided to participate as an SFA in the NSLP for the following year.

From a state perspective, the main costs of the new direct certification letter process are those associated with the mailing of the letters to the parents/guardians. ISBE officials note that it costs about \$100,000 for the postal costs, plus an additional \$7,000 for the paper and envelopes. According to ISBE officials, labor time is minimal and primarily consists of writing/revising the letter and having several meetings to coordinate the effort.

### SFA Perspectives

The interviews with SFA officials consisted of questions that addressed issues such as how the direct certification program was implemented, the benefits of the program, concerns or problems associated with the program and suggestions for improvement in future years.<sup>15</sup>

A total of 30 SFA officials participated in the interviews conducted at the 27 SFA sites. The titles of the people who were interviewed varied, including positions such as secretary, food service director, assistant superintendent for business, assistant principal, and audit supervisor. Some of these individuals are responsible primarily for the free or reduced price school lunch application and verification process, while others also are involved in the actual provision of school lunches.

On average, the SFA individuals who were interviewed had worked with the school lunch program for 12 years, with experiences ranging from one year to 30 years. About one-fourth of the people interviewed had worked with the school lunch program for less than five years, one-fourth had worked with it for 5-10 years, and the remaining one-half had been with the school lunch program for ten or more years.

---

<sup>14</sup> Illinois H.B. 2601, passed by the 76<sup>th</sup> General Assembly; 23 Illinois Administrative Code, Section 305.1

<sup>15</sup> A copy of the interview questions is available upon request.

## Implementation of the Direct Certification Process

The implementation of the new direct certification process was similar across sampled SFAs. Families who received the direct certification letters returned the letters to the child's school or, in some cases, to the district's administrative office. This usually occurred during registration or the first week of school.

In most SFAs, the parents who returned the direct certification letters did not have to fill out an application form and were not subject to any additional verification. However, as previously noted, in some SFAs, due to the timing of the receipt of the direct certification letters, parents had already filled out an application. In most of these cases, the SFA officials stapled the direct certification letter to the application and filed it.

Four of the SFAs in the sample required parents to fill out an application form even though they had returned the direct certification letter. Officials in two of these SFAs said this occurred because school officials were not informed about the new process. In another SFA, the officials were aware of the new process but wanted to give parents the opportunity to share the application information with other government programs, such as KidCare. This SFA also wanted to use the applications to identify siblings who might be eligible but who may not have submitted a free lunch application or direct certification letter. The latter SFA, plus one other SFA, also said they had the parents fill out the application form because they thought ISBE required a signature by the parent/guardian in order for a child to be approved for free/reduced price school lunch.

According to ISBE provisions, SFAs in SY 2002-03 were not required to send confirmation letters to the parents/guardians of students who were approved for free lunch on the basis of the direct certification letter. However, at least several of the SFAs in the sample were not aware of this provision and sent confirmation letters to the parents/guardians.

## Perceptions of the Benefits of the New Direct Certification

SFA officials generally were pleased with the new direct certification process. When asked whether the program should be continued, all but one of the SFA officials replied affirmatively. Many of the officials expressed enthusiastic support with comments such as "it definitely needs to be continued", "it's wonderful", and "it's very helpful."

One of the most frequently cited benefits of the new direct certification process was that it is easier for the parents/guardians because they do not have to fill out application forms. Several SFA officials noted that the direct certification letter especially was helpful for families who do not know their TANF/FS numbers or who may feel uncomfortable providing the necessary information for the application. Another SFA official thought the new process was especially beneficial to Spanish-speaking parents, even if those parents did not receive a direct certification letter that was in Spanish. One SFA official said that some parents were surprised at the system's convenience and user friendliness.

The responses were mixed when the SFA officials specifically were asked about whether the new process made it easier to identify students who were eligible for free lunch. About one-third of the interviewees thought the new process had made it easier. Several others thought their SFA already was doing a good job of identifying eligible children and that the new process probably would not have a significant impact. Others thought the new process had little effect or were uncertain as to what the effect had been.

Many of the SFA administrators indicated that the direct certification letters helped streamline the process because the SFA did not have to verify the information on application forms for the students who returned the letters. As a result, administrators did not have to make follow-up phone calls or worry about whether the TANF/FS numbers or reported income levels were accurate. The SFA was able to more quickly approve those students for free lunch. Some SFAs also mentioned that they saved time as a result of not having to send confirmation letters to the parents/guardians of students who were approved through the direct certification letter process.

About one-third of the interviewees said that the new process had saved time for the administrators, but the amount of time saved varied, with about one-half of these indicating that it saved some, but not much, time. Administrators from several other SFAs indicated that they expected the process would save time in future years once school officials and parents better understood the process, but that it had not saved time for the administrators in the first year. Several others stated that the program could save administrators time if the portion of the direct certification letter that is given to the SFA contained additional information, such as the name of the school and the parent's name.

### Concerns About the Program and Suggestions for Improvement

Officials in six of the 27 SFAs in the sample said that they did not have sufficient information about the new program prior to its implementation. Four of these SFAs said that they were not aware of the new program until parents/guardians started bringing in the direct certification letters.

Some SFA officials noted that some of the parents/guardians who received the direct certification letters were confused. Officials from three SFAs indicated that several parents/guardians did not realize that they had to return the letter to the school—they thought their child was automatically approved for free lunch. A couple of SFA officials indicated that parents who returned the direct certification form were annoyed or confused because the SFA still required them to fill out an application. Other parents were confused when they received direct certification letters for some of their children, but not others. One SFA official also said that some of the parents/guardians thought the letter automatically applied to all children in the household when in fact it only applied to the child named in the letter.



SFA officials also expressed concerns about who received or did not receive the direct certification letters. Some SFA officials shared the concern expressed by parents/guardians regarding why some of the children in a household received the letter while others did not. Two SFA officials also questioned whether some of the people who received the direct certification letters were actually eligible for free lunch. In one SFA, some of the parents that originally had applied for free lunch for their children and had been turned down due to their income levels, later returned with a direct certification letter. Thus, children in these cases ultimately were approved for free meals through the direct certification process.

Another major concern expressed by the SFA officials was that the tear-off portion of the direct certification letter that was returned to the schools did not include all of the information that SFA officials needed. This resulted in SFA officials having to spend time tracking and identifying other relevant information. SFA officials suggested that the following information should be added to the portion of the letter that is returned to the SFA: the parent/guardian's name, address, phone number, a place for the parent/guardian to indicate the school and grade of the child, and the child's middle initial. Another common request was that a full page be returned to the school rather than a tear-off portion that is more difficult to file and easier to lose.

Officials in four of the SFAs indicated that the direct certification letters were mailed too late. In these SFAs, the recipients of the direct certification letters had already filled out applications prior to the receipt of the direct certification letter. However, officials in some of the other SFAs thought the timing of the letters in SY 2002-03 was reasonable.<sup>16</sup> Several officials cautioned that the letters should not be sent out too early because people would lose them or forget about them.

When asked about other improvements that were needed, officials in three of the SFAs stated that the direct certification letters needed to be in Spanish for some households in their jurisdiction. Although ISBE has indicated that some letters were sent out in Spanish, several SFA officials said that they have Spanish-speaking households and did not see any letters in Spanish. One official suggested that the letter be printed in English on one side and Spanish on the other side so ISBE would not have to identify which households to send the Spanish letter.

Another issue that came up in some SFAs was how to address students who transfer between districts within the school year. One SFA official indicated that she had made a copy of the direct certification letter and sent it to the new district. However, another official noted that she had been reluctant to do this since the form said "no copies allowed." According to ISBE, SFAs are allowed to copy and send the direct certification letter to the student's new school; however, parents are not allowed to copy the letter.

---

<sup>16</sup> Most of the SFAs in the sample that mail out information or applications on the free lunch program tend to do so in late July. Most of the SFAs hold registration sometime in August, often in either the first or second week.

About one-fourth of the SFA officials stated that they would like a list of the students in their SFA whose parents/guardians received a direct certification letter. They apparently were unaware that the state database on the students who receive TANF/FS does not indicate which school or district the child attends.

### **Electronic Match Direct Certification**

Most SFAs in the sample were not currently participating in the electronic match direct certification process offered by ISBE. Only three of the SFAs utilized the electronic match direct certification process during SY2001-02 and four of the SFAs were involved with it in SY 2002-03.<sup>17</sup> Several other SFAs indicated that they previously had participated in the program, but not within the past two years.

Of the SFAs that indicated they had participated in the electronic match program, all of the officials noted a disappointment in the number of eligible students who had been identified in the match process. For example, one of the SFAs that utilized the match process in SY 2002-03 said they only had 11 matches. Several SFAs noted that the number of matches had decreased significantly over time even though their perceptions were that the actual number of students receiving TANF/FS had not decreased at that rate.

### **Verification Results**

Each year SFAs that participate in the National School Lunch Program are required to verify the current eligibility of a small percentage of households that have been approved for free or reduced price school lunch. Information on the impact of the new direct certification process on the SFA verification process and results was obtained in two ways: (1) from examination of verification summary reports prepared by the SFAs in the sample, and (2) from interviews conducted with SFA officials who participated in this study.

The direct certification letters that are returned to the schools are not subject to the annual verification process undertaken by SFAs. Assuming that at least a portion of the students who returned the direct certification letters were previously approved on the basis of an application, one would expect the total pool of applications subject to verification to be smaller in SY 2002-03 than in SY 2001-02.<sup>18</sup> If SFAs continue to utilize the same percentage of total applications to be verified as in the past (typically 3%), then the number of applications verified would decrease.

---

<sup>17</sup> Among the random sample of students included in this study, students that had been approved for a free/reduced price school lunch in SY 2002-03 on the basis of an electronic match were found at only one of the four SFAs.

<sup>18</sup> This is based on the assumption that no other exogenous conditions changed over that time period (e.g., economic conditions, school district policy, etc).

Verification summary reports were available for 12 of the SFAs in the sample. In these SFAs, the number of applications verified decreased in one-half of the SFAs and stayed the same or increased in the other one-half (see Table 9). The three SFAs with the largest number of applications verified in SY 2001-02 all had significant decreases, ranging from 23% to 58%. However, at least part of the decrease for at least two of these SFAs (SFA-4 and SFA-9 in Table 9) is attributable to other programmatic changes, such as a change from one application per child to one application per household that occurred in that SFA during SY 2002-03. The percentage of total applications verified stayed about the same in most of these SFAs.

**Table 9: Comparison of Applications Verified in SY 2002-03 Versus SY 2001-02**

<b>SFA</b>	<b># of appl. verified SY 2002</b>	<b># of appl. Verified SY 2003</b>	<b>% Change</b>	<b>% of appl. verified SY 2002</b>	<b>% of appl. verified SY 2003</b>	<b>Percentage Point Change</b>
SFA-1	5	5	0%	9%	8%	1%
SFA-2	20	20	0%	5%	5%	0%
SFA-3	36	38	6%	4%	NA	NA
SFA-4	409	192	-53%	3%	3%	0%
SFA-5	15	12	-20%	3%	2%	1%
SFA-6	76	32	-58%	3%	3%	-1%
SFA-7	51	55	8%	2%	2%	0%
SFA-8	7	7	0%	3%	3%	0%
SFA-9	140	108	-23%	3%	3%	0%
SFA-10	15	13	-13%	3%	3%	0%
SFA-11	3	3	0%	7%	5%	2%
SFA-12	9	7	-22%	4%	4%	-1%
<b>Total</b>	<b>786</b>	<b>492</b>	<b>-37.4%</b>	<b>4.08% avg.</b>	<b>3.73% avg.</b>	

The verification summary pages for these 12 SFAs also were examined to see if any trends or differences existed in the results of the verification process in SY 2002-03 compared to SY 2001-02. A summary of the observations (grouped by possible verification result categories) is presented below.

No change: One-third of the SFAs had about the same percentage of applications verified that resulted in “no change” in both years. Among the other SFAs, three had a greater percentage of “no changes” in SY 2002-03 while five had a lower percentage of “no changes” in SY 2002-03.

Free to Paid: Two-thirds of the SFAs had about the same percentage of verifications resulting in “free to paid” in SY 2002-03 as in SY 2001-02. The other four SFAs were split evenly between those that experienced an increase and those that experienced a decrease.

Free to Reduced: Two-thirds of the SFAs had about the same percentage of verifications resulting in “free to reduced” in SY 2002-03 as in SY 2001-02. Among the other SFAs, three SFAs had a decrease, while one SFA had an increase.

Reduced to Paid: Ten of the 12 SFAs had about the same percentage of verifications resulting in “reduced to paid” in SY 2002-03 as in SY 2001-02.

Reduced to Free: Eleven of the 12 SFAs had about the same percentage of verifications resulting in “reduced to free” in SY 2002-03 as in SY 2001-02.

Overall, these results suggest that the new direct certification process did not appear to have any major effect on the results of the verification process in these 12 SFAs.

Most of the SFA officials who were interviewed did not think that the new direct certification process had much of an impact on the verification process. Some SFA officials noted that the new direct certification process decreased the number of applications that had to be verified, while others said that they continued to verify approximately the same number of applications as in prior years.

There appeared to be confusion in some SFAs regarding how to treat the direct certifications in the verification process. Some SFAs mistakenly thought that the students approved on the basis of the direct certification letter should be treated the same as students approved on the basis of an application. They included the direct certification letters as part of the total pool of applications and some SFAs allowed for the possibility that a direct certification letter could be selected as one of the “applications” to be verified. Others included the direct certification letters in the total pool of applications, but did not allow for the direct certification letters to be selected for the random sample, i.e., if a direct certification letter was selected they replaced it with an application. Although documents distributed by ISBE indicate that students approved on the basis of direct certification are not subject to verification, it appears that further clarification from ISBE is needed for some SFAs.

## **Conclusion**

The new direct certification process was established in SY 2002-03 to provide a more effective means to approve eligible children for free meals under the National School Lunch Program. A secondary goal was to make the certification process more streamlined and less burdensome on local SFAs. While the assessment of impact is difficult in the inaugural year of any new program, findings from this study suggest the procedure is promising on both fronts. Statewide estimates (excluding Chicago) indicate that the free lunch approval rates for students who receive TANF/FS increased by about 10 percentage points in SY 2002-03. All other things being equal, this resulted in approximately 15,000 more Illinois students outside of Chicago being approved for free lunch. Moreover, the percentage of children who receive TANF or food stamps that were approved through an application decreased significantly from 68% to 35% from the 2001-02 to 2002-03 school year. This later finding suggests that new process is also reducing the need for eligible students to go through the application process reducing the burden on both parents and school administrators. There were notable variations in the certifications when examined for district subgroups in: different parts of

the state, urban and rural districts, and with high, medium and low free/reduced price school lunch approval rates.

The study's findings do not suggest any strong trends in the verification results for SY 2002-03 compared to SY 2001-02. However, because the direct certification letters that are returned to the schools are not subject to the annual verification process undertaken by SFAs, if the SFAs continue to utilize the same percentage of total applications to be verified as in the past (typically 3%), then the number of applications verified would decrease.

Administratively, the program seems to have been implemented with only a modest amount of difficulty. Both ISBE staff and SFA officials seemed pleased with the new direct certification process. Although issues were noted, these appear in line with a new initiative and primarily related to communication rather than structural concerns.

**APPENDIX A: Sampling Stratification and Sampling Error**

## **Appendix A: SAMPLING STRATIFICATION AND SAMPLING ERROR**

### **Sampling Stratification Characteristics and Definitions**

For sampling purposes, the state was stratified by geographic region, urban/rural, the nature of the SFA (unitary SFA or non-unitary), and the SFA level of student approvals for free/reduced price meal benefits.

#### **Region**

The state was first divided into three broad geographic regions: the City of Chicago; the Chicago-area suburbs (Cook County suburbs and the suburbs in the five-county collar area); and “downstate” (the 96 counties outside the Chicago metro area).<sup>19</sup> Downstate Illinois was further subdivided into northern Illinois, central Illinois, and southern Illinois.<sup>20</sup>

#### **Urban/Rural**

Downstate SFAs also were stratified by the relative urban or rural nature of their area. In doing this, we identified downstate urban SFAs as those in the downstate cities (or metro areas) with populations of 25,000 and more. In addition, we identified SFAs in three combined-city areas as “urban” because the cities’ combined and very proximate populations exceed 25,000.

#### **Unitary and Non-Unitary Districts**

In the Chicago suburban area, we stratified SFAs into those that are unitary and those that are not (i.e., districts that serve only elementary/junior high school students or districts that serve only high school students).<sup>21</sup> For the non-unitary districts, we sampled from list of high school SFAs, and then found the elementary SFAs that fed into the selected high school SFAs.

---

<sup>19</sup> The exception is that the Oswego School District, located in northeast Kendall County, is treated as a suburban district because of its large size and its proximity to Aurora.

<sup>20</sup> Northern Illinois is comprised of the counties north of a line drawn horizontally across the state, beginning just south of the Quad Cities on the west to just south of Kankakee on the east, excluding the six counties in the Chicago metro area. Southern Illinois is comprised of the counties south of a line drawn horizontally across the northern borders of Madison and Bond Counties, and then another line across the northern borders of Fayette, Effingham, Jasper and Crawford counties. Central Illinois is comprised of the counties in between.

<sup>21</sup> In rural downstate, we decided to sample only from unitary districts. This was done because:

1) the aggregate approval rates in the unit districts and in the other districts are very similar in the rural areas; 2) the vast majority (80%) of students are found within unitary districts in the rural areas; and 3) it appeared that it would be more efficient to sample unitary districts since data collection field work was likely to involve fewer sites.

## SFA Free/Reduced Price Meal Approval Rates

In both the Chicago suburbs and the downstate areas, we further stratified by the level of student approvals for free/reduced price meal benefits. For Chicago suburban non-unitary districts, we used information from the high school SFAs for this purpose.

In Tables A-1 through A-3, we present the ranges of approvals rates used to categorize SFAs into high, moderate, and low approval rates for the respective types of districts. Also note that these three tables give us 24 sampling cells outside of the City of Chicago, six in the Chicago suburban area and 18 in the “downstate” area including 9 in each of the urban and rural parts. Also note that we were not able to obtain data to represent one of these cells.

**Table A-1: Chicago Suburban Sampling Cells (6 cells)**

<b>Approval level*</b>	<b>Unit Districts</b>	<b>High School Districts (representing non-unitary districts)</b>
<i>High Approval</i>	32.0% - 69.8% (8 districts)	27.3% - 54.4% (9 districts)
<i>Moderate Approval</i>	16.0% - 26.3% (7 districts)	7.5% - 19.6% (9 districts)
<i>Low Approval</i>	1.4% - 10.1% (12 districts**)	1.7% - 6.2% (6 districts**)

\*Note that gaps in the approval percentages indicate no district within the gap range. For instance, within unit districts, there is a gap from 10.1% to 16.0% between the “low approval” and “moderate approval” groups, and another gap of 26.3% to 32.0% between the “moderate approval” and “high approval” groups. This means that no district has an approval percentage within these two gaps.

\*\*This number excludes a few districts with approval numbers less than 100 students.

**Table A-2: Downstate Urban Sampling (9 cells)**

<b>Approval level*</b>	<b>Northern Illinois Urban</b>	<b>Central Illinois Urban</b>	<b>Southern Illinois Urban</b>
<i>High Approval</i>	54.6% - 73.5% (3 districts)	54.5% - 62.3% (4 districts)	71.9% - 97.6% (2 districts**)
<i>Moderate Approval</i>	28.2% - 42.3% (6 districts)	22.0% - 44.7% (13 districts)	25.3% - 44.5% (7 districts)
<i>Low Approval</i>	5.7% - 19.8% (5 districts)	4.6% - 13.4% (3 districts**)	13.9% - 15.5% (2 districts**)

\*Note that gaps in the approval percentages within each region indicate no district within the gap range.

\*\*This number excludes a few districts with approval numbers less than 100 students.



**Table A-3: Downstate Rural Sampling (9 cells)**

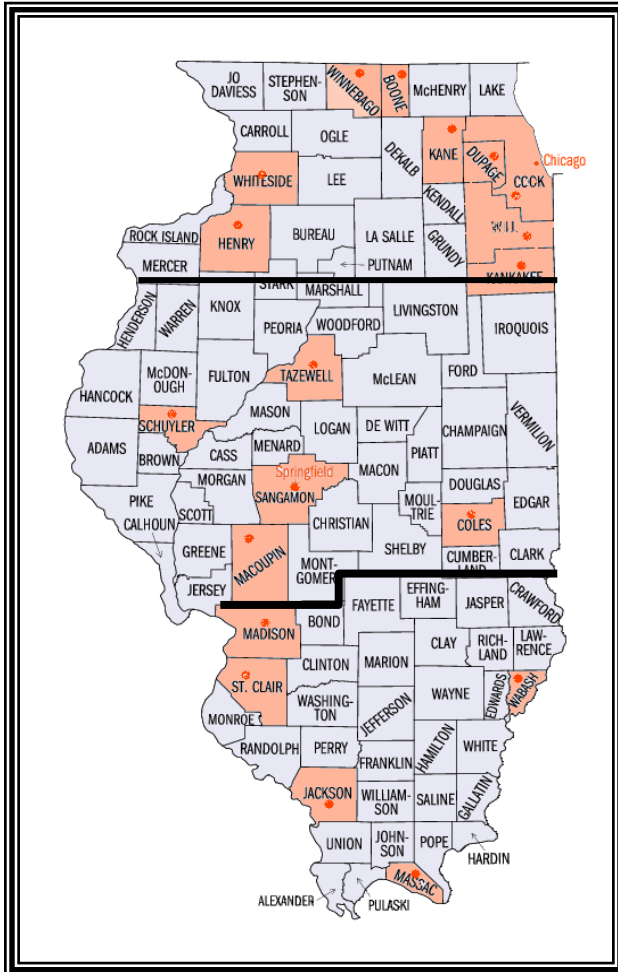
Approval level*	Northern Illinois Rural***	Central Illinois Rural***	Southern Illinois Rural***
<i>High Approval</i>	48.1% - 65.7% (5 districts**)	34.3% - 59.0% (39 districts**)	41.0% - 100.0% (25 districts**)
<i>Moderate Approval</i>	20.6% - 34.5% (16 districts**)	26.0% - 33.8% (39 districts**)	33.4% - 39.9% (26 districts**)
<i>Low Approval</i>	5.6% - 19.9% (24 districts**)	3.7% - 25.7% (59 districts**)	4.1% - 32.9% (26 districts**)

\*Note that gaps in the approval percentages within each region indicate no district within the gap range.

\*\*This number excludes districts with approval numbers less than 100 students.

Figure 3 presents an overview of the sampled districts and regional divisions.

**Figure 3: Sampled Districts and Regional Divisions**



Note: The shaded areas represent the counties where the sample SFAs were located.

## **Sampling Error**

A statistical software program, called Stata, was used to derive the estimates, the standard error terms and the statistical significance levels for the estimates. This program takes into account both the two-stage sampling process (sampling SFAs and then sampling students within the SFAs) and the sampling stratification.

## **APPENDIX B: Data Issues**

## **Appendix B DATA ISSUES**

The research team collected data on school enrollment, free/reduced price school lunch approvals, the basis of approval for free/reduced price school lunch approvals, and administrative and verification issues. This section discusses how the data were obtained, limitations associated with the data collection process, and possible data measurement errors.

### **School Enrollment Data**

Most SFAs had a computerized list of the students that were enrolled in the school district. Some of the SFAs had a separate enrollment list for SY 2001-02 and SY 2002-03; however, others only had an enrollment list available for SY 2002-03. In the latter SFAs, the research team utilized the SY 2002-03 list and made the assumption that if a student was enrolled in SY 2002-03 then he/she also was enrolled in SY 2001-02 and similarly, if the student was not enrolled in SY 2002-03 then he/she was not enrolled in SY 2001-02.

Within the analysis for this study, it was assumed that most students who are enrolled in a school district continue to be enrolled the following year. However, this assumption could result in measurement error if some of the students who were enrolled in the district in SY 2002-03 were not enrolled in that school district in SY 2001-02 as those students would have been categorized as enrolled in the district, but not approved for the free/reduced price meals. Similarly, if a student was enrolled in SY 2001-02, but not SY 2002-03, the research team would not have addressed this student because he/she was not on the SY 2002-03 enrollment list.

Another potential problem with the enrollment data was the possibility of finding a student whose name appeared to be the name of a student on the DHS list with a zip code that corresponded to that SFA, but in reality might be a different child. The researchers checked birth dates and parent's name when the data were available to try to ensure that the student on the enrollment list was the same student as the one who had received the direct certification letter, but in some SFAs this additional information was not readily available. To further try to reduce this potential measurement issue, the research team sent each SFA a list of the students whose names appeared on the district's enrollment list, but for which no documentation was found indicating that the students were approved for free/reduced price meals. This list also included the student's address and parent's name to help the SFA identify whether the student was enrolled in the district.

## **Free/Reduced Price Meal Approval**

In most SFAs in the sample, the research team utilized computer-generated reports to identify which students were approved for free/reduced price meals. However, most databases did not include the specific criterion on which the students were approved, e.g., categorical, income & household, or direct certification. Therefore, this information had to be obtained manually from files or binders containing the applications or direct certification letters. (Most of the SFAs in the sample who utilized electronic match direct certification had a list or code in the database that indicated who was certified through this means.)

The applications and direct certification letters generally were readily available for SY 2002-03.<sup>22</sup> The main issue for SY 2002-03 concerned the availability of information on students who had left the district after the start of the year. In some cases, the records for these students remained in the active files with a notation of the date the student had left the district. In other cases, the records were removed from the active files and were not readily available.

Another data measurement issue concerned the availability and completeness of data for SY 2002-03 relative to SY 2001-02. Some of the districts have a computerized database that contains free/reduced price school lunch data for multiple years, while other systems only have current year data. In the latter, it was easier to check SY 2002-03 than SY 2001-02 data to see if a student had been approved for free/reduced price school lunch. This could partially bias the results in that the reported free/reduced price school lunch approval rates might under represent the actual rates more so in SY 2001-02 than in SY 2002-03

The organization of the application records and direct certification letters also varied among the SFAs in the sample. In some of the SFAs, the SY 2001-02 application records were not as organized or as complete as the records for SY 2002-03. While most SFAs filed the application records on the basis of the student's last name, several SFAs used other means, such as organizing by the parent/guardian's last name or by the parent's social security number. Some of the direct certification letters were stapled to an application form (some of which were filled out and others that were not, depending on the SFA) and filed with the applications. Other SFAs maintained all of the direct certification letters in a separate folder, often in no particular order. The data collection process took considerably more time in SFAs that did not file the applications and/or direct certification letters by the student's last name; however, this generally did not contribute to a data measurement error.

## **Verification Reports**

The collection of the summary sheets for the verification reports proved more problematic than originally was anticipated. Although federal regulations require SFAs

---

<sup>22</sup> One SFA in the sample had not retained the direct certification letters in SY 2002-03, but indicated that they would do so in the future.

that participate in the National School Lunch Program to conduct an annual verification process, site visits revealed that many of the SFAs did not have the verification summary sheet available. Some of these SFAs had the verification summary sheets for some schools, but not all schools in the SFA. The research team followed-up with the SFAs to try to obtain the verification summary sheets and eventually was able to obtain district wide results for 12 of the 27 SFAs in the sample.

### **Administrative Information**

The analysis of the administrative impacts of the new direct certification program primarily was based on information obtained from interviews conducted with SFA officials in the sample. These interviews generally were conducted with the administrators who were the most directly involved with the review and approval of students for free/reduced price meals.

Another potential data measurement issue is that the interviews were conducted at the end of the SY 2002-03 year, while the new process' impacts primarily occurred at the beginning of the SY 2002-03 year. This might make it difficult for some officials to recall or estimate information such as the magnitude of the time saved as a result of the new process.

Another concern is that the perceptions and experiences of the officials who were interviewed may not necessarily be generalizable to SFA officials statewide. The SFA administrators' perception of the program might be influenced by a variety of factors, such as how long the individual has been with the SFA or the nature and scope of his/her job responsibilities. Even within a particular SFA, there sometimes was a difference in attitude toward the new direct certification process among different administrators.

**APPENDIX C: Comparison of Weighted Versus Unweighted Statewide Estimates**

**Appendix C**  
**COMPARISON OF WEIGHTED VERSUS UNWEIGHTED**  
**STATEWIDE ESTIMATES**

The statewide estimates presented in the main body of this report are based on a weighting of aggregated student data for each SFA in the sample. This section compares those statewide estimates to statewide estimates based on unweighted individual student data.

As shown in Table C-1, the two different estimation procedures resulted in estimates that are very similar. The estimates for the percentage of students who received TANF/FS who were approved for free lunch were the same in SY 2002-03 and differed by only one percentage point in SY 2001-02. The percentage point difference between the two years was 10% utilizing the weighted SFA data versus 9% utilizing the unweighted individual student data. The estimated percentage of students who received TANF/FS and who returned a direct certification letter also was similar utilizing the two different approaches. The estimated percentage was 48% utilizing the weighted SFA data and 51% utilizing the unweighted individual student data.

**Table C-1: Comparison of Statewide Estimates Utilizing Unweighted Individual Student Data vs. Weighted SFA Data**

	<u><b>SY 2002</b></u>	<u><b>SY 2003</b></u>	<i><b>percentage point difference</b></i>
<b><u>% approved for free lunch</u></b>			
unweighted estimate	75%	84%	9%
weighted estimate	<u>74%</u>	<u>84%</u>	<u>10%</u>
Difference	1%	0%	-1%
<b><u>% who returned a direct a certification letter</u></b>			
unweighted estimate	NA	51%	NA
weighted estimate	NA	<u>48%</u>	NA
Difference		3%	

Thus it appears overall statewide estimates are fairly robust in terms of whether the estimates are derived utilizing individual student data or weighted SFA aggregated student data.



**APPENDIX D: Basis of Free Lunch Approvals for Students Receiving TANF/FS**

**Appendix D**  
**BASIS OF FREE LUNCH APPROVALS FOR STUDENTS RECEIVING TANF/FS**

This appendix provides estimates for how students who are receiving TANF/FS were approved for free lunch. The figures express whether these students were approved on the basis of direct certification (electronic match or direct certification letter) or an application (categorical or on the basis of income and household size). For each table, the figures are expressed as a percentage of the students receiving TANF/FS who were approved for free/reduced price meals.

**Statewide Estimates**

**Table D-1: Statewide Estimates (excluding Chicago) of How Students Who Receive TANF or Food Stamps Were Approved for Free or Reduced Price School Lunch<sup>a</sup>**

	<b>SY 2002</b>	<b>SY 2003</b>	<b>Percentage Point Change</b>
<b>Direct Certification</b>			
Direct Certification Letter	NA	61%	61%
Electronic Match	7%	1%	-6%
<b>Total Direct Certification</b>	7%	62%	55%
<b>Application</b>	93%	38%	-55%

<sup>a</sup> Expressed as a % of those who were approved for free/reduced price lunch

**Regional Estimates**

**Table D-2: Regional Estimates of How Students Who Receive TANF or Food Stamps Were Approved for Free or Reduced Price School Lunch<sup>a</sup>**

<b>Region</b>	<b>SY 2002</b>		<b>SY 2003</b>				<b>Percentage Point Change</b>			
	<b><u>Elect.</u></b>		<b><u>Direct Certification</u></b>				<b><u>Direct Certification</u></b>			
	<b>DC</b>	<b>Appl.</b>	<b>Elect.</b>	<b>Letter</b>	<b>Total</b>	<b>Appl.</b>	<b>Elect.</b>	<b>Letter</b>	<b>Total</b>	<b>Appl.</b>
Suburban	0%	100%	0%	45%	45%	55%	0%	45%	45%	-45%
North	21%	79%	0%	66%	66%	34%	-21%	66%	45%	-45%
Central	13%	87%	5%	63%	68%	32%	-8%	63%	55%	-55%
South	5%	95%	0%	64%	64%	36%	-5%	64%	59%	-59%

<sup>a</sup> Expressed as a % of those who were approved for free/reduced price lunch

## Urban Versus Rural Estimates

**Table D-3: Rural vs. Urban Estimates of How Students Who Receive TANF or Food Stamps Were Approved for Free or Reduced Price School Lunch<sup>a</sup>**

Region	SY 2002		SY 2003				<i>Percentage Point Change</i>			
	<u>Elect.</u> DC	<u>Appl.</u>	<u>Direct Certification</u>				<u>Direct Certification</u>			
			<u>Elect.</u>	<u>Letter</u>	<u>Total</u>	<u>Appl.</u>	<u>Elect.</u>	<u>Letter</u>	<u>Total</u>	<u>Appl.</u>
Rural	3%	97%	0%	69%	69%	31%	-3%	69%	66%	-66%
Urban	8%	92%	1%	52%	53%	47%	-7%	52%	45%	-45%

<sup>a</sup> Expressed as a % of those who were approved for free/reduced price lunch

## Estimates by Level of Approval for the SFA

**Table D-4: Estimates of How Students Who Receive TANF or Food Stamps Were Approved for Free or Reduced Price School Lunch<sup>a</sup>**

SFA Free Lunch Approval Rates	SY 2002		SY 2003				<i>Percentage Point Change</i>			
	<u>Elect.</u> DC	<u>Appl.</u>	<u>Direct Certification</u>				<u>Direct Certification</u>			
			<u>Elect.</u>	<u>Letter</u>	<u>Total</u>	<u>Appl.</u>	<u>Elect.</u>	<u>Letter</u>	<u>Total</u>	<u>Appl.</u>
High	9%	91%	2%	46%	48%	52%	-7%	46%	39%	-39%
Moderate	3%	97%	0%	70%	70%	30%	-3%	70%	67%	-67%
Low	0%	100%	0%	71%	71%	29%	0%	71%	71%	-71%

<sup>a</sup> Expressed as a % of those who were approved for free/reduced price lunch

**APPENDIX E: Listing of Sample SFAs by Strata**

**Appendix E  
LISTING OF SFAS BY STRATA**

**Listing of SFAS**

	<u>Region</u>	<u>Urban vs. Rural</u>	<u>SFA Free Lunch Approval Rate</u>
School District 46	Suburban	Urban	High
Community Unit School District 300	Suburban	Urban	Moderate
Belvidere Community Unit School District 100	North	Urban	Low
South Beloit Community Unit School District 320	North	Rural	High
Plainfield School District 202	Suburban	Urban	Low
Kankakee School District 111	North	Urban	High
Manteno District. 5	North	Urban	Low
Sterling Community Unit School District 5	North	Urban	Moderate
Alwood Community Unit School District 225	North	Rural	Moderate
Springfield School District 186	Central	Urban	High
Litchfield District. 12	Central	Rural	Moderate
Cahokia Community Unit School District 187	South	Urban	High
Edwardsville Community Unit School District 7	South	Urban	Low
Schuyler County Community Unit School District 1	Central	Rural	High
Staunton Community Unit School District 6	Central	Rural	Low
Murphysboro Community Unit School District 186	South	Rural	High
Massac Unit School District 1	South	Rural	Moderate
Wabash Community Unit School District 348	South	Rural	Low
Leyden Community. HS District. 212	Suburban	Urban	Moderate
Palatine Community Cons School District 15	Suburban	Urban	Moderate
J S Morton HS District. 201	Suburban	Urban	High
Bellwood School District 88	Suburban	Urban	High
Darien School District 61/Eisenhower Jr. HS	Suburban	Urban	Low
Belleville Twp HS East District 201	South	Urban	Moderate
Whiteside School District 115	South	Urban	Moderate
Washington Community High School District 308	Central	Urban	Low
District 50 Schools	Central	Urban	Low