

Payment Integrity Scorecard

Program or Activity
School Breakfast Program

Reporting Period
Q2 2026

FY 2025 Overpayment Amount (\$M)*

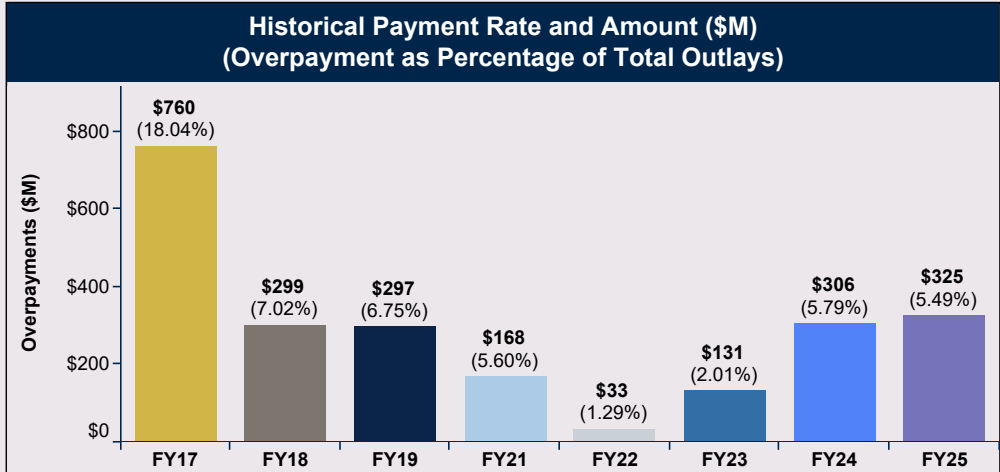
\$325

*Estimate based a sampling time frame starting 7/2017 and ending 6/2018



Brief Program Description & summary of overpayment causes and barriers to prevention:

The School Breakfast Program (SBP) is a federally assisted meal program operating in public and nonprofit private schools and residential child care institutions. It reimburses participating schools and institutions for the cost of providing meals to eligible children. SBP overpayments are primarily due to errors in determining children's eligibility for program benefits. Errors in counting and claiming meals for federal reimbursement is a secondary source of over payment. The most significant barrier to prevention is the decentralized nature of the program. Certifying children for benefits and counting meals for reimbursement are handled independently by tens of thousands of schools and school districts.



Discussion of Actions Taken in the Preceding Quarter and Actions Planned in the Following Quarter to Prevent Overpayments

In the past quarter, FNS continued working with the contractor for the Fourth Access, Participation, Eligibility and Certification Study (APEC IV) which collected data in school year 2023-2024. The contractor provided FNS with first written drafts, which FNS reviewed and shared feedback during a stakeholder meeting. The study results are instrumental in informing our understanding of how NSLP and SBP have changed since APEC III (conducted in school year 2017-2018), and allow future improper payment estimates to more accurately reflect nuances of the program. After using pre-pandemic data from APEC III for IP estimates across multiple reporting cycles, FNS refined APEC IV's data collection protocol to gather new information to improve our understanding of program error. FNS expects that this additional data will allow for more robust estimates when incorporating data from APEC IV. In the next quarter, FNS will provide final rounds of feedback to ensure all concerns are addressed and await final publication.

Accomplishments in Reducing Overpayment

		Date
1	FNS issued a memorandum permitting schools to offer expanded fluid milk options in line with the Whole Milk for Healthy Kids Act of 2025. The more flexible guidelines may reduce the procurement and claiming burdens on staff.	Jan-26
2	FNS comprehensively reviewed and selected grantees for The Patrick Leahy Farm to School Grants, which can be used to support training and technical assistance for procurement and compliance, and to upgrade technology to improve procurement processes or tracking systems.	Mar-26
3	Accompanying the Dietary Guidelines for Americans, 2025-2030 release, FNS provided resources to states and began a multi-year effort to update USDA's child nutrition programs based on this guidance, including through rulemaking and education.	Jan-26

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Goals towards Reducing Overpayments	Status	ECD	Recovery Method	Brief Description of Plans to Recover Overpayments	Brief Description of Actions Taken to Recover Overpayments
1 The contractor for our ongoing Access, Participation, Eligibility and Certification Study delivered first written drafts, providing results of improper payments in SBP, description of methodologies used to measure improper payments, and narratives for identifying root causes. Most recently, FNS gave feedback on the written drafts. FNS awaits publication of these results, as they will allow us to update our IP estimates to better capture error in the current landscape of our programs.	On-Track	Sep-26	1	FNS has been granted a waiver for recovery of overpayments due to the nature of the program (i.e., State level administration, where States distribute reimbursements to program operators who submit claims and for monitoring and oversight of the claims submission process).	FNS has been granted a waiver for recovery of overpayments due to the nature of the program (i.e., State level administration, where States distribute reimbursements to program operators who submit claims and for monitoring and oversight of the claims submission process).

Amt(\$)	Root Cause of Overpayment	Root Cause Description	Mitigation Strategy	Brief Description of Mitigation Strategy and Anticipated Impact
\$325M	Overpayments that occurred because of a Failure to Access Data/Information Needed.	USDA uses cross-agency data sharing to certify children without application error, but not all eligible states, schools and districts participate in these methods. Data determining eligibility is not shared with FNS; SBP is locally operated and state administered.	Automation - automatically controlled operation, process, or system.	USDA provides resources to help states improve integrity. FNS facilitates conversations with states to maximize direct certification, which reduces error by eliminating household applications. Household applications are our biggest source of error.