Payment Integrity Scorecard

Program or Activity	Reporting Period
National School Lunch Program	Q4 2026

FY 2025 Overpayment Amount ($M)* **$1,035**

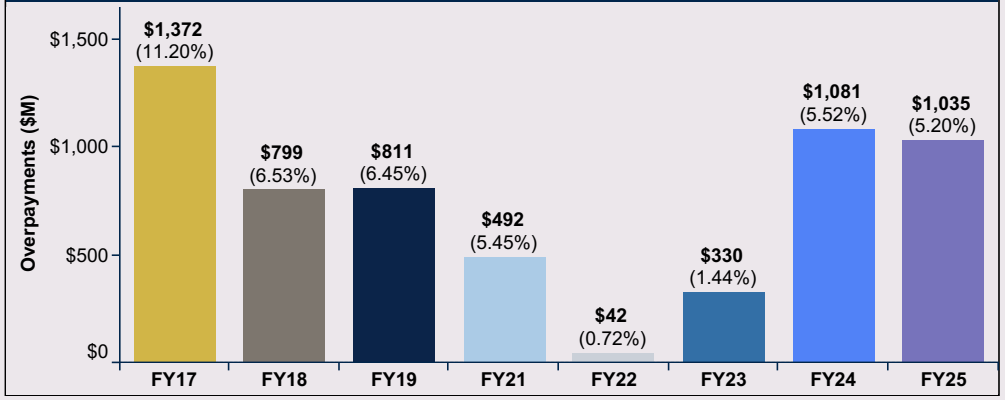
*Estimate based a sampling time frame starting 7/2017 and ending 6/2018

USDA
National School Lunch Program

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

The National School Lunch Program (NSLP) 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. NSLP 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.

Historical Payment Rate and Amount ($M)
(Overpayment as Percentage of Total Outlays)



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

In the past quarter, FNA 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 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, FNA refined APEC IV's data collection protocol to gather new information to facilitate more robust estimates of program error. FNA has continued providing feedback on the contractor's draft documents and analysis.

	Accomplishments in Reducing Overpayment	Date
1	FNA issued nutrition education and training resources to help CN program operators promote the Dietary Guidelines' focus on nutrient dense foods. These materials support operators in meeting meal pattern requirements.	Sep-26
2	FNA awarded $9.5 million in FY26 Team Nutrition Training Grants to improve meal planning and quality, in alignment with the Dietary Guidelines for Americans. These grants support nutrition education for child nutrition staff, as well as improved child nutrition operations.	Sep-26
3	FNA continued working with its contractor for the fourth Access, Participation, Eligibility and Certification Study (APEC IV). FNA refined the data collection protocol and provided feedback on the contractor's draft documents and analysis.	Sep-26

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	Goals towards Reducing Overpayments	Status	ECD
1	FNA worked with its contractor for the Access, Participation, Eligibility and Certification Study to finalize the report, providing results of improper payments in NSLP, a description of methodologies used to measure improper payments, and narratives for identifying root causes.	On-Track	Dec-26

	Recovery Method	Brief Description of Plans to Recover Overpayments	Brief Description of Actions Taken to Recover Overpayments
1		FNA 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).	FNA 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
$1,035M	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 FNA; NSLP is locally operated and state administered.	Automation - automatically controlled operation, process, or system.	USDA provides resources to help states improve integrity. FNA facilitates conversations with states to maximize direct certification, which reduces error by eliminating household applications. Household applications are the biggest source of error.