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OFFICE OF INSPECTOR GENERAL



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DATE: June 14, 2017

AUDIT  
NUMBER: 27601-0008-10

TO: Jessica Shahin  
Acting Administrator  
Food and Nutrition Service

ATTN: Mark Porter  
Director  
Office of Internal Controls, Audits and Investigations

FROM: Gil H. Harden  
Assistant Inspector General for Audit

SUBJECT: Georgia's Compliance with SNAP Requirements for Participating State Agencies  
(7 CFR, Part 272)

The attached report presents the results of an engagement to assess selected aspects of Georgia's compliance with the Supplemental Nutrition Assistance Program (SNAP) regulations. The assessment focused on compliance with the Code of Federal Regulations Title 7, Part 272, *Requirements for Participating State Agencies* (7 C.F.R. 272).

TFC Consulting, Inc. (TFC), an independent licensed Certified Public Accounting firm, was contracted by the Department of Agriculture (USDA), Office of Inspector General (OIG) to conduct an agreed-upon procedures engagement at Georgia and provide the Food and Nutrition Service (FNS) with recommendations to enhance program efficiency and effectiveness. The contract required TFC to perform the engagement in accordance with U.S. generally accepted government auditing standards (GAGAS). In connection with the contract, we reviewed TFC's report and related documentation and inquired of its representatives. Our review of TFC's report was different from an audit, in accordance with GAGAS, and was not intended to enable us to express, and we do not express, an opinion on Georgia's overall compliance with 7 C.F.R. 272. TFC is responsible for the enclosed agreed-upon procedures and recommendations report, dated April 10, 2017. However, our review of TFC's audit documentation did not disclose instances in which TFC did not comply, in all material respects, with GAGAS.

TFC reported that Georgia did not always comply with SNAP regulations related to Nondiscrimination Compliance; the Prisoner Verification System; and the Deceased Matching

System TFC recommended FNS require the State review reported cases identified as having potential improper payments, and provide additional guidance or training to State employees to assist with compliance. FNS concurred with TFC's recommendations and OIG accepted management decision on the report's nine recommendations.

Please note that the regulation requires final action to be taken within 1 year of each management decision to prevent being listed in the Department's annual Agency Financial Report. For agencies other than the Office of the Chief Financial Officer (OCFO), please follow your internal agency procedures in forwarding final action correspondence to OCFO.

We appreciated the courtesies and cooperation extended to us by members of your staff during TFC's fieldwork and subsequent discussions. This report contains publicly available information and will be posted in its entirety to our website (<http://www.usda.gov/oig>) in the near future.

**TFC Consulting, Inc.**  
**Report on Applying Agreed-upon Procedures**  
**for the USDA Office of the Inspector General**  
**to Assess the State of Georgia's Compliance with**  
**7 CFR, Part 272 – SNAP Requirements for Participating State**  
**Agencies**

**Final**







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April 10, 2017

## Independent Accountant's Report on Applying Agreed-upon Procedures

TFC Consulting, Inc. (TFC), an independent licensed Certified Public Accounting firm, was contracted by the U.S. Department of Agriculture (USDA), Office of Inspector General (OIG), to conduct an *agreed-upon procedures* engagement to assess selected aspects of the State of Georgia's compliance with the Supplemental Nutrition Assistance Program (SNAP) regulations. The State of Georgia (Georgia or the State) was one of five States selected by the OIG for assessment during fiscal year (FY) 2017 based on the level of SNAP funding (small, medium or large), audit history, and geographic location (the States were selected so that different Food and Nutrition Service (FNS) regions were represented in the assessment). The assessment focused exclusively on compliance with *Title 7 Code of Federal Regulations (CFR), Part 272, Requirements for Participating State Agencies*. This report presents the results of our assessment of Georgia.

TFC performed agreed-upon procedures specified by the OIG to evaluate compliance with *Title 7 CFR, Part 272*. The agreed-upon procedures were comprised of two parts: Part 1 specified detailed procedures to assess the State's policies, procedures, and processes and included testing of targeted areas of *7 CFR, Part 272* using non-statistical samples; Part 2 required a randomly selected statistical sample of 100 active case files and performance of specified procedures to test compliance with *7 CFR, Part 272*. The Part 1 and Part 2 procedures performed are provided in Appendix A and B of this report, respectively. The sufficiency of the agreed-upon procedures is the responsibility of the OIG. Consequently, we make no representation regarding the sufficiency of the procedures for which this report has been requested or for any other purpose, nor do we provide an opinion on Georgia's overall compliance with *7 CFR, Part 272*. Had we performed additional procedures, other matters might have come to our attention that would have been reported. This agreed-upon procedures engagement was conducted in accordance with Generally Accepted Government Auditing Standards (GAGAS). The scope period for this review was October 1, 2015 through September 30, 2016 (Federal FY 2016 (FY16)).

Our performance of Part 1 of the agreed-upon procedures disclosed three findings as follows:

1. GA DFCS did not maintain evidence that discrimination complaints were processed timely and did not provide complainants either a letter of acknowledgement or a decision letter – Federal regulation *7 CFR §272.6, Nondiscrimination Compliance*, states that the State agency may develop and use a State agency complaint system.<sup>1</sup> The State developed the *Georgia Division of Family and Children Services (GA DFCS) Civil Rights Complaint Process* for processing discrimination complaints. The *GA DFCS Civil Rights Complaint Process* policies and procedures state that within 5 business days of receipt of a complaint, the State Civil Rights Coordinator or his/her designee shall send an acknowledgment letter to the complainant.<sup>2</sup> In a non-statistical sample of 10

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<sup>1</sup> *7 CFR §272.6 (d)(1), 2017*

<sup>2</sup> *GA DFCS Civil Rights Complaint Process – (II)(C)(1), December 2015*

discrimination complaints,<sup>3</sup> we identified 5 cases where there was no letter of acknowledgement sent to the complainant.

*GA DFCS Civil Rights Complaint Process* also states that all complaints, regardless of the originating office, shall be processed and closed within 90 days of receipt.<sup>4</sup> In the same non-statistical sample of 10 nondiscrimination complaints, we identified 6 complaints where the date of closure or resolution was not documented.

Further, the *GA DFCS Civil Rights Complaint Process* does not fully comply with the requirements for processing discrimination complaints as outlined in FNS Instruction Manual *113-1 Civil Rights Compliance and Enforcement*. The State policy and procedures do not provide for a decision letter to be sent to the complainant as is required by the FNS Instruction Manual.

2. GA DFCS did not maintain evidence that an independent verification was performed for Prisoner Verification System (PVS) matches<sup>5</sup> and did not provide households notice of match results - Federal regulation *7 CFR §272.13, PVS*, states that each State's PVS shall provide for an independent verification of matches to determine accuracy,<sup>6</sup> and that each State's PVS shall provide a notice to the household of match results.<sup>7</sup> In a non-statistical sample of 15 cases that were active during FY 16 with a PVS match,<sup>8</sup> we found that GA DFCS did not provide the household notice of match results for 13 cases. In addition, we identified that the same 13 cases did not have evidence that an independent verification was performed. This may have resulted in potential improper payments of \$1,427 for 1 case, and potentially more improper payments on 12 other cases, but the duration of incarceration was unknown. Therefore, we were unable to determine existence or amount of potential improper payments.
3. GA DFCS did not maintain evidence that an independent verification was performed for deceased matches and did not provide a notice of deceased matching system (DMS) results – Federal regulation *7 CFR §272.14, Deceased Matching System*, states that each State's deceased matching system shall provide for an independent verification of match hits to determine accuracy.<sup>9</sup> In a non-statistical sample of 15 cases that were active during FY 16 with a deceased system match, GA DFCS did not maintain evidence that an independent verification was performed for any of the 15 households.<sup>10</sup> Testing

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<sup>3</sup> The universe of discrimination complaints during the scope period was 24.

<sup>4</sup> *GA DFCS Civil Rights Complaint Process – (II)(C)(5)*

<sup>5</sup> PVS matches the social security number (SSN) of the SNAP applicant against the Social Security Administration (SSA) database to determine if the individual has been incarcerated. A match indicates the individual has been incarcerated.

<sup>6</sup> *7 CFR §272.13, PVS, (b)(3), 2017*

<sup>7</sup> *7 CFR §272.13, PVS, (b)(4), 2017*

<sup>8</sup> The universe of active cases during the scope period with a PVS match hit was 72,475.

<sup>9</sup> *7 CFR §272.14, Deceased Matching System, (c)(3), 2017*

<sup>10</sup> The universe of cases with a deceased match during the scope period was 4,210.

indicated that in 4 cases, this may have resulted in potential improper payments; for 3 cases, the amount of potential improper payment was \$968.79 and the amount was indeterminate for the fourth case.

*7 CFR §272.14, Deceased Matching System*, also states that each State's deceased matching system shall provide for a notice to the household of match results.<sup>11</sup> In the same non-statistical sample of 15 cases that were active during FY 16 with a deceased match, there was no evidence in the case file to support that GA DFCS provided notice of match results to 4 households. The remaining 11 cases were single person households where no notification is required.

Our performance of Part 2 of the agreed-upon procedures, the testing of 100 randomly selected active cases, disclosed one finding as follows:

4. GA DFCS did not maintain evidence that an independent verification was performed for PVS matches and did not provide the household notice of match results - Federal regulation *7 CFR §272.13, PVS*, states that each State's PVS shall provide for an independent verification of match hits to determine accuracy.<sup>12</sup> *7 CFR §272.13, PVS*, also states that each State shall provide a notice to the household of match results.<sup>13</sup> We identified one case where there was no evidence that an independent verification was performed and that GA DFCS provided the household notice of match results.

Additional details concerning these findings and recommendations are presented in Section 4 of this report. This report is intended solely for the information and use of the OIG, FNS, and the State of Georgia. For any questions concerning this report, please contact Tashu Trivedi, TFC Engagement Partner at [ttrivedi@tfcci.net](mailto:ttrivedi@tfcci.net).

Signed

TFC Consulting, Inc. /s/

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<sup>11</sup> *7 CFR §272.14, Deceased Matching System, (c)(4), 2017*

<sup>12</sup> *7 CFR §272.13, PVS, (b)(3), 2017*

<sup>13</sup> *7 CFR §272.13, PVS, (b)(4), 2017*

## 1 Background

The Department of Agriculture's (USDA) Food and Nutrition Service (FNS) administers the Supplemental Nutrition Assistance Program (SNAP) providing nutrition assistance to about 44 million participants a month and paying benefits in excess of \$61 billion annually (FY16).<sup>14</sup> SNAP is the largest domestic hunger safety net program in the United States. FNS works with State agencies to ensure that those eligible for nutrition assistance can make informed decisions about applying for the program and can access benefits. FNS also works with State partners, the USDA's Office of Inspector General (OIG), and others to improve program administration and ensure program integrity.

SNAP is authorized by the Food and Nutrition Act of 2008, as amended.<sup>15</sup> Regulatory authority for SNAP resides in the *Code of Federal Regulations (CFR), Title 7 CFR, Parts 271 through 283*. The focus of this agreed-upon procedures engagement was on *7 CFR, Part 272 - Requirements for Participating State Agencies*.

FNS oversees the SNAP program – formerly known as the Food Stamp Program – at the Federal level from its headquarters in Alexandria, Virginia, and its seven Regional Offices (ROs). The ROs each serve several different States, and may include U.S. territories.

State offices, in turn, are responsible for overseeing local SNAP offices where applicants can apply for SNAP benefits, and in 42 States, applicants can also apply online. Each State uses its own application form and determines household eligibility and calculates benefits. In Georgia, the Division of Family and Children Services (DFCS) performs this function.

In FY 15, Georgia issued \$2,803,606,880 in SNAP benefits (which nationally represents 4.02% of benefits and 3.93% of all SNAP participants) serving an average of 839,207 households or 1,800,531 individual participants per month, and ranked 6 out of 53 States and Territories in benefits issued.<sup>16</sup>

## 2 Objective and Purpose

The objective of this agreed-upon procedures engagement was to assess selected aspects of Georgia's implementation of *Title 7, CFR, Part 272, Requirements for Participating State Agencies*. The assessment procedures associated with this engagement were developed by the OIG and performed under contract by TFC. The purpose of the assessment was to evaluate whether the State was properly administering the SNAP program in accordance with *Title 7 CFR, Part 272* requirements.

## 3 Scope and Methodology

The scope of this engagement was to assess aspects of Georgia's compliance with *Title 7 CFR, Part 272, Requirements for Participating State Agencies*. The State of Georgia was one of five

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<sup>14</sup> SNAP National View Summary, FY13 through FY16, FNS, November 10, 2016

<sup>15</sup> SNAP was previously authorized by the *Food Stamp Act of 1964* and later amended by the *Food Stamp Act of 1977*.

<sup>16</sup> SNAP State Activity Report Fiscal Year 2015, FNS SNAP Program Accountability and Administration Division, August 2016

states selected for testing by the OIG based on non-statistical sampling that considered three criteria: 1) size of the State based on level of SNAP funding (small, medium, or large), 2) audit history, and 3) geographic location (States were selected so that different FNS regions were represented in the testing). The Georgia SNAP program is considered a large program (more than \$2 billion in SNAP payments annually) by OIG and is located within FNS' Southeast Region.

The engagement was performed by TFC in accordance with agreed-upon procedures developed by the OIG. The agreed-upon procedures were comprised of two parts as follows:

- Part 1, Checklist for Review of State's Compliance with *7 CFR, Part 272*, specified detailed procedures to review the State's policies, procedures and processes and includes non-statistical testing of targeted areas of *7 CFR, Part 272* compliance;
- Part 2, Checklist for Review of Active Cases, required a statistical random sample of 100 active case files and performance of specified procedures to test compliance with *7 CFR, Part 272*.

Statistical sampling in support of Part 2 testing was based on parameters established by the OIG. OIG's requirement for selection of 100 active cases was based on a very large universe count (greater than 10,000 units), a +/- 10 percent margin when testing attributes, an estimated error rate of 50 percent (most conservative assumption), and a confidence level of 95 percent that the projected error is correct. Non-statistical sampling techniques were applied in conducting review procedures specified in Part 1.

The Part 1 and Part 2 Checklists are provided in Appendix A and B of this report along with findings noted for each applicable procedure. The sufficiency of the review procedures is the responsibility of the OIG. Consequently, we make no representation regarding the sufficiency of the procedures for which this report has been requested or for any other purposes, nor do we provide an opinion on Georgia's overall compliance with *7 CFR, Part 272*. Had we performed additional procedures, other matters might have come to our attention that would have been reported.

The primary scope period for this engagement was October 1, 2015 through September 30, 2016 (Federal Fiscal Year 2016 (FY16)), although the period assessed varied for some tests performed.

Various testing methods and techniques were employed primarily to:

- Obtain an understanding of the State agency, its operations, systems, and operating environment;
- Test the State's compliance with *7 CFR, Part 272* at a high level (e.g., policies and procedures); and
- Test a statistically significant sample of active cases for compliance at a granular level

Assessment fieldwork was performed at the Georgia headquarters of DFCS in Atlanta, Georgia in late January and early February 2017. This agreed-upon procedures engagement was conducted in accordance with Generally Accepted Government Auditing Standards (GAGAS).

## 4 Findings and Recommendations

This section presents deficiencies identified during our performance of Parts 1 and 2 of the agreed-upon procedures Checklists. Our recommendations to address each deficiency are also provided.

### 4.1 Part 1, Checklist for Review of State's Compliance

Three exceptions were identified during performance of the review procedures in the Part 1 Checklist, as discussed in Finding 1, Finding 2, and Finding 3 below.

#### **Finding 1: GA DFCS did not maintain evidence that discrimination complaints were processed timely and did not provide complainants either a letter of acknowledgement or a decision letter**

7 CFR §272.6, *Nondiscrimination compliance*, states that the State agency may develop and use a State agency complaint system. Our testing disclosed two areas of non-compliance; the first area where the State agency did not comply with *GA DFCS Civil Rights Complaint Process* policies and procedures, and the second area where the State policy did not adequately align with FNS authoritative guidance.

In response to our request for a list of complaints of discrimination during the scope period October 1, 2015 through September 30, 2016, we received a list of 24 cases identified by GA DFCS as discrimination complaints, and we selected a non-statistical sample of 10 cases for testing. We found 7 cases that were non-compliant as follows:

**Nondiscrimination compliance Finding 1(a) Acknowledging the complaint** - State policies and procedures<sup>17</sup> require that within 5 (five) business days of receipt of a complaint, the State Civil Rights Coordinator or his/her designee shall send an acknowledgment letter to the complainant. During our testing, we identified 5 cases where GA DFCS did not maintain evidence that the Civil Rights Coordinator, or his/her designee, had sent an acknowledgement letter to the complainant within 5 business days of receipt of the complaint or at any time thereafter.

**Nondiscrimination compliance Finding 1(b) Resolving the complaint** - State policies and procedures<sup>18</sup> require that all complaints shall be processed and closed within 90 days of receipt of a written or verbal complaint. During our testing, we identified 6 cases where GA DFCS did not maintain evidence that complaints were processed and closed within the 90 days, as required by the *GA DFCS Civil Rights Complaint Process*.

We determined there to be different causes for not sending a letter of acknowledgement or documenting the resolution or closure of the complaint, as follows:

- Three cases did not have an address recorded in the log with which to send a letter, and the log indicated for two of these complaints the Civil Rights

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<sup>17</sup> Georgia Department of Human Services – Division of Family and Children Services (DHS – DFCS) *Civil Rights Complaint Process, (II), (C), (1), December 2015*

<sup>18</sup> Georgia Department of Human Services – Division of Family and Children Services (DHS – DFCS) *Civil Rights Complaint Process, (II), (E), December 2015*

Coordinator's (CRC) designee spoke with the complainants via telephone. Generally, the practice was to call the complainant and discuss the complaint over the telephone, rather than to send a letter of acknowledgement. For the third case with no address, the CRC indicated a letter of acknowledgement was not applicable.

- For one case, the CRC indicated a letter was not required by State policy, citing section (II), (C), (1). The CRC's interpretation of the policy appears to be inconsistent with the policy that requires a letter of acknowledgement be sent to the complainant.
- One case entered the fair hearing process, and no resolution or closure was documented.
- In one case, the CRC's designee tried to contact the complainant several times, but they were unresponsive. The case was considered closed after 90 days, but no letter was sent to the complainant and no closure or resolution of the case was documented.

With regards to providing evidence of timely closure or resolution, we determined the cause for non-compliance was due to a failure to document the date in the complaints log, because; the log did not contain a field for this information, and personnel did not consider it pertinent to include in the comments field of these complaints. Additionally, the complaints log was the primary source of documentation for recording the processing of these complaints and State policy and procedures did not require decision letters to be sent to the complainants. As a result, complainants will not receive the proper required documentation, including: the complaint review number, a statement on the jurisdictional authority, an indication of whether an investigation was warranted, and if so, the methodology on how the complaint was investigated, and most importantly, their right to appeal to the Secretary of Agriculture.

**Nondiscrimination compliance Finding 1(c) Reconciling State policies and procedures with FNS authoritative guidance** – We also reviewed the GA DFCS non-discrimination complaints policies and procedures (*Civil Rights Complaint Process*), and reconciled with the FNS authoritative guidance (*FNS-113, Civil Rights Compliance and Enforcement-Nutrition Programs and Activities*) to ensure that key measurements of timeliness aligned between the State policies and procedures and FNS authoritative guidance.

We identified one area where the State's policies and procedures failed to properly align with FNS requirements for timeliness in addressing State's discrimination complaints. FNS guidance<sup>19</sup> states that, all complaints shall be processed and closed within 90 days of receipt and a decision letter shall be sent to the complainant. The State's policies and procedures<sup>20</sup> do not require a decision letter be sent to the complainant after the complaint has been processed or closed within 90 days of receipt of the complaint. As a

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<sup>19</sup> *FNS-113 Civil Rights Compliance and Enforcement-Nutrition Programs and Activities, (XVII), (D), (5)*,

<sup>20</sup> *GA DFCS Civil Rights Complaint Process, (II), (e), December 2015*

result, the State policies and procedures are not compliant with FNS authoritative guidance and the State will not deliver to complainants the required documentation including information on the handling and disposition of the complaint, or on the complainants' right to appeal to the Secretary of Agriculture.

### **FNS Recommendation 1**

Require DFCS to update its Civil Rights Complaint Process policies and procedures, and the log used to record and track discrimination complaints to ensure compliance with FNS regulations, specifically those areas relating to documenting timely acknowledgement of complaints and the subsequent closure or resolution of the complaint.

### **Agency Response**

In its May 23, 2017, response FNS stated:

FNS concurs with the recommendation. The Georgia Department of Family and Children Services (DFCS) will update its Civil Rights Complaint process to add the requirement from FNS Instruction 113-1, which requires that "a written decision letter" be mailed after closure of civil rights complaints. DFCS has updated its complaint log to document when letters acknowledging receipt of complaints and written decision letters are mailed.

FNS will follow up with the State agency to make certain the complaints process, policies and procedures are updated and implemented.

**Estimated Completion Date:** June 30, 2017

### **FNS Recommendation 2**

Require DFCS provide guidance and/or training on policy and regulatory requirements to those charged with processing discrimination complaints, including providing complainants letters of acknowledgment and decision letters.

### **Agency Response**

In its May 23, 2017, response FNS stated:

FNS concurs with the recommendation. Since the USDA OIG closeout meeting on February 10, 2017 regarding the preliminary findings, DFCS has provided guidance to those charged with processing discrimination complaints. DFCS will update its Civil Rights training module concerning complaint processing, where necessary.

FNS will follow up with the State agency to make certain the guidance has been provided and training modules concerning complaint processing are updated where necessary.

**Estimated Completion Date:** Complete as of April 30, 2017

### **FNS Recommendation 3**

Require DFCS review the discrimination complaints received during the scope period and provide complainants a decision letter containing the minimum required elements, including their right to appeal.

## Agency Response

In its May 23, 2017, response FNS stated:

FNS concurs with the recommendation. DFCS will review the discrimination complaints within the scope period reviewed and determine what decision letters need to be mailed.

FNS will follow up with the State agency to make certain they review the discrimination complaints.

**Estimated Completion Date:** August 31, 2017

### **Finding 2: GA DFCS did not maintain evidence that an independent verification was performed for PVS matches and did not provide households notice of match results**

Our testing of 7 CFR §272.13, *Prisoner Verification System*, disclosed two areas of non-compliance. Specifically, GA DFCS did not maintain evidence that an independent verification was performed for PVS matches and did not provide households notice of match results.

We requested GA DFCS provide a list of PVS matches performed during FY 2016 and received a file containing 72,475 cases that were active during the scope period and had a PVS match. A match indicates there was an automated response in the benefits management system that identified the individual's ID number as matching an ID number of an incarcerated individual from another computer system interface (usually Social Security Administration (SSA)). A computer match is not considered to be verified, and requires follow-up by the caseworker in the form of an independent verification. TFC tested a non-statistical sample of 15 cases of PVS matches, and identified 13 cases that were non-compliant with 7 CFR 272.13. The 13 cases did not have evidence either that an independent verification was performed or that a notice of match results was provided to the household.

**Prisoner Verification System Finding 2(a) Independent Verification** – Federal regulations require that each State agency establish a system to monitor and prevent individuals who are being held in any Federal, State, and/or local detention or correctional institutions for more than 30 days, from being included in a SNAP household.<sup>21</sup> Additionally, the regulations require an independent verification of PVS matches to determine their accuracy.<sup>22</sup> That is, the caseworker will attempt to obtain independent confirmation from another source (e.g., by calling the correctional facility).

We identified 13 cases where there was a PVS match, but no evidence that an independent verification was performed to determine if the individual was still incarcerated. For 5 of these cases, there was a beginning incarceration date recorded in the case file, but not an ending date, and for 6 cases, there was neither a beginning or ending incarceration date recorded. Since the period of incarceration is unknown for these 11 cases, there is a possibility that an improper payment may exist, but further investigation is required by the State. For the 2 other cases where there was a PVS match and no independent verification, information in the case file indicates the

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<sup>21</sup> 7 CFR §272.13, PVS, (a), 2017

<sup>22</sup> 7 CFR §272.13, PVS, (b)(3), 2017

individuals had been incarcerated for over 30 days and continued to receive SNAP benefits.

For the first of these two cases, a caseworker determined that the recipient had been incarcerated for over 30 days, and SNAP benefits were paid for one month before the case was closed. Data in this case file did not support the calculation of the amount of potential improper payment. For the second case, we calculated a potential improper payment in the amount of \$1,427.

We determined this condition occurred because the caseworkers failed to document whether an independent verification was performed for the 11 cases, or failed to have the two cases investigated for the possible establishment of a claim. The caseworkers did not have a proper understanding of PVS requirements, including documentation requirements. Without evidence of performance of an independent verification, we were unable to determine if verification was performed, or performed and not documented.

**Prisoner Verification System Finding 2(b) Notice of Match Results** – Federal regulation requires that each State’s PVS shall provide a notice to the household of match results.<sup>23</sup>

In the 15 cases tested, GA DFCS failed to provide a notice of match results to 13 households with a PVS match.

This occurred because the caseworkers were not aware of PVS household notification requirements, as PVS requirements were not included in official DFCS guidance or training.

As a result, households who did not receive notice will not be aware that the State agency performed a PVS check on a member of the household, or the results of that check, in accordance with 7 *CFR* 272.13 requirements.

#### **FNS Recommendation 4**

Require GA DFCS to review the 2 identified cases who potentially received benefits while incarcerated for over 30 days and determine if payments were improper and warrant establishment of a claim.

#### **Agency Response**

In its May 23, 2017, response FNS stated:

FNS concurs with the recommendation. DFCS has reviewed the 2 cases identified as having potential overpayments due to being incarcerated for more than 30 days. For case one, it was determined that the person was incarcerated from December 10, 2001 through March 11, 2002. The client began receiving SNAP benefits in October 2012. No improper payments/claims exist for this case. For case two, the person was incarcerated from June 17, 2014 through March 27, 2015 in New Jersey. The person had been arrested but identity had been stolen by another individual. DFCS is verifying with the client and the New Jersey Department of Corrections.

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<sup>23</sup> 7 *CFR* §272.13, PVS, (b)(4), 2017

FNS is requiring the State to provide the final disposition of the second case identity theft after the verification is completed.

**Estimated Completion Date:** May 31, 2017

### **FNS Recommendation 5**

Require GA DFCS to review the 11 cases tested that had no evidence of an independent verification and determine if payments were improper and warrant establishment of a claim, and if the results of the review provide evidence of significant non-compliance and improper payment, ask the State to evaluate expansion of the review over the remaining 72,460 cases where PVS matches were identified.

### **Agency Response**

In its May 23, 2017, response FNS stated:

FNS concurs with the recommendation. DFCS has reviewed the 11 cases tested that had no evidence of independent verification and will determine if there were improper payments issued and schedule claims if needed. The review thus far does not provide evidence of significant non-compliance. Therefore, the State does not see the need to expand the review to the remaining 72,460 PVS match cases.

FNS will follow up with the State agency regarding their determination of improper payments.

**Estimated Completion Date:** May 31, 2017

### **FNS Recommendation 6**

Require GA DFCS provide guidance and/or training to caseworkers and new employees to ensure an independent verification is performed and documented and to provide notice to households of all PVS match results.

### **Agency Response**

In its May 23, 2017, response FNS stated:

FNS concurs with the recommendation. DFCS will provide guidance and/or training to eligibility workers and new employees regarding the requirement to provide independent verification, documentation and notification of prisoner match results.

FNS will require the State to provide a copy of the guidance/training and the date it was completed.

**Estimated Completion Date:** September 30, 2017

**Finding 3: GA DFCS did not maintain evidence that an independent verification was performed for deceased matches and did not provide households notice of match results**

Our testing of 7 CFR §272.14, *Deceased Matching System*, disclosed two areas of non-compliance. Specifically, GA DFCS did not maintain evidence that an independent verification was performed for deceased matches and did not provide households notice of match results.

We requested GA DFCS provide a list of all deceased matches during FY 16 and we received a file of 4,210 individuals. A deceased match indicates there was an automated response in the benefits management system that identified the individual's ID number as matching an ID number of a deceased individual from another computer system interface (usually SSA). The match is not considered to be verification that the individual is deceased, and requires follow-up by the caseworker in the form of an independent verification. TFC tested a non-statistical sample of 15 cases, and identified 15 cases that were non-compliant under 3(a) independent verification and 4 cases that were non-compliant under 3(b) failure to provide notice to the household of match results. Of the 15 cases where no notice was provided to the household, 11 cases were single person households where no notification is required when the single person passes.

**Deceased Matching System Finding 3(a) Independent Verification** – Federal regulations require that each State agency establish a system to verify and ensure that benefits are not issued to individuals who are deceased.<sup>24</sup> Additionally, the deceased matching system shall provide for an independent verification of system matches to determine their accuracy.<sup>25</sup> That is, the caseworker will attempt to obtain confirmation from another source (e.g., by calling the individual or household).

We identified 15 cases where there was no evidence that an independent verification was performed to determine if the individual was deceased. Moreover, of the 15 cases, 4 cases continued receiving SNAP benefits after the deceased matching system's reported date of death resulting in potential improper payments.

This occurred because the case workers failed to document whether an independent verification of system matches was performed. We determined that caseworkers did not have a proper understanding of deceased matching or related documentation requirements. Without such documentation, we were unable to determine if an independent verification was performed, or performed, but not documented.

Regarding improper payments, of the 4 cases identified, 3 were single person households that continued to receive monthly SNAP benefits deposited into the Electronic Benefits Transfer (EBT) card accounts, and continued to make EBT card purchases after the reported date of death. The amount of potential improper payments for these 3 cases was \$968.79, and the corresponding EBT card purchases could potentially have been fraudulent. Upon notifying SNAP program management, we were immediately notified the cases would be referred to the State OIG for further

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<sup>24</sup> 7 CFR §272.14, *Deceased Matching System*, (a), 2017

<sup>25</sup> 7 CFR §272.14, *Deceased Matching System*, (c)(3), 2017

investigation. When we followed-up with SNAP program management, this referral was confirmed.

The fourth case was a two-person household that continued to receive the same amount of SNAP benefits after the date the head-of-household was reported deceased. This case also may have received potential improper payments, but the amount was indeterminate.

**Deceased Matching System Finding 3(b) Notice of Match Results** – Federal regulations require that each State’s deceased matching system shall provide a notice to the household of match results.<sup>26</sup>

In the 15 cases tested, we identified 4 cases where GA DFCS failed to provide notice of match results.

This occurred because the caseworkers were not aware of the household notification requirements associated with 7 CFR 272.14.

As a result, households who did not receive notice will not be aware that the State agency performed a deceased matching system check, and the results of that check, in accordance with 7 CFR 272.14 requirements.

### **FNS Recommendation 7**

Require GA DFCS to review the four identified cases where benefits were issued after the deceased individual’s date of death and determine if payments were improper and warrant the establishment of a claim, and if the results of the review provide evidence of significant non-compliance and improper payment, ask the State to consider expansion of the review over the remaining 4,195 cases that received a DMS match.

### **Agency Response**

In its May 23, 2017, response FNS stated:

FNS concurs with the recommendation. DFCS has reviewed the 3 single person household deceased match cases and has referred them to the DHS OIG Benefit Integrity and Recovery (BIR) Unit for fraud investigation. Based on DHS BIR Unit fraud procedures, fraud claims cannot be established on individuals who are deceased and there are no other liable debtors. For the 3 cases investigated, no authorized representative or other household members existed in these cases to pursue fraud investigations and/or a collection of claims.

DFCS has reviewed the 4<sup>th</sup> case, the two person household deceased match case. The deceased match on the head of household occurred in February 2016 and should have been received and addressed by eligibility staff during recertification in March 2016. However, the household failed to recertify for benefits in March 2016, so the case closed at the end of March 2016 for expired certification period.

Federal regulations at 7CFR 272.14 (c) (1) state that States shall make the comparison of matched data at the time of application and no less frequently than once a year. The

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<sup>26</sup> 7 CFR §272.14, *Deceased Matching System, (c)(4), 2017*

match occurred during the previous certification period of October 2015 through March 2016; therefore, the death match comparison would have occurred in March 2016 during recertification. No claims or improper payments exist for this case. Therefore, the State does not see the need to expand the review to the remaining 4,195 deceased match cases.

FNS will follow up with DFCS regarding the three single person household deceased match cases that they referred to DHS OIG Benefit Integrity and Recovery (BIR) Unit for fraud investigation.

**Estimated Completion Date:** May 31, 2017

### **FNS Recommendation 8**

Require GA DFCS provide guidance and/or training to case workers and new employees to ensure an independent verification is performed and documented, and to provide notice to households of all deceased match results.

### **Agency Response**

In its May 23, 2017, response FNS stated:

FNS concurs with the recommendation. DFCS will provide guidance and/or training to eligibility workers and new employees regarding the requirement to provide independent verification, documentation and notification of deceased match results.

FNS will require the State to provide a copy of the guidance/training and the date it was completed.

**Estimated Completion Date:** September 30, 2017

## **4.2 Part 2, Checklist for Review of Active Cases**

Our review of 100 randomly selected active cases<sup>27</sup> followed the review procedures specified in the Part 2 Checklist for Review of Active Cases, and disclosed one case of non-compliance as detailed in Finding 3 below. This resulted in an error rate of one percent in our sample, enabling us with a 95 percent confidence level, to project an error rate of 4.75 percent or less in the population.<sup>28</sup>

### **Finding 4: GA DFCS did not maintain evidence that an independent verification was performed for PVS matches and did not provide the household notice of match results**

We identified one case where GA DFCS was not in compliance with 7 *CFR* §272.13, *PVS*. Specifically, GA DFCS did not maintain evidence an independent verification was performed and did not provide the household with notice of match results.

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<sup>27</sup> The universe of active cases during the scope period (October 2015 - September 2016) was 1,073,016.

<sup>28</sup> The error rate means that we can state with a high level of likelihood that the rate of non-compliance is somewhere under approximately 4.75 percent for the entire population.

**Prisoner Verification System Finding 4(a) Independent Verification** – Federal regulations require that each State agency establish a system to monitor and prevent individuals who are being held in any Federal, State, and/or local detention or correctional institutions for more than 30 days, from being included in a SNAP household.<sup>29</sup> Additionally, the PVS shall provide for an independent verification of match hits to determine their accuracy.<sup>30</sup> That is, the case worker will attempt to obtain confirmation from another source (e.g., by calling the correctional facility).

We identified one case where there was no evidence that an independent verification was performed to determine if the individual was still incarcerated. This case also did not have incarceration data available in the system to indicate how long the individual was incarcerated.

This occurred because the case workers failed to document whether an independent verification was performed. We determined that case workers did not have a proper understanding of PVS documentation requirements. Without such documentation, we were unable to determine if an independent verification was performed, or performed, but not documented.

As a result, this SNAP recipient could potentially have received benefits while incarcerated or after being incarcerated for more than 30 days resulting in potential improper payments. As mentioned, since the incarceration data was missing, no determination or calculation of potential improper payment was possible.

**Prisoner Verification System Finding 4(b) Notice of Match Results** – Federal regulation requires that each State’s PVS shall provide a notice to the household of match results.<sup>31</sup>

We identified for the one case that GA DFCS failed to provide a notice of PVS match results to the household, as required by *7 CFR 272.14*.

This occurred because the case workers were not aware of PVS household notification requirements.

As a result, households who did not receive notice will not be aware that the State agency performed a PVS check on a member of the household and the results of that check. Recommendation number 6 above will also mitigate this finding.

### **FNS Recommendation 9**

Require GA DFCS to review the case to determine if payments were improper and warrant the establishment of a claim.

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<sup>29</sup> *7 CFR §272.13, PVS, (a), 2017*

<sup>30</sup> *7 CFR §272.13, PVS, (b)(3), 2017*

<sup>31</sup> *7 CFR §272.13, PVS, (b)(4), 2017*

## **Agency Response**

In its May 23, 2017, response FNS stated:

FNS concurs with the recommendation. DFCS will review the case to determine if there are improper payments/claims.

FNS will require the State to provide the final disposition of the case after its review of the case.

**Estimated Completion Date:** May 31, 2017

## Appendix A: Summary of Test Procedures and Results of Testing for Part 1 – Review of State Compliance

Part 1, Checklist for Review of State's Compliance Results from Testing 7 CFR, Part 272		
7 CFR Subsection	Review Procedures	Were exceptions found as a result of applying the procedure?
§272.1 General Terms and Conditions	<p>For the Scope period:</p> <ul style="list-style-type: none"> <li>a) Determine whether the State has documented retention records for SNAP recipients in accordance with the regulations. Include records related to Intentional Program Violations and to disqualification records for disqualified recipients.</li> <li>b) Determine if all SNAP recipient records are kept electronically or on paper.</li> </ul>	No
§272.2 Plan of Operation	<p>For the Scope period determine if the following plans have been completed by the State and have been approved by FNS, and are current:</p> <ul style="list-style-type: none"> <li>a) Quality Control Sampling Plan as required by §275.11(a)(4);</li> <li>b) Plan for the State Income and Eligibility Verification System required by §272.8</li> <li>c) Employment and Training Plan as required in §273.7 (c)(6)</li> <li>d) A plan for the Systematic Alien Verification for Entitlements (SAVE) Program as required by §272.11(e)</li> <li>e) Claims Management Plan as required by §273.18(a)(3)</li> <li>f) Disqualification Plan in accordance with §273.7(f)(4)</li> </ul>	No
§272.3 Operating Guidelines and Forms	<p>Determine if the State has developed and distributed to its entire Staff the operating guidelines that are required to be documented in its Operating Procedures:</p> <ul style="list-style-type: none"> <li>a) Verify for the Scope period that FNS has timely approved the State's Operating Procedures</li> <li>b) If FNS has granted any waivers to the State for any of the required operating procedures, determine which procedures, when the waiver was granted, and obtain a copy of the FNS waiver letter.</li> </ul>	No

**Part 1, Checklist for Review of State's Compliance  
Results from Testing 7 CFR, Part 272**

7 CFR Subsection	Review Procedures	Were exceptions found as a result of applying the procedure?
§272.4 Program Administration and Personnel Requirements	Determine if the State has established a system to assure that no individual SNAP participant participates more than once in a month, in more than one jurisdiction, or in more than one household within the State. Also, determine whether the State has established fraud detection units in project areas in which more than 5000 households participate in SNAP.	No
§272.5 Program Informational Activities	Determine whether FNS has approved costs for State activities designed to inform low-income households about the availability, eligibility requirements, application procedures, and benefits of the Food Stamp Program. If so, determine the amount of costs approved for the Scope period.	No
§272.6 Nondiscrimination Compliance	For the Scope period, determine the number of SNAP recipient discrimination complaints received by the State, and/or from the State that were sent to FNS or the USDA Secretary. For the complaints received, determine if they were timely addressed.	Exception noted, reference finding #1
§272.8 State Income and Eligibility Verification System	Determine if the State has implemented and uses an income and eligibility verification system (IEVS).	No
§272.9 Approval of Homeless Meal Providers	Determine how many homeless meal providers are approved and participate in the State's SNAP.	No
§272.10 ADP/CIS Model Plan	Determine if the State has an FNS-approved ADP/CIS Plan and whether the State has timely implemented that Plan.	No
§272.11 Systematic Alien Verification for Entitlements (SAVE) Program	Determine whether the State has implemented a Systematic Alien Verification for Entitlements (SAVE) Program. Also, determine whether State written procedures require that SAVE is used on every SNAP application in the State, as needed when aliens apply for SNAP.	No
§272.12 Computer Matching Requirements	Determine whether the State has implemented computer matching programs in its State to verify the SNAP applicant's eligibility or for re-verification purposes.	No
§272.13 Prisoner Verification System (PVS)	Determine whether the State has implemented a Prisoner Verification System (PVS) and has documented procedures: <ul style="list-style-type: none"> <li>a) Determine if FNS has reviewed and/or approved the State's PVS.</li> <li>b) For the Scope period, determine and document how often the State does a PVS match and the results of those matches.</li> </ul>	Exception noted, reference finding #2

Part 1, Checklist for Review of State's Compliance Results from Testing 7 CFR, Part 272		
7 CFR Subsection	Review Procedures	Were exceptions found as a result of applying the procedure?
§272.14 Deceased Matching System	<p>Determine whether the State has implemented a deceased matching system and has documented procedures.</p> <ul style="list-style-type: none"> <li>a) Determine if FNS has reviewed and/or approved the State's deceased matching system.</li> <li>b) For the Scope period, determine and document how often the State does a deceased match and the results of those matches.</li> </ul>	Exception noted, reference finding #3

## Appendix B: Summary of Test Procedures and Results of Testing for Part 2 – Review of Active Cases

Part 2, Checklist for Review of Active Cases Results from Testing 7 CFR, Part 272		
7 CFR Subsection	Review Procedures	Were exceptions found as a result of applying the procedure?
§272.1 General Terms and Conditions	Determine if the recipient record is stored in compliance with the State agency's documented record retention plan.	No
§272.8 State Income and Eligibility Verification System	Determine if an IEVS check was performed in accordance with the State agency's operating guidance	No
§272.11 Systematic Alien Verification for Entitlements (SAVE) Program	Determine if SAVE was used on the case during the initial application.	No
§272.11 Systematic Alien Verification for Entitlements (SAVE) Program	If SAVE was used, determine whether it was done in accordance with the State agency's written procedures (i.e., was a SAVE check appropriate for the household based upon the State's written procedures).	No
§272.12 Computer Matching Requirements	Did the State agency utilize computer matching to obtain information for eligibility determination purposes?	No
§272.12 Computer Matching Requirements	If computer matching was used, determine whether the State agency used the information found in accordance with the State agency's plan.	No
§272.13 Prisoner Verification System (PVS)	Did the State agency check a Prisoner Verification System to verify eligibility?	No
§272.13 Prisoner Verification System (PVS)	Was the use of the Prisoner Verification System to verify eligibility in accordance with the State agency's documented procedures?	Exception noted, reference finding #4
§272.14 Deceased Matching System	Did the State agency check a deceased matching system within the last year or at the time of application, whichever was sooner?	No

## Appendix C: Summary of Monetary Results

This exhibit lists the finding and recommendation that had a determinable monetary result, and includes the type and amount of the monetary result.

Finding	Recommendation	Description	Amount	Code/Category
2(a)	4	DFCS continued to provide benefits to an individual who may have been incarcerated for more than 30 days	\$1,427	Questioned Costs, Potential Recovery
3(a)	7	DFCS continued to provide benefits to recipients after a DMS match results indicated the recipients had passed	\$969	Questioned Costs, Potential Recovery
<b>Total Monetary Result (Absolute value)</b>			<b>\$2,396</b>	

## **Appendix D: Leading Practices/Performance Improvement Opportunities**

Our engagement was focused on reviewing the State's compliance with *7 CFR, Part 272* requirements, and our formal recommendations only pertain to the aforementioned regulations. However, when we observe an area where program efficiencies could be gained and/or effectiveness improved, we feel obliged to include that for FNS and State agency consideration.

While conducting our walkthroughs and interviews with caseworkers, we noted that GA DFCS has established standardized training, but that aspects of the standardized training are adjusted at the local county offices. This causes different methods of processing SNAP applications and entering case file information into the benefits management system from different local offices which results in inconsistencies in documenting case file information. One caseworker noted that when SNAP applicants move from a different county, the differences in processing SNAP applications make it difficult to understand some of the historical case file information relating to those applicants.

We understand GA DFCS is in the process of implementing a new benefits management system for application processing, and we suggest the State agency consider adopting, implementing, or retraining staff on a more standardized approach for case file processing and ensuring these processes are implemented and followed by the local county offices. We believe there is room for improvement in the method in which GA DFCS case workers process SNAP applications, and a standardized approach coupled with enhanced narration or use of case comments may prevent some of the issues identified during this engagement from recurring.

## Appendix E: Glossary of Acronyms and Abbreviations

Acronym/Abbreviation	Definition
CFR	Code of Federal Regulation
DFCS	Division of Family and Children Services
DHS	Department of Human Services
DMS	Deceased Matching System
EBT	Electronic Benefits Transfer
FNS	Food and Nutrition Service
FY	Fiscal Year
GA	Georgia
GAGAS	Generally Accepted Government Auditing Standards
IEVS	Income and Eligibility Verification System
MD	Maryland
OIG	Office of Inspector General
PVS	Prisoner Verification System
RO	Regional Office
SNAP	Supplemental Nutrition Assistance Program
SSA	Social Security Administration
TFC	TFC Consulting, Inc.
USDA	U.S. Department of Agriculture



**Appendix F: Agency Response**

**USDA'S  
FNS  
RESPONSE TO AUP REPORT**





**United States  
Department of  
Agriculture**

Food and  
Nutrition  
Service

3101 Park  
Center Drive  
Room 712

Alexandria, VA  
22302-1500

DATE: May 23, 2017

AUDIT  
NUMBER: 27601-0008-10

TO: Gil H. Harden  
Assistant Inspector General for Audit

FROM: Jessica Shahin /s/  
Acting Administrator  
Food and Nutrition Service

SUBJECT: Georgia's Compliance with 7 CFR Part 272 – SNAP Requirements for  
Participating State Agencies

This letter responds to the official draft report for audit number 27601-0008-10, Georgia's Compliance with 7 CFR Part 272, Supplemental Nutrition Assistance Program (SNAP) Requirements for Participating State Agencies. Specifically, the Food and Nutrition Service (FNS) is responding to the nine recommendations in the report.

**OIG Recommendation 1:**

Require DFCS to update its Civil Rights Complaint Process policies and procedures, and the log used to record and track discrimination complaints to ensure compliance with FNS regulations, specifically those areas relating to documenting timely acknowledgement of complaints and the subsequent closure or resolution of the complaint.

**FNS Response:**

FNS concurs with the recommendation. The Georgia Department of Family and Children Services (DFCS) will update its Civil Rights Complaint process to add the requirement from FNS Instruction 113-1, which requires that "a written decision letter" be mailed after closure of civil rights complaints. DFCS has updated its complaint log to document when letters acknowledging receipt of complaints and written decision letters are mailed.

FNS will follow up with the State agency to make certain the complaints process, policies and procedures are updated and implemented.

**Estimated Completion Date:**

June 30, 2017

**OIG Recommendation 2:**

Require DFCS provide guidance and/or training on policy and regulatory requirements to those charged with processing discrimination complaints, including providing complainants letters of acknowledgment and decision letters.

**FNS Response:**

FNS concurs with the recommendation. Since the USDA OIG closeout meeting on February 10, 2017 regarding the preliminary findings, DFCS has provided guidance to those charged with processing discrimination complaints. DFCS will update its Civil Rights training module concerning complaint processing, where necessary.

FNS will follow up with the State agency to make certain the guidance has been provided and training modules concerning complaint processing are updated where necessary.

**Estimated Completion Date:**

Complete as of April 30, 2017

**OIG Recommendation 3:**

Require DFCS review the discrimination complaints received during the scope period and provide complainants a decision letter containing the minimum required elements, including their right to appeal.

**FNS Response:**

FNS concurs with the recommendation. DFCS will review the discrimination complaints within the scope period reviewed and determine what decision letters need to be mailed.

FNS will follow up with the State agency to make certain they review the discrimination complaints.

**Estimated Completion Date:**

August 31, 2017

**OIG Recommendation 4:**

Require GA DFCS to review the 2 identified cases who potentially received benefits while incarcerated for over 30 days and determine if payments were improper and warrant establishment of a claim.

**FNS Response:**

FNS concurs with the recommendation. DFCS has reviewed the 2 cases identified as having potential overpayments due to being incarcerated for more than 30 days. For case one, it was determined that the person was incarcerated from December 10, 2001 through March 11, 2002. The client began receiving SNAP benefits in October 2012. No improper payments/claims exist for this case. For case two, the person was incarcerated from June 17, 2014 through March 27, 2015 in New Jersey. The person had been arrested but identity had been stolen by another individual. DFCS is verifying with the client and the New Jersey Department of Corrections.

FNS is requiring the State to provide the final disposition of the second case identity theft after the verification is completed.

**Estimated Completion Date:**

May 31, 2017

**OIG Recommendation 5:**

Require GA DFCS to review the 11 cases tested that had no evidence of an independent verification and determine if payments were improper and warrant establishment of a claim, and if the results of the review provide evidence of significant non-compliance and improper payment, ask the State to evaluate expansion of the review over the remaining 72,460 cases where PVS matches were identified.

**FNS Response:**

FNS concurs with the recommendation. DFCS has reviewed the 11 cases tested that had no evidence of independent verification and will determine if there were improper payments issued and schedule claims if needed. The review thus far does not provide evidence of significant non-compliance. Therefore, the State does not see the need to expand the review to the remaining 72,460 PVS match cases.

FNS will follow up with the State agency regarding their determination of improper payments.

**Estimated Completion Date:**

May 31, 2017

**OIG Recommendation 6:**

Require GA DFCS provide guidance and/or training to case workers and new employees to ensure an independent verification is performed and documented, and to provide notice to households of all PVS match results.

**FNS Response:**

FNS concurs with the recommendation. DFCS will provide guidance and/or training to eligibility workers and new employees regarding the requirement to provide independent verification, documentation and notification of prisoner match results.

FNS will require the State to provide a copy of the guidance/training and the date it was completed.

**Estimated Completion Date:**

September 30, 2017

**OIG Recommendation 7:**

Require GA DFCS to review the four identified cases where benefits were issued after the deceased individual's date of death and determine if payments were improper and warrant the establishment of a claim, and if the results of the review provide evidence of significant non-compliance and improper payment, ask the State to consider expansion of the review over the remaining 4,195 cases that received a DMS match.

**FNS Response:**

FNS concurs with the recommendation. DFCS has reviewed the 3 single person household deceased match cases and has referred them to the DHS OIG Benefit Integrity and Recovery (BIR) Unit for fraud investigation. Based on DHS BIR Unit fraud procedures, fraud claims cannot be established on individuals who are deceased and there are no other liable debtors. For the 3 cases investigated, no authorized representative or other household members existed in these cases to pursue fraud investigations and/or a collection of claims.

DFCS has reviewed the 4th case, the two person household deceased match case. The deceased match on the head of household occurred in February 2016 and should have been received and addressed by eligibility staff during recertification in March 2016. However, the household failed to recertify for benefits in March 2016, so the case closed at the end of March 2016 for expired certification period.

Federal regulations at 7CFR 272.14 (c) (1) state that States shall make the comparison of matched data at the time of application and no less frequently than once a year. The match occurred during the previous certification period of October 2015 through March 2016; therefore, the death match comparison would have occurred in March 2016 during recertification. No claims or improper payments exist for this case. Therefore, the State does not see the need to expand the review to the remaining 4,195 deceased match cases.

FNS will follow up with DFCS regarding the three single person household deceased match cases that they referred to DHS OIG Benefit Integrity and Recovery (BIR) Unit for fraud investigation.

**Estimated Completion Date:**

May 31, 2017

**OIG Recommendation 8:**

Require GA DFCS provide guidance and/or training to case workers and new employees to ensure an independent verification is performed and documented, and to provide notice to households of all deceased match results.

**FNS Response:**

FNS concurs with the recommendation. DFCS will provide guidance and/or training to eligibility workers and new employees regarding the requirement to provide independent verification, documentation and notification of deceased match results.

FNS will require the State to provide a copy of the guidance/training and the date it was completed.

**Estimated Completion Date:**

September 30, 2017

**OIG Recommendation 9:**

Require GA DFCS to review the case to determine if payments were improper and warrant the establishment of a claim.

**FNS Response:**

FNS concurs with the recommendation. DFCS will review the case to determine if there are improper payments/claims.

Gil Harden  
Page 6

FNS will require the State to provide the final disposition of the case after its review of the case.

**Estimated Completion Date:**

May 31, 2017

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To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at How to File a Program Discrimination Complaint and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: [program.intake@usda.gov](mailto:program.intake@usda.gov).

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