

State of Michigan
Direct Certification Program
2008 NASCIO Awards Recognition
Digital Government: Government to Citizen (G to C) nomination

A. Cover Page

Title of Nomination: Direct certification program to provide free school meals to school aged children.

Category: Digital Government. Government to Citizen

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B. Executive Summary

The National “Kids Count Trends in child well-being” report annually measures how well states are doing in providing a safety net for children aged 0-17. Indicators of wellness include poverty, insured children, immunizations, and teen pregnancy. The report noted that children living in poverty grew in Michigan, from 13.7% in 2000 to 17.3% in 2005. This represents approximately 710,000 children between the ages of 0-17 living in poverty. Michigan is concerned that a portion of these children may not be receiving adequate nutrition on a regular basis. One of the consequences of this is children beginning their school day without having eaten breakfast. Michigan’s goal is to help feed hungry children in order to affect positive learning outcomes for children. National research shows a high correlation between hunger and poor school performance. This same research shows that students who eat breakfast are more alert, have improved memory and problem solving skills, and perform better on standardized tests.

Michigan estimates that 40% of children who are eligible for free and reduced meals are not taking advantage of the program. Michigan has historically had problems getting families to apply for school based food assistance. There has been a social stigma for families to apply for assistance within the school. Many eligible families will not apply. This results in children arriving to school hungry, and having difficulty concentrating on learning activities. In order to increase the number of children eligible for free and reduced meals, Michigan developed a multi-agency task force to determine how technology could be used to better identify eligible families. This task force included four state agencies (Department of Human Services, Department of Education, Department of Information Technology, and the Center for Education Performance and Information) and representatives of the local school districts. Recommendations of the task force were then developed into a cross-agency project. Specific milestones and metrics included:

- Eliminate the need for families to directly apply for free and reduced meals
- Use eligibility data, previously collected by other state agencies to automatically pre-qualify children for the free and reduced meals program
- Notify families they have been enrolled in the program via U.S. mail
- Develop a communication strategy in conjunction with the school districts to make sure each school building fully understood the program, and, expectations.

The initial matching process was done prior to the beginning of the 2007 school year. The process matched food stamp records maintained by the Department of Human Services with student enrollment files, maintained by the Center for Education Performance and Information (CEPI). This process directly certified 337,500 students for paper-free instant eligibility in the food program.

C: Description

Problem statement

Michigan is under serving children who are eligible to receive free school meals. The traditional process for qualifying children for a free meal has two major flaws:

1. Time consuming paper process. Prior to direct certification, responsibility for qualifying children was a paper-based process that fell on local school districts. The process required a parent or guardian to fill out paper forms. The stigma of applying for food assistance often discouraged participation. While the intake process was problematic, the actual qualifying process was even worse. Paper forms were key-entered into computer systems to validate participant information. Data sharing agreements between schools and state government entities needed to be updated and maintained. The notification process for parents / guardians was a paper-based process.
2. Under representation of families. Prior to direct certification, the number of families taking advantage of school based nutrition programs lagged behind the number of families who were income eligible. A needless amount of children were arriving in school, hungry, and, learning outcomes were negatively impacted. The circular process of applying, the stigma of applying, and the error rate that is a consequence of a paper process all conspired to keep the number of children arriving hungry to school at a needlessly high rate.

Michigan began developing different scenarios to better qualify kids for free and reduced meals. Parallel to this, the United States Department of Agriculture required all states to have a direct certification process in place for all students by School Year 2008-2009.

Alternative approach

Several options were contemplated. The data the state needed to directly certify children for free meals exists in separate data systems. One approach had the state extract food stamp records, sort by community, and then share the data with school districts via e-mail for smaller districts, and mailing data CDs to larger districts. This approach placed the reconciliation burden on the school districts. While the solution is in compliance with Federal rules, State officials were convinced an easier method existed, uses technology resources at hand.

Selected approach

The state of Michigan has a cross agency ad-hoc committee called the data managers workgroup. This group consists of every state agency that collects information about children. The group was originally convened to help develop a strategy for a student tracking system for K-20 (includes higher education). This workgroup was re-convened with the specific charge of developing an automated solution for pre-qualifying children for free and reduced meals, using automated data matching between agencies. The solution agreed upon was straight forward:

- Michigan maintains a single record student database, with data about 1.7 million children enrolled in K-12.

- Michigan maintains a food stamp eligibility file within the Department of Human Services, which includes information about children in families receiving food stamp benefits.
- Both files contain first name, last name, address, date of birth and gender.

A project was created to automatically compare these files for the purpose of finding children receiving food stamp benefits who were enrolled in K-12.

With our approach agreed upon, a project team was assembled from 4 state agencies, and, representatives from the school districts. Michigan's goal was very aggressive. We wanted to be the first state to be in full compliance with the Federal directive, and, we wanted compliance prior to the 2007 school year. Our first barrier to overcome was project funding. This was resolved with the project team successfully applying for a Federal grant of \$700,000. These funds helped us hire a project manager to develop a project plan and project scope. This plan identified technology deliverables, data sharing agreements between agencies, and, a communication strategy that would be shared, up-front, with all school districts. Our solution was successfully launched in August 2007, and has been operational since.

Major elements of the solution include:

- Food stamp data is stored in a TeraData warehouse. An ODBC connection was established between the food stamp data warehouse and our Microsoft SQL cluster that stores the student data.
- The food stamp data was downloaded and filtered by age group using extraction tools.
- The resulting filtered data was matched against the student data, using a weighted algorithm that compares last name, first name, DOB, and gender. Reports are generated for each school district.
- Preliminary to these reports being made available, communications were sent to each school in April 2007. This communication included how to interpret the data, and, specific actions required by the school. This communication plan was supplemented by a training video and webcasts accessible on the Internet.
- Authorized school representatives access the reports using our secured website. Schools are responsible for notifying all eligible households.
- The initial run in August 2007 found 429,000 school aged children (ages 4-19) in our food stamp files. Of these, over 337,000 were matched in our student database (with a 95% degree of confidence).

Impact: Michigan is the first state to be in full compliance with the Federal directive. Over 337,000 school aged children were able to be qualified for free meals without any additional paperwork on the part of Michigan's 500+ school districts.

Costs:

This 12 month project has cost \$205,000, allocated as follows:

- \$25,000 for business requirements gathering
- \$80,000 for Programming services and project management
- \$100,000 for server, software and license costs.

- These costs are charged to our Federal \$700,000 award. The balance of the federal award is being used to engineer the direct certification process into our new student data system, scheduled for launch in late 2008.

Next steps:

The direct certification process is included in the design of our new student data system. This system will be used to track both students in K-12, and students receiving education services in delinquent and correctional facilities, as well as alternative state sponsored programs. This same system will be made available to community colleges and higher education.

D: SIGNIFICANCE

This project is a testament to how cross boundary collaboration can work. It is often difficult to get state agencies (and local school districts for that matter), to think outside of their parochial interests. Too few success stories exist about collaboration projects resulting in measurable benefits. This project did that. Policy and technology collaboration intersected between state agencies. The end result – more children received breakfast and lunch, thus giving them the needed edge to concentrate on their school lessons.

What is truly significant about this project was the cascading number of beneficiary groups, including:

Michigan families: Michigan's poverty rate has climbed over the last several years. Our unemployment rate is among the highest in the nation. This project helps many families receive food assistance for their children, in a respectful, non-intrusive manner. Children will not be required to take meal applications home in their backpacks. Family eligibility is automatically determined.

Public health interests: Early childhood learning, and, childhood well being is always better served when children receive regular, balanced, nutritious meals. The public health benefit cannot be denied. There is a statistical correlation between healthy eating habits and reduction in sick days for children.

Public education interests: Research has shown over and over, that, children who arrive at school hungry have a lower grade achievement than children receiving regular meals. Low grade achievement can be an indicator of future struggles in school, and, post academic life, including incarceration. The No Child Left Behind legislation places financial sanctions on chronically underperforming schools. The direct certification program, with the emphasis on feeding more children during the school day, helps to mitigate the risks associated with children being hungry during the school day.

Local school administrations: The automated file matching used in the direct certification program significantly reduces the administrative burden on school districts. Michigan has over 500 public school districts. Each district receives an electronic report of children who have been matched between our food stamp file and our school record file. These children have already been verified as eligible. Schools don't need to perform any eligibility validation. Authorized

administrators use a secure website to review this information, and, trigger notification to eligible families. This same process eliminates the need to deal with social security numbers (children are assigned a unique code that is system generated).

State agencies – This automated process allows the Michigan Department of Human Services to ensure all eligible children are receiving school meals to supplement family food stamp benefits. Further, the Department of Education is in compliance with a new Federal directive, and, one year earlier than needed.

While individual groups benefited from this project, all groups shared some universal benefits, including:

Accessibility and improved access – The direct certification system provides access to a state program that is completely automated. Recipient families need to take no action. Families are notified they are eligible – that’s it. If they don’t want to receive the benefits, they can contact the school that qualified them.

Operational efficiencies – The automated data match ensures only income eligible children are processed. Since food stamp eligibility automatically qualifies families for free and reduced lunch, there are no calculation errors, or misinterpretation of eligibility status. This automated process eliminates schools from processing eligibility intake forms – a huge time savings.

Security and privacy – the matching process doesn’t use social security number. It uses name, date of birth and gender to match. Verification of eligible children is via a secured, role based website.

Finally, this project was significant because it aligned priorities across state agencies, the Governors office, the federal government and local school districts. Most notably:

- The Governor’s Office and executive agencies has priority goals identified in the cabinet action plan <http://www.michigan.gov/cabinetplan/0,1607,7-176--124927--,00.html>. These goals include improving student achievement, making Michigan citizens healthier, and, making Michigan government more efficient. This project hits three of six stated goals.
- The Child Nutrition Act and WIC reauthorization Act of 2004 requires each school district to direct certify each child who is a member of a household receiving food stamps. Michigan is in compliance.
- The Department of Information Technology strategic plan specifically calls out the use of data matching between systems to improve the efficiency of government operations.

E. Benefit of the project

The return on investment for this project is significant. Michigan was able to secure a Federal grant to completely cover the cost of this project. Michigan has long been considered a “donation state” sending to Washington D.C. more dollars than was returned. This project, in small measure, helps improve this ratio. Federal dollars were used to build a computer system to help

qualify more children for federally subsidized meals. Benefits of the project can be quantified in both financial and non-financial measures. Below are financial considerations:

Return on investment

Michigan spent \$200,000 in staff costs and hardware costs. The project took 12 months to complete. Michigan has made preliminary estimates on the value of the program. Below are some of our initial findings.

Value of food

Based on 2007 figures, 337,000 children enrolled in a public school between the ages of 4-19 were income eligible for the free and reduced lunch program. The Department of Education estimates that approximately 40% of eligible children do not apply. Based on this figure, it is possible that an additional 135,000 children ($337K * 40\%$) could be receiving food assistance, if they were directly certified. These same children, in school for 150 days, with the price of a meal at \$2.00, means an additional \$40 million in school meals are served.

Cost Avoidance

The Federal No Child Left Behind program places sanctions on schools not meeting adequate annual yearly progress, as measured by standardized test scores. Michigan has over 2,800 K-12 schools serving 1.7 million kids. The hope of school administrators is a subset of these schools may avoid sanctions with better student performance. That performance can be tied to the availability of free and reduced meals.

Long-term benefits

- Additional Federal dollars per year spent in Michigan (for additional school meals)

While speculative, additional long-term benefits may include the following:

- Increased earning power – Better educational achievement increases the earning potential of a student
- Reduced incarceration rates – Better educational achievement is statistically proven to reduce incarceration rates

Non-Financial Return on Investment

This project helps advance Michigan public policy significantly. Our stated policy of helping Michigan children succeed in school, as a precursor to economic achievement is realized in part with the benefits of feeding hungry children before and during school. Our policy of cross-boundary collaboration, especially in sharing data and services to drive down costs is significantly advanced. A modest investment of \$200,000 is potentially helping us feed extra 135,000 children, while eliminating workload for local school districts.

In summary, Michigan is very pleased we were able to be the first state in full compliance with this Federal directive, using the power of technology and unified policy to realize the goal of better preparing children to succeed in school with our Direct Certification program.