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REPORT TO THE CONGRESS 095049

Observations On The Food Stamp Program

Food and Nutrition Service
Department of Agriculture

**BY THE COMPTROLLER GENERAL
OF THE UNITED STATES**

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COMPTROLLER GENERAL OF THE UNITED STATES

WASHINGTON, D.C. 20548

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To the President of the Senate and the
Speaker of the House of Representatives

This report presents our observations on the food stamp program. The program is administered by the Food and Nutrition Service, Department of Agriculture.

We made our review pursuant to the Budget and Accounting Act, 1921 (31 U.S.C. 53), and the Accounting and Auditing Act of 1950 (31 U.S.C. 67).

We are sending copies of this report to the Director, Office of Management and Budget, and to the Secretaries of Agriculture and of Health, Education, and Welfare.

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Comptroller General
of the United States

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ABBREVIATIONS

GAO	General Accounting Office
HEW	Department of Health, Education, and Welfare

COMPTROLLER GENERAL'S
REPORT TO THE CONGRESS

OBSERVATIONS ON THE FOOD
STAMP PROGRAM
Food and Nutrition Service
Department of Agriculture

D I G E S T

WHY THE REVIEW WAS MADE

The food stamp program has grown dramatically. In June 1974, 13.5 million people were participating; in December 1974, about 17 million people were participating. Various studies indicate that this may be less than half of those potentially eligible. Total Federal cost for fiscal year 1974 was \$2.9 billion.

Because of the strong possibility for further dramatic increases, two basic program questions become increasingly important.

--Are all people in the program's target group aware of their potential eligibility for food stamp benefits?

--Is the program benefiting only those who are genuinely eligible?

GAO took a broad look at the extent and nature of information available to the Food and Nutrition Service on potential and actual program participants and at the operation of the Service's quality control system established to help insure program integrity.

FINDINGS AND CONCLUSIONS

The program is designed to help low-income households obtain

nutritionally adequate diets by supplementing their food budgets. The Service administers the program nationally; State and county agencies administer it locally.

Under the program, participating households buy food stamps having a monetary value greater than their purchase price and use them to buy food at regular stores. Stamp prices are based on household income and size; extremely low-income households get them free.

Better data could result
in better management

The Service could do a better job of managing the program if it had better data on actual and potential program participants. Because adequate data is lacking, the Service does not have an adequate basis on which to

--gauge the effectiveness of program coverage,

--monitor and improve the direction and effectiveness of efforts to reach out to people who are not in the program but who may be eligible, and

--estimate and prepare for the impact that contemplated program changes would have. (See p. 3.)

According to various studies, 27 million to 39 million people may be eligible for food stamps. The Service does not have information on who these people are and why many of

them are not in the program. The Service plans to develop and use a simulation model to provide additional management data but it is difficult to assess the model's potential at this time. (See p. 4.)

Precise overall data on the size and general composition of the total target population is desirable but may not be obtainable. However, much useful information on major segments of the target population is generated by other Federal agencies and by the States. (See p. 4.)

For example, public assistance households, which are eligible for food stamps without regard to income and assets, constitute the largest group in the program. The States compile and send to the Department of Health, Education, and Welfare (HEW) monthly data showing the number of families and people in the States receiving public assistance. The data also is available on a county basis.

The Service and the States and counties operating the program could use this and other such data to evaluate and improve program coverage and effectiveness. For example, GAO's analysis showed that, of the 11.2 million people reported to be on public assistance nationwide at June 30, 1974, 65 percent were receiving food stamps. The percentages varied widely by State and county. (See p. 5.)

The Service also does not have adequate data on program participants. It requires the States to classify participants

only as to whether they are, or are not, on public assistance. Data on additional classifications, such as the unemployed, social security retirees, seasonal farmworkers, students, and others, would enable the Service to evaluate such groups' present and potential impact on the program. Such data should be available in every county. (See p. 6.)

Analysis and comparison of participant and target population data would enable the Service to identify low-participation groups on which outreach efforts may need to be concentrated.

State plans and reports indicated that outreach efforts varied considerably but generally did not evidence a systematic approach toward achieving established goals. They also were not specifically directed toward particular population segments where the outreach need may be greatest. (See p. 9.)

Concern about the effectiveness of outreach efforts has increased. In October 1974, the U.S. District Court of Minnesota ruled that the Secretary of Agriculture had failed to take effective steps to properly implement the outreach requirements of the Food Stamp Act. In February 1975, 18 other outreach cases were pending against States. (See p. 10.)

Quality control system
needs to be strengthened

Although steps have been taken to implement a quality control system in all participating States, further actions are needed to improve its effectiveness and help insure program integrity.

Some States were having more problems than others regarding such things as establishing sampling universes, selecting cases for review, completing reviews of selected cases, developing adequate corrective action plans, and recruiting and training staff. (See p. 14.)

Only non-public-assistance households are subject to the Service's quality control system. Although the eligibility of public assistance households is subject to review under HEW's quality control system, no check is required for such households on the accuracy of amounts paid for food stamps or the value of stamps issued. Also, certain households receiving general assistance from State and local agencies are not subject to review under either HEW's or the Service's quality control system. (See p. 15.)

In June 1974, about half--7.3 million--of all food stamp recipients were on public or general assistance.

A Service official said that the Service had been trying to arrange for HEW to have the States verify food stamp payments and issuances for public assistance households as part of HEW's reviews and that both agencies agreed to this approach. The Service also plans to bring the general assistance cases under quality control review. (See p. 16.)

Data reported by the States for the 6 months ended June 1974 showed a high incidence of improper determinations (program

errors) in establishing program eligibility and the amounts to be paid for food stamps. Error rates relating to food stamp allotments have been relatively low. Although the data may not be statistically reliable, preliminary overall figures indicate significant problems in maintaining program integrity. (See p. 16.)

Nationally, 18 percent, or almost 1 in 5, of the active cases examined were considered to be ineligible. GAO roughly estimated that, of the total monthly bonus of \$120 million received by all non-public-assistance households, about \$23 million was received in 1 month by the households considered ineligible. (See p. 17.)

GAO did not estimate the additional amounts that would be applicable to errors involving the eligibility of public assistance households, the amounts paid for stamps, or the stamp allotment received.

Without further clarifications, reported error rates may not give a proper perspective on program eligibility because some error categories can include minor technical or clerical errors as well as substantive considerations. Some of these may be easily remedied and may not be indicative of serious problems in program integrity. (See p. 18.)

Preliminary quality control figures also showed:

- Improper determinations in 7 percent of the cases reviewed involving households denied participation in, or dropped from, the program.
- Incorrect amounts paid for food stamps in 37 percent of the

active cases reviewed with underpayments in 26 percent and overpayments in 11 percent.

--Incorrect determinations of the value of stamps issued in less than 1 percent of the cases reviewed. (See p. 18.)

The apparent inability of some States to significantly lower their high error rates raises some question as to the effectiveness of the States' corrective actions and the Service's review and monitoring of those actions.

Of 44 States submitting consecutive quality control reports, eligibility error rates have steadily increased in 7 States, have declined in 18, and have been mixed in 19. Only one State, during one period, was within the Service's 3-percent error tolerance rate. Sixteen reported ineligibility rates of 20 percent or more in each reporting period. Also, 31 States reported underpayment errors of 20 percent or more for each reporting period. Seven reported rates exceeding 30 percent. (See p. 19.)

Some quality control reports described proposed corrective actions aimed directly at major error categories, but many were general and showed little direct correlation with specific types of errors. Some did not comment on results of prior actions, and some did not include any corrective action plans. In most cases, the reports did not clearly identify the underlying causes of the errors.

A Service official said that regulations were being developed to require more details on proposed corrective actions, with a timetable for implementation. He said that corrective actions would be monitored and that the States faced the possibility of fiscal sanctions if they did not make a concerted effort to improve program integrity.

Requirements for determining monthly net income for food stamp purposes are complex, and many errors are made in their application--particularly in determining allowable deductions from income. Nationally, errors relating to deductions accounted for about 43 percent of all errors involving overpayment or underpayment and 30 percent of all errors in all categories combined. (See p. 20.)

In January 1975 the Service contracted with a firm to determine the costs and impact on program participants of certain options involving use of standard deductions in lieu of itemized deductions.

If a workable and equitable standard deduction procedure can be developed and applied, it would simplify program operations, reduce administrative costs, save time, and reduce program errors. (See p. 22.)

Inconsistency and inequity in eligibility requirements

The Service has established national income standards for food stamp eligibility but applies these only to non-public-assistance households.

Public assistance households qualify for food stamps without regard to income requirements. (See p. 24.)

Because part of any income they earn is disregarded in determining eligibility for both public assistance and food stamps, some public assistance households have incomes in excess of the national income standards for the food stamp program but continue to receive benefits under the program. (See p. 24.)

Non-public-assistance households whose incomes exceed the national standards are denied program benefits. Also public assistance households with such exempt income pay a smaller proportion of their incomes for food stamps than some identical-sized non-public-assistance households with smaller incomes. (See p. 24.)

GAO could not accurately estimate how widespread the foregoing inequity is, but its analysis indicated that the situation could exist in about 30 States and could apply to a large number of households. A Service official said that the Service was aware of this situation but did not know its extent. (See p. 26.)

RECOMMENDATIONS

GAO is making several recommendations to the Secretary of Agriculture directed to

--obtaining and using better management data on actual and

potential program participants (see p. 11) and

--improving the program's quality control system to help insure program integrity (see p. 23).

Also GAO is recommending that the Secretary, in consultation with appropriate congressional committees and the Secretary of HEW, revise the food stamp regulations to eliminate the inconsistencies in program income criteria to insure the equitable treatment of all people who wish to participate in the program. (See p. 26.)

AGENCY ACTIONS AND UNRESOLVED ISSUES

Service officials generally agreed with GAO's conclusions and noted that some corrective steps were being taken. The officials believed, however, that collecting and evaluating additional program data should have a lower priority than other needs, such as implementing program changes and improving quality control. (See pp. 4, 10, 11, 16, 20, 22, and 26.)

MATTERS FOR CONSIDERATION BY THE CONGRESS

GAO's report is intended to alert the Congress to certain shortcomings observed in its review of the food stamp program. The dramatic growth of the program and its potential for further substantial growth make it essential that the program be managed as effectively as possible.

The observations and recommendations in this report are intended to help achieve that goal.

CHAPTER 1

INTRODUCTION

The food stamp program, authorized by the Food Stamp Act of 1964, as amended (7 U.S.C. 2011), is designed to help low-income households obtain nutritionally adequate diets by supplementing their food budgets. The program is administered nationally by the Food and Nutrition Service, Department of Agriculture. State and county agencies administer the program locally.

Under the program, participating households may purchase food stamps having a monetary value greater than their purchase price. The difference between the purchase price and the face value of the stamps constitute bonus stamps--the Federal contribution to the household's food-purchasing power. The stamps are to be used to buy food through normal retail outlets. Their purchase price is based on household income and size; however, extremely low-income households receive stamps free. The maximum value of food stamps a household may purchase or receive--stamp allotment--is based on household size.

The program has increased dramatically in terms of participation and cost. At the end of fiscal year 1974, 13.5 million people were participating in the program. Total Federal cost for the year was \$2.9 billion. In December 1974 participation was estimated to be about 17 million people. Various studies have estimated the program's target population to range between 27 million and 39 million people. Unemployment and inflation increases would further increase these numbers.

Because of the strong possibility for further dramatic increases in future years, two basic program considerations become increasingly important.

--Are all people in the program's target group aware of their potential eligibility for food stamp benefits?

--Is the program benefiting only those who are genuinely eligible?

Accordingly, our work was aimed primarily at taking a broad look at the extent and nature of information

available to the Service on potential and actual program participants and the operation of the system established by the Service to help insure program integrity.

SCOPE OF REVIEW

We reviewed the program's authorizing legislation and examined pertinent records, reports, and files prepared or maintained by the Service, by the Department's Office of Audit, and by selected States and counties. We interviewed Service headquarters and field officials and Department of Health, Education, and Welfare (HEW) officials. We also discussed the program with State food stamp directors in California, Colorado, Florida, Illinois, Michigan, New York, and Pennsylvania to obtain a perspective on program operations at the State and local level.

CHAPTER 2

BETTER DATA COULD RESULT IN BETTER PROGRAM MANAGEMENT

The Service does not have adequate data on the program's target population--those who the program was intended to help--or on the program's participants--those who are being helped. As a result, the Service does not have an adequate basis on which to gauge the effectiveness of program coverage for particular segments of the target population, to monitor and improve the direction and effectiveness of outreach efforts, and to estimate the impact that future program changes would have.

Various studies made in recent years indicate that the 17 million people currently estimated to be participating in the program may constitute less than half of all potentially eligible people. Despite some limitations in the data on which they are based, the study estimates raise a serious question as to whether all segments of the target population are aware of their potential eligibility for food stamp benefits.

TARGET POPULATION

Several studies made by various groups in recent years indicate that from 27 million to 39 million people may be eligible for food stamps.

--The staff of the Senate Select Committee on Nutrition and Human Needs estimated that 26.7 million people lived in poverty during 1972.

--The staff of the Subcommittee on Fiscal Policy of the Joint Economic Committee estimated that 37 million people were eligible for food stamps in March 1974.

--Two economists involved in social research work estimated that from 34 million to 39 million people were eligible for food stamps in March 1974.

The data on which these studies were based has some inherent limitations because of such things as the lack of verification of income and other data, the use of certain assumptions to compensate for data being incomplete or not being compatible with food stamp program

eligibility requirements, and the lack of information regarding such things as availability of cooking facilities. However, the studies do provide useful estimates of total needs and indicate the existence of a large gap between the total estimated number of potentially eligible people and the estimated 17 million program participants as of December 1974.

Although the Service has not always agreed with some of the specific study results and estimates because of the lack of complete data, it has nonetheless indicated essential agreement with the general extent to which potentially eligible people may not be participating in the program. During hearings on appropriations for 1975, the Administrator of the Service acknowledged that little more than about half of the people eligible for food stamps were participating in the program in 1973.

The Service is aware of the need for more data on the people eligible for food stamps and the characteristics of eligible people not participating to improve program planning. It is considering a plan to develop a data base for the food stamp program in the form of a simulation model, similar to one HEW uses for some of its programs. Specifically, the Service hopes to program the model to provide management with useful data on such things as the number of potentially eligible people, program caseload projections based on various assumptions, and program costs.

At this time, it would be difficult to assess the potential use that could be made of such a system in managing the program at State and local levels and even at the national level. The Service has not finalized the data dimensions expected from such a model. Also, HEW's experience suggests that the resulting data in certain instances will need to be compared with actual program data to validate it.

Data is available on some segments of the target population

Although overall data on the size and general composition of the total program target population is desirable, it may not be possible or practicable to obtain precise information of this nature. However, there is much useful information generated by other Federal agencies and the States on the number of people in certain major segments of the program target population that could be used by the Service and by the States and counties operating the program to evaluate and improve program coverage and effectiveness.

Most of this information is available from HEW which publishes monthly statistical data showing the number of people receiving social security retirement benefits, supplemental security income, aid for families with dependent children, State general welfare, and medical assistance.

The largest single group in the food stamp program is made up of public assistance households--those receiving aid for families with dependent children or State general welfare benefits. Under Federal food stamp regulations, these households are eligible for food stamps without regard to income and assets. The States compile and submit to HEW monthly data on the number of families and people receiving assistance under each of the two public assistance programs. The States also maintain this data on a county-by-county basis. Although HEW caseload figures are not precisely equivalent to food stamp caseload figures, enough data is available to give the Service a good measure of the number of people in this segment of the program's target population.

For example, available data showed that about 11.2 million people were on public assistance as of June 30, 1974. By State, the numbers ranged from 7,640 in Wyoming to 1,343,320 in California. Our analysis of the data showed that, overall, 65 percent of the people receiving public assistance were participating in the food stamp program. The percentage of participation varied significantly among the States as shown below.

<u>Participation</u> (note a)	<u>Number of States</u> (note b)
Below 30%	4
31 to 50	10
51 to 70	17
71 to 90	19
91 and over	<u>0</u>
Total	<u>50</u>

a

The results are somewhat understated because some non-public-assistance households in the food stamp program include individuals receiving public assistance.

b

Includes the District of Columbia but not the State of New Hampshire which was not in the program at the time.

A further analysis of program coverage for this segment of the target population could be made at the

county level. In Michigan where overall program coverage for the public assistance segment was 67 percent, the situation at the county level follows.

<u>Participation</u>	<u>Number of counties</u>
Below 30%	0
31 to 50	6
51 to 70	59
71 to 90	17
91 and over	<u>0</u>
Total	<u>82</u>

In addition to information being available through HEW, the Civil Service Commission has information on retired Federal employees, the Department of Defense on retired military personnel, the Department of Labor on unemployed, the Veterans Administration on veterans' benefits, and the Railroad Retirement Board on railroad pensioners. Not all people in all of these groups would be eligible for food stamps; however, the groups appear likely to have many potentially eligible people because the monthly benefits of many of them could be quite low. Statistical data on the levels of monthly benefits being received by the individuals may also be available from these sources to provide a better measure of the number of people in each group who may be eligible.

PROGRAM PARTICIPANTS

The Service does not have adequate data on the people participating in the program. Although it receives monthly reports on program participation for all counties in the program, the reports group participants into only two classifications--those on public assistance and those not on public assistance. Expansion of program participant data into additional classification groups--such as the unemployed, social security retirees, seasonal farmworkers, students, and others--would enable the Service to evaluate the impact these various groups currently have on the program and to anticipate the effect that any contemplated program changes would have on the people being served.

The basis for expanding the number of participant categories should be available in every county. The application forms used by the counties provide for recording various forms of income an applicant may have.

In fact some of the forms have separate spaces for recording specific types of income, such as social security payments, Veterans Administration benefits, and unemployment benefits. The application forms also contain information which could be used to identify students and other categories of participants. If necessary, the forms could be modified to identify additional classifications that might be useful. Using data available on these forms, households could be systematically classified into separate socioeconomic groups to provide management with a meaningful data base on program participants.

Some counties already have a data system providing additional classifications of participants; however, they do not send this data to the Service because it is not required. For example, one county reported the following participation data to the Service as required.

	<u>On public assistance</u>	<u>Not on public assistance</u>	<u>Total</u>
Number of households	69,305	5,411	74,716
Number of people	210,411	13,085	223,496

At the same time, the data from which the report was prepared showed:

	<u>Number</u>	
	<u>Households</u>	<u>People</u>
Not receiving public assistance		
Receiving unemployment compensation	375	1,568
Receiving social security and/or retirement benefits	3,948	6,903
Receiving workmen's compensation, sickness, or accident benefits	92	475
Receiving servicemen's or veterans' benefits	101	143
Low income	891	3,981
Temporarily unemployed	<u>4</u>	<u>15</u>
Total	<u>5,411</u>	<u>13,085</u>
Receiving public assistance		
Aid for families with dependent children	46,859	182,859
Supplemental security income	9,888	10,863
General assistance	173	744
General relief	<u>12,385</u>	<u>15,945</u>
Total	<u>69,305</u>	<u>210,411</u>

We recognize that many counties may not be compiling such additional information on food stamp recipients and may not have data processing capabilities to facilitate additional data compilation. However, in the light of the magnitude of the food stamp program and its ultimate goal of helping all needy households obtain adequate diets, we believe it incumbent on the Service to take all necessary steps to improve its management capabilities through the collection and analysis of meaningful program data at periodic intervals.

The Service has a special arrangement under which it annually receives certain detailed information on program participants in 46 counties in 45 States and uses the data to compile a profile on household size and income for these participants. An agency official explained that although the data does not have a statistically sound basis, the counties were selected to give a representative cross-section of the various types of counties in the program. The data does give some additional insight into program participation; however, we believe that its usefulness could be enhanced if it were analyzed in conjunction with the type of program data discussed above.

STRENGTHENING OUTREACH

Analysis and comparison of participant and target population data, such as that discussed earlier, would enable the Service to identify low participation groups towards which outreach efforts may need to be concentrated.

Various reasons given for nonparticipation in the food stamp program were:

- The bonus was too small to justify the effort involved.
- The stamp issuance offices were not conveniently located.
- The stamps identified the user as being on welfare.
- People had too much pride to accept such assistance.
- The program requires a monetary outlay by participants.

The extent to which people may not be participating because of these specific reasons is not known. However, because many people may not know of, or may not adequately

understand, what the program can do for them, it is essential that program outreach efforts be made as effective as possible. (See note below.)

Our review of State outreach plans and reports showed that although the extent and variety of the States' outreach efforts varied considerably, they generally did not indicate a systematic approach toward achieving established goals and were not specifically directed toward particular population segments where the outreach need may be greatest. Some of the shortcomings in State outreach plans follow.

- The specific groups to which outreach efforts were to be directed were not always identified.
- Procedures had not been established for achieving coordination between the food stamp agency and other local assistance and service groups.
- The specific methods to be used to reach non-participants have not been set forth.
- Specific methods had not always been established to measure and evaluate the results of the outreach effort.

Annual outreach reports that the Service receives from the States indicate that outreach efforts generally involve the distribution of program literature, spot announcements on radio and television, discussions with representatives of other local agencies, and talks before various special interest groups. Some reports contain broad, general statements on outreach efforts; others include more detailed information but provide little basis for judging how effective the actions have been or are expected to be. Although the Service is supposed to evaluate the States' outreach plans and efforts, a Service official said that the Service had no criteria for doing so.

Better management data on target population and program participation could pinpoint areas where steps need to be taken to improve outreach and could eventually provide information on why people are not participating.

Note: Project FIND, conducted in 1972, deserves special mention as a significant direct Federal outreach effort to identify and enroll elderly citizens in Federal food assistance programs. The Department of Agriculture participated in this project.

We found a simple illustration of this in one county where we compared the number of people on public assistance participating in the food stamp program with the total number of people on public assistance and found that only 43 percent, or 205,000 of these people, had been receiving food stamps. Discussions with local food stamp officials disclosed that the county public assistance caseworkers had not been informing these people of the food stamp program. After this disclosure, a directive was issued requiring caseworkers to notify people on public assistance of the food stamp program and to note in the files the reasons given by people not wanting to participate. Currently, 63 percent, or 325,000 of the people on public assistance in this county, are participating in the food stamp program.

Concern over the effectiveness of outreach efforts has become more evident in recent times. In an October 11, 1974, decision 1/ the U.S. District Court of Minnesota ruled that the Secretary of Agriculture had failed to take effective steps to properly implement the outreach requirements of the Food Stamp Act. On the basis of an examination of State outreach plans, the court concluded that most of them evidenced a lack of analysis of the States' needs, a lack of thought in devising a plan to meet those needs, and a lack of commitment to use resources that would satisfy those needs. The court ordered the Secretary to reassess the existing outreach plans and their implementation and to submit a report within 60 days on remedial action planned and/or taken.

In January 1975, the Department submitted a proposal for compliance with the order. According to a Service official, the proposal would require each State to provide a full-time outreach coordinator 2/ who would report semi-annually to the Service on the results of the State's outreach efforts. In addition, each county would be required to have an outreach contact who would be responsible for directing and reporting to the State on the county's outreach efforts.

1

Bennett v. Butz, United States District Court for the District of Minnesota No. 4-73 Civ. 284, October 11, 1974.

2

The requirement for a full-time State coordinator was included in a proposed amendment of food stamp regulations published in the Federal Register on February 20, 1975 (40 F.R. 7455).

The court had not formally commented on this proposal as of February 25, 1975. As of that time, there were 18 other court suits pending against States for failure to adequately implement the outreach requirements of the Food Stamp Act.

The Service believes that the lack of adequate data on the population eligible for food stamps has hampered its planning. Specifically, the Service believes it is unable to accurately project eligibility and participation responses under alternative shifts in eligibility requirements or benefit levels. It also wants an improved data base for evaluating nonparticipation. Moreover, the Service agrees that knowing more precisely who is participating in the program would be beneficial to management. However, the Service believes that collecting and evaluating additional program data should have a lower priority than other needs, such as implementing program changes and improving the quality control system.

Service officials also noted that prior to October 1, 1974, Federal financial participation in State outreach programs was limited to a share of costs for time spent by certain State employees. Under its new funding authority, the Service can pay for half of all administrative costs and will be in a stronger position for encouraging more effective State outreach programs.

CONCLUSIONS

The lack of adequate data on the program's target population and its participants makes it difficult for the Service to measure and improve the effectiveness of program coverage, to estimate and prepare for the impact that various program changes would have, and to monitor and improve the direction and effectiveness of outreach efforts. Without such data, the Service's future planning efforts could be severely hampered, especially in attempting to reach the millions of people who are not in the program but who may be eligible.

RECOMMENDATIONS

We recommend that the Secretary of Agriculture direct the Administrator of the Service to

- obtain from other Federal departments and agencies and from States and counties data which could be analyzed to establish the size and composition of various segments of the program's target population and its participants and

--analyze and use the data obtained to measure the extent of program coverage for the various segments of the target population, develop criteria for evaluating and improving the effectiveness of outreach, and gauge the impact that future changes would have on the program.

CHAPTER 3

QUALITY CONTROL SYSTEM NEEDS TO BE STRENGTHENED

To help ensure integrity in the operation of the food stamp program, the Service initiated a quality control system in 1971 and instructed the States to implement and use the system as a management tool and to report on its results. The system essentially involves a reverification of various determinations and data in randomly selected food stamp cases involving non-public-assistance households to provide information on the incidence of error in determining program eligibility; in computing the amounts to be paid for stamps by participating households and the value of stamps allotted to them; and in denying program benefits to households that are, or become, ineligible.

Although steps have been taken to implement the system in all States participating in the food stamp program, further actions are needed to improve the system's effectiveness.

- The degree to which the system has been implemented varies from State to State, and the Service needs to give additional attention and assistance to States experiencing difficulties in implementing the system.
- Quality control coverage needs to be extended to certain households and program areas not presently being checked.
- Better analysis and reporting of quality control results are needed to provide more meaningful information on the significance and causes of program errors.
- A more critical evaluation and followup of proposed corrective action is needed to decrease errors and improve program integrity.

Also, a large portion of identified program errors involve the estimating and verifying of deductions from individuals' gross incomes. We believe that a system of using standard deductions would simplify program operations, reduce processing time and administrative costs, and eliminate program errors. The Service has taken steps to explore this matter.

HOW THE QUALITY CONTROL
SYSTEM IS SUPPOSED TO OPERATE

The Service's quality control system is a technique for evaluating the extent to which program certification is done accurately. Sample cases are to be selected randomly by the States from two groups--one group is to comprise households receiving food stamps and the other is to comprise households that have been denied participation or dropped from the program. The sample sizes are predetermined by the Service so that each will be statistically representative of the total caseload from which selected and the results can be projected to the entire caseload with statistical reliability.

Each active case selected is to be reviewed by a State or local quality control staff, through an analysis of case records and a field investigation, ¹/ to verify eligibility and such payment factors as the numbers and ages of household members and their earnings and resources and to determine eligibility and correctness of stamp payments and allotments. For other cases, the field investigation is discretionary. The States are required to report to the Service on the results of these reviews and the actions they propose to take to reduce identified program errors. The Service has procedures for validating the States' reports.

STATE IMPLEMENTATIONS VARY

As of the latest reporting period for which data was available--the 6 months ended June 30, 1974--all States, except New Hampshire and the territories which were not in the food stamp program at that time, were operating a quality control system and were doing verification work and sending reports to the Service. However, information available at Service headquarters and from the Department's Office of Audit indicated that some States were having more problems than others in implementing a quality control system. This is illustrated by the following two contrasting cases.

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Field investigations entail independent verification and documentation of all elements affecting eligibility and payment through interviews with applicants and collateral sources, home visits, and examinations of pertinent documents.

A Service report on the quality control system in one State commented on the lack of adequately trained staff, the inability to complete case reviews, the poor quality of reviews, and the lack of positive action to develop a statistically sound sample selection procedure for households denied participation or dropped from the program. The report further stated that State officials were aware of the problems but had been unable to recruit an adequate staff because of the State's cumbersome civil service procedures and a hiring freeze.

A Service report on the system in another State concluded that that State had an excellent quality control organization with highly skilled administrators and staff. The report stated that some difficulties continued to exist regarding the timely completion of reviews and reports but that the situation was improving.

In its review of quality control systems in 20 States, the Department's Office of Audit identified weaknesses in the operation of each State's system and concluded that the statistical reliability of quality control results was questionable. The audit office found weaknesses in the sampling process, both in establishing the universe and in selecting cases for review; failures to complete cases selected for review; and lack of adequate corrective action plans. These problems were attributed to a lack of commitment on the part of the States, limited funding, and insufficient staff.

SYSTEM COVERAGE IS NOT COMPLETE

Under the Service's program instructions, only non-public-assistance households are subject to the Service's quality control system. Public assistance households--those whose members are all covered by a federally aided public assistance grant--are subject to review under HEW's system for checking eligibility for public assistance benefits. If properly carried out, this results in an automatic check on the food stamp eligibility of these households because, if they are legitimately on public assistance, they are eligible for food stamps without regard to income or asset limitations. This system, however, does not provide any verifications of the accuracy of the amounts paid for the stamps or the total value of stamps issued to each participating household. The Service's instructions encourage, but do not require, the States to verify these factors for the public assistance households included in the sample drawn for HEW's quality control system.

Participating households whose members are all covered by a State-funded or locally funded general assistance program, which the Service determined applies a criterion

of need similar to that applied under federally aided public assistance programs, are classified as public assistance households in some States. ^{1/} These households are not subject to review under either HEW's or the Service's quality control systems. According to a Service official, some States were reviewing eligibility and food stamp issuance determinations for general assistance households but the official did not know how many were doing this.

As of June 1974, about half (7.3 million) of all food stamp recipients were on public or general assistance. We were unable to obtain an accurate breakout of the number of people in each assistance category.

A Service official told us that the Service has been trying to arrange for HEW to have the States verify food stamp payments and issuances for public assistance households as part of HEW's quality control program. The official told us that both agencies are agreeable to this approach and that details are being worked out. He also told us that the Service plans to bring the general assistance cases under quality control review.

We believe that, under legislation enacted July 12, 1974 (Public Law 93-347, 88 Stat. 340), amending the Food Stamp Act, the Service can treat the cost of any additional quality control coverage the same as all other administrative costs which the Service and the States share 50-50. Accordingly, we believe that the Service should take all steps necessary to provide for complete quality control coverage of all food stamp households.

PROBLEMS IN MAINTAINING PROGRAM INTEGRITY

Data reported by the States as a result of their quality control reviews shows a high incidence of improper determinations (program errors) in establishing program eligibility and the amounts to be paid by participating households for food stamps. Error rates relating to determinations of food stamp allotments--the face value of stamps

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In 20 States and the District of Columbia, general assistance households are classified as public assistance households; in 18 States, they are classified as non-public-assistance households; and in 12 States, their classification is mixed.

a participating household is authorized to purchase-- have been relatively low. Although the data reported may not be statistically reliable for some States and on a national basis because of weaknesses in the sampling process and inadequate sample completion rates, preliminary overall figures compiled from the latest State reports indicate significant problems in maintaining program integrity.

The results of State quality control reviews covering the 6 months ended June 30, 1974, showed that, nationally, 18 percent of the active cases examined were ineligible. The comparable percentage for the preceding 6-month period was about 22 percent. Although the eligibility error rate has dropped, it still indicates that during the January to June 1974 period almost 1 of every 5 participating households covered by the reviews was not considered eligible for participation.

We made some rough calculations to get an idea of the total monthly value of food stamp benefits that might be applicable to ineligible households. The average monthly bonus (food stamp benefit) received by households found to be ineligible by quality control reviews was \$66.39 for the January to June 1974 period. If the 18 percent error rate and the above bonus amount were representative of all non-public-assistance households in the program in June 1974, the total amount of bonus improperly received by these households for that month would be about \$23 million--compared to a total monthly bonus of \$120 million received by all participating non-public-assistance households.

Additional amounts would be applicable to errors involving eligibility determinations for public assistance households, and amounts paid for stamps and stamp allotments received by both public assistance and non-public-assistance households. We have not estimated what these amounts would be.

A further breakdown of the eligibility errors follows.

Program requirement areas in which errors were made	Percent of error for 6 months ended	
	June 30, 1974	December 31, 1973
Work registration	5.9	7.5
Other basic program requirements	.3	.5
Resources	2.6	2.8
Monthly earnings	2.8	4.0
Other income	2.1	2.9
Deductions from income	.4	.8
Procedural	2.9	2.0
Other miscellaneous	<u>1.0</u>	<u>1.1</u>
Total	<u>18.0</u>	<u>21.6</u>

Without further clarifications, the error rates shown above may not give a proper perspective on program eligibility. Together, program errors involving work registration requirements and procedural matters constituted almost half of all eligibility errors. However, the quality control reports did not show what proportion of these two error categories involved substantive considerations and what proportion involved minor technical or clerical errors.

For example, errors involving work registration could involve (1) the participant's refusing to register or accept suitable employment, (2) the participant's not understanding that he was required to register, (3) the caseworker's not knowing that participants are required to register, (4) the caseworker's overlooking or ignoring the requirement in particular cases, or (5) the registration form's not being in the case file because it was misplaced or lost. Although, technically, any one of these shortcomings results in the participating household becoming ineligible even if it meets all other eligibility requirements, some of them may be easily remedied and may not be indicative of serious problems in program integrity.

The Service's preliminary summarization of State quality control reports also showed that

--In about 7 percent of the cases reviewed involving households denied participation in the program or dropped from the program, the denial of benefits was improper.

--In about 37 percent of the active cases reviewed, the amounts paid by participating households for food stamps were incorrect. Underpayments were found in 26 percent of the cases and overpayments in 11 percent.

--The value of stamps issued to participating households was found to be incorrect in less than 1 percent of the cases reviewed.

A table showing error rates reported by the States is presented in appendix I.

The large percentage of errors identified through State quality control reviews, and the apparent inability of some States to significantly lower their error rates, raises some question as to the effectiveness of the States' corrective actions and the Service's review and monitoring of those actions.

A comparison of quality control results for 44 States which had submitted consecutive reports covering the last two or three 6-month reporting periods showed that eligibility error rates had steadily increased in 7 States, had declined in 18 States, and were mixed in the remaining 19 States. (See app. II.) Of the 44 States involved, only one State, during one period, was within the 3-percent tolerance rate established by the Service for eligibility errors. Sixteen of the 44 States reported ineligibility rates of 20 percent or more in each reporting period. In other words, at least 1 in every 5 households reviewed in those 16 States was considered ineligible.

Another category having a continuing high error rate involved households' not paying enough for their stamps. In 5 States the percentages of households underpaying had steadily increased; in 14 States the percentages had declined; and in 25 States the percentages were mixed. All 44 States exceeded the Service's 5-percent tolerance rate for this error category in all reporting periods. A total of 31 States reported undercharging errors of 20 percent or more for each of the reporting periods. Of the 31 States, 7 reported rates exceeding 30 percent for all three periods.

Our review of quality control reports submitted by 20 States over the three reporting periods indicated that, although some corrective actions proposed by the States were aimed directly at major error categories, many were of a general nature and indicated little or no direct correlation with specific types of errors.

Many of the reports did not comment on the extent to which prior proposed actions had been implemented or on their effectiveness. Also, some States did not submit corrective action plans for some of the reporting periods. One State had not submitted such plans for any of the three periods.

In most cases, the reports did not clearly indicate the underlying causes of the errors found. The reasons cited were described in such terms as policy not being followed, failure to take indicated action, failure to report changes in circumstances, or information provided was incorrect or incomplete. Although this type of information provides some insight into problem areas requiring corrective action, it does not get to the basic cause of the errors and does not explain why the errors were made.

We asked a Service official how the Service evaluated the States' proposed corrective action plans, followed up to determine if a State had done what it proposed, and assessed the effectiveness of these actions. The official said that, in the past, although there was no systematic evaluation of proposed corrective action plans and no systematic followup to determine whether the State had implemented the proposed actions, some of the Service's field offices were doing some follow-up work on State corrective actions. He told us that the Service was working on regulations, to be published for comment about March 1975, that would require more details on proposed corrective actions, with a timetable for implementation. He said that the Service's regional office staffs would be responsible for monitoring the States' actions and the headquarters' staff would monitor the regional staffs' work. He also said that the States face the possibility of fiscal sanctions through a selective withholding of administrative funds if they do not make a concerted effort to improve the integrity of the program.

Service officials noted that Service procedures require collection action to be taken on losses resulting from program errors.

USE OF STANDARD DEDUCTIONS COULD
SIMPLIFY PROGRAM ADMINISTRATION
AND REDUCE PROGRAM ERRORS

Program requirements for determining monthly net income for food stamp purposes are administratively complex and many errors are made in their application-- particularly with regard to the determination of allowable deductions from income. These deductions include

- work allowances of 10 percent, not to exceed \$30 a month, of compensation for services performed as an employee or received as a training allowance;
- mandatory deductions, such as Federal and State income tax withholdings, social security taxes, mandatory retirement payments, and union dues;
- medical expenses if in excess of \$10 a month;
- child care expenses;
- tuition and mandatory fees assessed by educational institutions;
- support and alimony payments;
- unusual expenses arising from disasters or casualty losses, even if subsequently reimbursed; and
- shelter costs, including utilities and any mortgage payments in excess of 30 percent of income after all other allowable deductions have been made.

To be deductible, expenses generally must be incurred by, and paid for, a household member and must be paid, or anticipated for payment, during the certification period in which the deduction is claimed. By considering amounts paid in the past, anticipated changes in the future, and other information available, the caseworker must estimate deductible expenses as accurately as possible and must determine what the monthly net income will be for the total certification period. A further complication is that the expenses reported by applicants will not necessarily be in terms of monthly amounts. In such event, caseworkers must make proper conversions on either an average or an actual basis. The potential for error in applying these and other related requirements is great.

Food stamp regulations also require participants to report any changes in income or deductible expenditures above specified amounts to the local food stamp office. Such changes could make the household ineligible for further participation or could result in a recomputation of the amount the household will have to pay for its stamps.

Several State officials commented to us on the difficulties in making program determinations relating to income deductions and attributed much of their program's high error rates to these difficulties. Colorado, in commenting in its quality control report on eligibility errors relating to medical expenses, said that estimating these expenditures was always arbitrary and that the different circumstances of health and frequencies of treatments made it almost impossible to accurately estimate medical deductions. The State concluded that frequent differences between the determinations of the regular caseworkers and the subsequent determinations of quality control reviewers are almost inevitable.

The difficulties encountered by State caseworkers in dealing with deductions from income are borne out by the results of State quality control reviews. Nationally, for active cases reviewed for the 6 months ended June 30, 1974, errors relating to deductions accounted for about 43 percent of all errors involving overpayment or underpayment and 30 percent of all errors in all categories combined. For the preceding 6 months, the error situation was about the same.

The Service took an initial step to simplify program requirements by issuing regulations in July 1974 allowing the States to use standard utility allowances in determining deductions for shelter costs. The Service must approve these standards, and the State must agree to review them annually to identify deviations from actuals. The standards must also take into account any significant seasonal variations. The State must use actual utility costs if the participant requests they be used and can verify such costs.

In January 1975 the Service contracted with a firm to determine the costs, and impact on program participants, of certain options for revising income determination procedures, including the application of alternate levels of standard deductions in lieu of itemized deductions. The contract was to be completed by March 1975. We believe that, if a workable and equitable standard deduction procedure can be developed and applied, it would simplify program operations, reduce administrative costs, save time, and reduce program errors.

CONCLUSIONS

The quality control system established by the Service is a useful means of checking on the integrity of the food stamp program. However, there are shortcomings in several aspects of the system which need correction. This is

particularly important in the light of the magnitude of the program--in terms of both actual and potential participation and cost--and the high incidence of errors that have been identified in previous State quality control reviews.

We believe that steps taken by the Service to explore various income determination options involving the use of standard deductions could lead to changes that would simplify program administration and reduce errors.

RECOMMENDATIONS

We recommend that the Secretary of Agriculture direct the Administrator of the Service to

- give additional attention and assistance to States experiencing difficulties in fully implementing the present quality control system, possibly by drawing upon the techniques that have been effective in other States;
- take all necessary steps to provide complete quality control coverage for all food stamp households through arrangements for expanded State reviews under the Service's or HEW's quality control systems;
- provide for better analysis and reporting of quality control review results by the States so that more meaningful information will be available on the significance and causes of program errors; and
- critically evaluate proposed corrective actions in relation to their expected impact on basic causes of program errors and systematically follow up to see that the actions are being taken and are decreasing errors and improving program integrity.

CHAPTER 4

INCONSISTENCY AND INEQUITY IN PROGRAM ELIGIBILITY REQUIREMENTS

The Service has established national income standards for food stamp eligibility, but they are applied only to households that are not on public assistance. Households receiving Federal public assistance are eligible for food stamps without regard to income, and part of any income they earn is disregarded ¹/ in determining the amount of their public assistance grant and their continued eligibility for both public assistance and food stamps. As a result, some of these households have incomes in excess of the national income standards for the food stamp program but continue to receive benefits under the program. Non-public-assistance households whose incomes exceed the national standards are not eligible for the program. If they are receiving food stamps at the time their incomes increase above the national standards, they are dropped from the program when their eligibility is reviewed.

In addition, the amount of income that public assistance households have in excess of national income standards is not considered in determining the amounts they have to pay for food stamps. This results in public assistance households with such excess income paying a smaller proportion of their incomes for food stamps than some identical-sized non-public-assistance households that have smaller incomes.

The Food Stamp Act provides that, except for households that are victims of a disaster, participation in the program is to be limited to households whose income and other financial resources are substantial limiting factors in permitting individuals to purchase an adequately nutritional diet. The Secretary of Agriculture was directed in 1971 to establish uniform national standards of eligibility for participation in the program. As part of these uniform standards, the Secretary has established maximum

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For example, to give households receiving assistance under the Aid to Families with Dependent Children program an incentive to seek jobs and become self-sufficient, the first \$30 of any income earned, plus one-third of all remaining earnings, are disregarded in determining the amounts of public assistance grants and continued eligibility for public assistance.

allowable net income levels which are adjusted every 6 months. The income levels effective January 1, 1975, are as follows.

<u>Number of people in household</u>	<u>Allowable net monthly income</u>
1	\$194
2	280
3	406
4	513
5	606
6	700
7	793
8	886

The foregoing national income standards are applicable only to non-public-assistance households and mixed households--those in which some members are on public assistance and some are not. These two types of households contain roughly half of all food stamp participants. Households in which all members are receiving public assistance are not required to meet the national income standards. They can qualify for food stamps without regard to any other income requirements.

Following is a comparison of some actual net incomes of public assistance households in Michigan receiving food stamps with the national income maximums established for the program.

<u>Number of members in household</u>	<u>Monthly net income of participating public-assistance households</u>	<u>Maximum monthly net income for non-public-assis- tance households</u>	<u>Difference</u>
2	\$428	\$280	\$148
3	507	406	101
4	692	513	179
5	713	606	107
6	811	700	111
7	992	793	199

If a four-member household not on public assistance increased its net earnings to more than \$513 a month, it would be dropped from the program when their eligibility is reviewed,

but the four-member public assistance household shown in the above table would remain in the program even though its monthly net earnings were \$692. Also, at the maximum income level of \$513, a four-member household not on public assistance would pay \$130, or 25 percent, of its income for stamps worth \$154. Although the public assistance household had \$179 more in monthly income, it also would pay \$130 for stamps worth \$154. In this case, the payment represents only 19 percent of income.

Because the levels of public assistance grants vary from State to State, as do the proportions of public assistance households participating in the food stamp program, we were not able to accurately estimate how widespread the foregoing inequity was. Our analysis indicated that the situation could exist in about 30 States and could apply to a large number of households.

A Service official said that the Service was aware that certain public assistance households in the food stamp program had incomes greater than program standards but did not know how extensive the situation was. Several State food stamp officials expressed the belief that the situation was inequitable.

CONCLUSION

The purpose of establishing uniform standards of eligibility should be to give everybody equitable treatment. However, the administrative regulation making public assistance households eligible for food stamps without regard to income perpetuates an inequity that should be corrected.

RECOMMENDATION

We recommend that the Secretary of Agriculture, in consultation with the appropriate congressional committees and the Secretary of HEW revise the food stamp regulations to eliminate the inconsistencies in program income criteria to ensure the equitable treatment of all people who wish to participate in the program.

PERCENTAGE AND CLASSIFICATION OF
 IMPROPER DETERMINATIONS DISCLOSED IN
 STATES' QUALITY CONTROL REVIEWS
 OF NON-PUBLIC-ASSISTANCE CASES
 FOR THE 6 MONTHS ENDED JUNE 30, 1974

State	Percent of sampled participating households					
	Ineligible	Over- charged for stamps	Under- charged for stamps	Received excess stamps	Received insufficient stamps	Improperly denied benefits
Alabama	18	13	31	1	3	6
Alaska	19	1	18	1	4	3
Arizona	11	12	28	1	(a)	4
Arkansas	14	6	33	1	2	5
California	15	13	24	2	1	5
Colorado	22	8	27	1	1	7
Connecticut	21	18	33	4	1	12
Delaware	17	20	23	7	-	5
Washington, D.C.	23	7	29	4	3	3
Florida	23	14	33	1	(a)	15
Georgia	32	13	26	2	1	10
Hawaii	8	13	34	-	-	-
Idaho	9	6	9	-	-	1
Illinois	22	11	23	1	1	6
Indiana	11	12	22	1	(a)	12
Iowa	25	12	29	(a)	(a)	11
Kansas	15	13	22	-	1	14
Kentucky	23	9	22	2	1	24
Louisiana	17	9	34	1	1	4
Maine	5	6	19	1	-	2
Maryland	27	12	32	2	2	7
Massachusetts	27	13	34	2	-	(b)
Michigan	22	9	17	-	(a)	2
Minnesota	29	18	29	-	(a)	13
Mississippi	9	10	27	2	1	12
Missouri	20	9	29	1	2	4
Montana	41	6	24	-	1	1
Nebraska	11	8	26	1	2	4
Nevada	10	8	15	1	3	-
New Jersey	17	22	33	2	1	27
New Mexico	27	7	26	2	1	16
New York	23	18	24	1	2	11
North Carolina	18	17	32	1	2	12
North Dakota	7	9	14	-	-	1
Ohio	16	13	26	(a)	1	8

APPENDIX I

State	Percent of sampled participating households					
	Ineligible	Over-charged for stamps	Under-charged for stamps	Received excess stamps	Received insufficient stamps	Improperly denied benefits
Oklahoma	4	16	17	1	1	2
Oregon	27	7	26	1	(a)	3
Pennsylvania	20	14	25	2	1	7
Rhode Island	16	18	48	7	1	3
South Carolina	27	17	39	2	2	8
South Dakota	15	10	31	2	2	-
Tennessee	26	10	25	1	1	17
Texas	7	7	26	1	1	3
Utah	8	22	21	-	-	2
Vermont	27	9	24	1	1	14
Virginia	10	18	33	-	4	-
Washington	5	5	12	(a)	(a)	1
West Virginia	7	15	25	(a)	(a)	2
Wisconsin	14	8	25	1	2	8
Wyoming	14	4	15	-	-	4
Overall	18	11	26	(a)	(a)	7

a Less than 1 percent (rounded).

b Not available.

PERCENTAGE OF SAMPLED PARTICIPATING HOUSEHOLDS
 CONSIDERED INELIGIBLE AS A RESULT OF
 STATES' QUALITY CONTROL REVIEWS
 OF NON-PUBLIC-ASSISTANCE CASES

<u>State</u>	<u>January to June 1973</u>	<u>July to December 1973</u>	<u>January to June 1974</u>
Alabama	21	27	18
Alaska	14	19	19
Arizona	16	15	11
Arkansas	9	13	14
California	20	18	15
Colorado	25	37	22
Connecticut	17	18	21
Delaware	(a)	(a)	17
Washington, D.C.	34	31	23
Florida	33	30	23
Georgia	32	35	32
Hawaii	2	8	8
Idaho	10	7	9
Illinois	12	(a)	22
Indiana	(a)	21	11
Iowa	(a)	33	25
Kansas	(a)	11	15
Kentucky	29	26	23
Louisiana	23	24	17
Maine	11	6	5
Maryland	24	30	27
Massachusetts	(a)	31	27
Michigan	20	23	22
Minnesota	(a)	(a)	29
Mississippi	19	15	9
Missouri	30	29	20
Montana	31	(a)	41
Nebraska	(a)	(a)	11
Nevada	(a)	23	10
New Jersey	18	21	17
New Mexico	27	26	27
New York	14	18	23
North Carolina	20	17	18
North Dakota	(a)	10	7
Ohio	(a)	22	16

APPENDIX II

<u>State</u>	<u>January to June 1973</u>	<u>July to December 1973</u>	<u>January to June 1974</u>
Oklahoma	7	8	4
Oregon	20	25	27
Pennsylvania	28	28	20
Rhode Island	33	26	16
South Carolina	23	30	27
South Dakota	7	26	15
Tennessee	22	27	26
Texas	18	14	7
Utah	20	12	8
Vermont	30	25	27
Virginia	(a)	(a)	10
Washington	11	11	5
West Virginia	10	8	7
Wisconsin	5	10	14
Wyoming	(a)	13	14

a
Did not report.

PRINCIPAL OFFICIALS OF
THE DEPARTMENT OF AGRICULTURE
RESPONSIBLE FOR ADMINISTRATION OF ACTIVITIES
DISCUSSED IN THIS REPORT

	Tenure of office	
	<u>From</u>	<u>To</u>
SECRETARY OF AGRICULTURE:		
Earl L. Butz	Dec. 1971	Present
Clifford M. Hardin	Jan. 1969	Nov. 1971
ASSISTANT SECRETARY, MARKETING AND CONSUMER SERVICES:		
Richard L. Feltner	Apr. 1974	Present
Clayton Yeutter	Jan. 1973	Apr. 1974
Richard E. Lyng	Mar. 1969	Jan. 1973
ADMINISTRATOR, FOOD AND NUTRITION SERVICE:		
Edward J. Hekman	Sept. 1969	Present

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