



**United States
Department of
Agriculture**

Food and
Nutrition
Service

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MEMO CODE: SP 04-2009

DATE: December 12, 2008

SUBJECT: Reminder concerning E-Rate Audits by the Federal Communications Commission (FCC)

TO: Special Nutrition Programs
All Regions

State Agencies
Child Nutrition Programs
All States

We were asked by the FCC to issue a reminder about cooperating with contractors auditing school districts' receipt of funds under the FCC's E-Rate fund. Auditing for the current cycle is scheduled to begin in December, 2008. Please refer to Policy Memorandum 29-2008 dated July 8, 2008, (http://www.fns.usda.gov/cnd/Governance/Policy-Memos/2008/SP_29-2008.pdf) for specific information.

We were also asked to clarify the sentence "Auditors cannot verify the accuracy of the [local educational agency's] LEA's determinations and cannot contact the household." FCC auditors do not have the authority to conduct verification of applications for free/reduced price school meals. Therefore, FCC auditors cannot contact households or other sources (such as assistance agencies or employers) to confirm the information on the application. However, auditors may:

- Ensure the information on the application was accurately processed; i.e., that the income and the number of persons in the household were totaled correctly and that the appropriate Income Eligibility Guideline was used;
- Confirm that the children listed on rosters as eligible for free or reduced price meals have approved applications on file; and
- Confirm that the number of children used for statistical purposes is based on approved applications.

Any discrepancies in these areas must be brought to the attention of the LEA.

We ask that State agencies immediately convey this information to local agencies. If local agencies have any questions about FCC audits, they should contact their State agency.

Original Signed

CYNTHIA LONG
Director
Child Nutrition Programs