II. DIRECT CERTIFICATION PREVALENCE AND IMPLEMENTATION

Direct certification was first implemented in a few pilot sites during the late 1980s. Since then, regulations have permitted all districts offering NSLP lunches to use direct certification if they so desire. As described in Chapter I, the use of direct certification expanded rapidly through 1996, when nearly two-thirds of districts used the policy (Jackson et al. 1999). In Section A of this chapter, we show that the prevalence of direct certification has remained roughly constant since that time. We also examine the prevalence of direct certification by measuring how widely direct certification actually is used to certify students for free meals in those districts that use the policy.

The chapter also discusses how districts conduct direct certification. The 1996 study developed a typology that described three major ways in which districts and States implement direct certification. We use a revised version of that typology in Section B to classify direct certification districts according to how they identify, notify, and certify those students who ultimately are directly certified. This revised typology allows for comparisons between the findings of this study with those of the 1996 study. One key trend that emerged over this period was that districts became more likely to use some sort of matching technology to identify students eligible for direct certification; however, where the 1996 study found that these matching districts generally used passive consent—in which parents were notified and given the option of refusing the benefit—we found that, by 2001, some matching districts had begun using an active consent process. The active consent process in these districts required parents to respond affirmatively in order to have their children approved for free meals by direct certification.

The final set of issues discussed in the chapter involves several key operational aspects of direct certification. One indication of problems with the implementation of direct certification uncovered by this analysis is that many students in direct certification districts who are not themselves directly certified end up being certified by application on the basis of a food stamp or TANF case number (a group we refer to as being *categorically eligible*). It is likely that many of these categorically eligible students could have been directly certified but for some reason were missed by the system. We explore this issue in Section C and present districts' responses to direct questions regarding implementation problems and the operations of direct certification in their districts.

A. PREVALENCE OF DIRECT CERTIFICATION

In the 2001-2002 school year, direct certification was used by 61 percent of public school districts offering the NSLP (Table II.1).[8] These direct certification districts served about 68 percent of all students enrolled in public school districts, as well as the same proportion of students certified for free meals. The prevalence of direct certification changed little between the 1996-1997 and 2001-2002 school years. In fall 1996, an estimated 63 percent of districts serving 72 percent of students used direct certification, estimates that are not statistically significantly different from the 2001 estimates.

[8]A few districts classified as non-direct certification districts may have actually used the policy. For example, nine districts in the Northeast region of the United States reported that they did not use direct certification even though they were mandated to use the policy by their states. If these nine districts are re-classified as direct certification districts, the prevalence of direct certification increases to 62.6 percent among districts, 67.8 percent among enrolled students, and 68.5 percent among certified students. In addition, New York City reported that they did not use direct certification in 2001-2002 (even though they had used it in previous years and have used it in subsequent years) because of problems in identifying children who were eligible to be directly certified. If New York had used direct certification in that school year, the percentage of enrolled students in direct certification districts would have increased from 67.8 to 70.2 percent.

TABLE II.1

PREVALENCE OF DIRECT CERTIFICATION AMONG PUBLIC SCHOOL DISTRICTS PARTICIPATING IN THE NSLP AND AMONG STUDENTS AT THESE SCHOOLS
(Standard Errors in Parentheses)

	1996 Public School Districts	2001 Public School Districts
Percentage of Districts Using Direct Certification	63.0	61.0
	(1.81)	(1.73)
Percentage of Students in Districts Using Direct Certification		
Percentage of All Enrolled Students	71.9	67.5
	(2.94)	(1.44)
Percentage of Free Certified Students	71.5	68.2
	(4.33)	(2.07)
Sample Size	**996**	**1,218**

Source: 2001 Direct Certification Study SFA Survey; Jackson et al. (1999).

Note: Significance tests were conducted; none of the differences in the percentages presented above between 1996 and 2001 were statistically significant at the 0.10 level.

Districts in which some or all schools received NSLP reimbursements on the basis of Provision 2 or 3 were considered direct certification districts if they used direct certification in their base year. Overall, 8 percent of districts included Provision 2 or 3 schools in 2001-2002—5 percent of districts consisted entirely of Provision 2 or 3 schools, and 3 percent had Provision 2 or 3 in some but not all schools (Table II.2). Among districts with Provision 2 or 3 schools, just over one-fourth reported 2001-2002 as the base year; the remainder reported an earlier base year.[9] Nationally, an estimated 2.6 million students, or 6 percent of all public school students in NSLP schools, were in Provision 2 or 3 schools during the 2001-2002 school year. Overall, the prevalence of direct certification in Provision 2 or 3 districts was 51 percent during 2001-2002, although among districts whose Provision 2 or 3 schools had a base year in 2001-2002, the percentage using direct certification of 59 percent was much closer to the national rate.[10]

The prevalence of direct certification (across all districts) can also be examined through an estimate of the percentage of students who are directly certified. Among *students certified for free* meals in the average direct certification district, one in four was directly certified, with the rest certified by application (Table II.3). Among *all enrolled student*s in the average direct certification district, 8 percent were directly certified. The numbers are similar when calculated across students, rather than for the average district. Among public school students in direct

[9]If the Provision 2 or 3 schools within a district had different base years, districts were asked to report the most common base year used.

[10] Since no individual students in Provision 2 or 3 schools are actually certified for free or reduced-price meals (though they all receive free meals), students in these schools are excluded from our estimates of rates of ineligibility among certified students presented in Chapter IV.

TABLE II.2

DISTRICTS' USE OF PROVISION 2 OR 3 AND DIRECT CERTIFICATION
(Standard Errors in Parentheses)

	Percentage or Number	
Percentage of Districts that Include:		
Provision 2 or 3 in any schools in district	8.4	(1.00)
Provision 2 or 3 in all schools in district	4.9	(0.78)
Percentage of Provision 2 or 3 Districts with a Base Year in:		
2001-2002	28.8	(5.31)
2000-2001 or earlier	71.2	(5.31)
Number of Public School Students Nationally in Provision 2 or 3 Schools (millions of students)	2.60	*
Percentage of Public School Students Nationally in Provision 2 or 3 Schools	5.6	*
Percentage of Districts Using Direct Certification Among:		
Districts with Provision 2 or 3 in any schools in district	50.6	(5.83)
Districts with Provision 2 or 3 in all schools in district	42.1	(7.97)
Provision 2 or 3 districts with a base year in 2001-2002	58.5	(10.97)
Provision 2 or 3 districts with a base year prior to 2001-2002	47.4	(6.84)
Sample Size		**1,218**

Source: 2001 Direct Certification Study SFA Survey.

*Standard errors were not calculated for the student estimates.

TABLE II.3

PERCENTAGE OF STUDENTS WHO ARE DIRECTLY CERTIFIED
(Standard Errors in Parentheses)

	Direct Certification Districts	Non-Direct Certification Districts	All Districts
In Average District:			
Percentage of certified free students who are directly certified	24.9	0.0	15.1
	(0.92)	(0.0)	(0.77)
Percentage of enrolled students who are directly certified	7.5	0.0	4.5
	(0.41)	(0.0)	(0.30)
Among Students:			
Percentage of certified free students who are directly certified	27.3	0.0	17.9
	(0.87)	(0.0)	(0.71)
Percentage of enrolled students who are directly certified	8.9	0.0	5.8
	(0.39)	(0.0)	(0.32)
Sample Size	**760**	**426**	**1,191**

SOURCE: 2001 Direct Certification Study SFA Survey.

certification districts nationally, 27 percent of those certified for free meals and 9 percent of all those enrolled were directly certified. Among public school students in all NSLP districts nationally (regardless of the district's direct certification status), 18 percent of those certified for free meals, and 6 percent of all those enrolled, were directly certified.[11]

[11]In districts that include Provision 2 or 3 schools, we collected information on the direct certification status of students as of the base year. Thus, the counts of directly certified students include some who were directly certified prior to the 2001-2002 school year. We estimated that about 275,000 students (or about 10.2 percent of all directly certified students nationally) were counted as directly certified and were also enrolled in a Provision 2 or 3 school with a base year prior to 2001-2002.

In both 1996 and 2001, more than one-third of districts did not use direct certification. Why have some districts implemented direct certification, while others have not? Do particular problems impede the implementation of direct certification, or have all districts that wish to adopt the policy already done so? One factor in answering the above questions involves knowing whether the non-direct certification districts have ever used the policy. While some (17 percent) of these districts do have previous experience with direct certification, most (83 percent) have never used the policy (Figure II.1).

The most common set of reasons districts give for not using direct certification have to do with not really needing to use the policy. More than four-fifths of non-direct certification districts reported that an important reason for not using direct certification was that they were satisfied with the procedures they were currently using to determine student eligibility (Table II.4). In addition, 52 percent reported that the percentage of eligible students in their district was too small to make direct certification worthwhile.[12] Overall, 86 percent of non-direct certification districts cited one of these two reasons. This finding suggests that there is little reason to expect the majority of non-direct-certification districts to adopt the policy in the future. With little need for direct certification, these will likely remain non-direct certification districts in the future unless their circumstances change.

[12]This reason was more commonly cited by districts that had never used direct certification (55 percent) than by districts that had stopped using the policy (39 percent).

Figure II.1
Prior Use Of Direct Certification Among Non-Direct Certification Districts

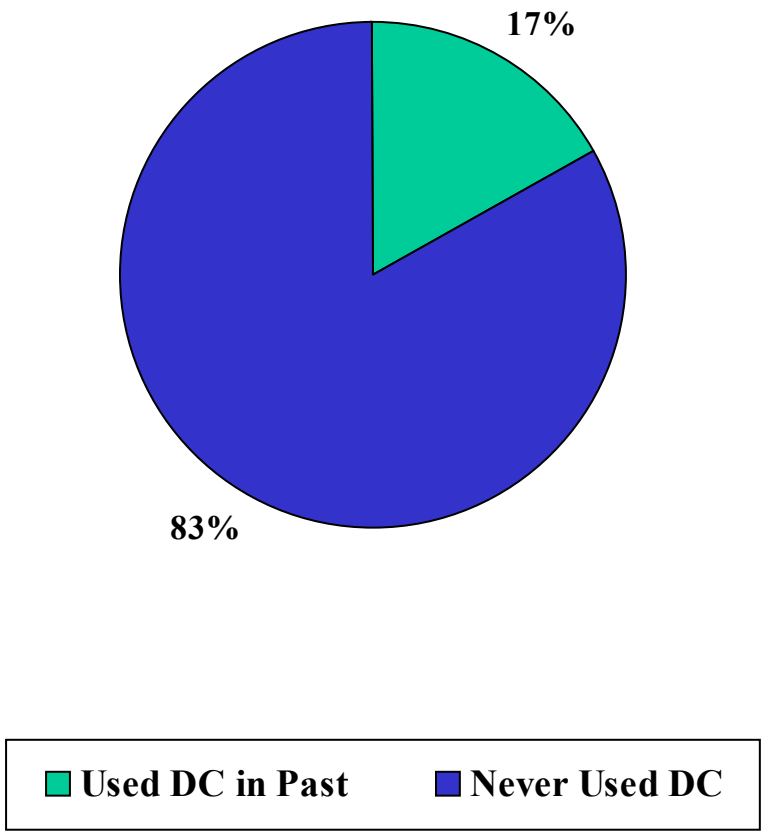


TABLE II.4

REASONS DISTRICTS REPORT FOR NOT USING DIRECT CERTIFICATION
(Standard Errors in Parentheses)

Reasons for Not Using Direct Certification	Percentage of Non-Direct Certification Districts Reporting the Reason as Important or Very Important		
	Never Used Direct Certification	Used Direct Certification in the Past	Total
No Need for Direct Certification			
Satisfied with current procedures to determine student eligibility	81.3	76.2	81.1
	(2.72)	(5.26)	(2.33)
Percentage of students eligible for free meals is too small to make direct certification worthwhile	55.4**	38.8	52.4
	(3.79)	(6.25)	(3.25)
Either "No Need" Reason	87.4	78.8	86.2
	(2.22)	(4.97)	(1.96)
Lack of Resources			
No staff available at district level to perform the work required for direct certification	49.5**	32.4	47.3
	(3.78)	(5.50)	(3.23)
Lack of computer resources at the district level to assist in matching process	40.9**	25.4	38.8
	(3.88)	(5.02)	(3.28)
Funds not available for training district staff to do work required for direct certification	38.4***	21.5	36.6
	(3.84)	(4.74)	(3.26)
Any of the "Lack of Resources" Reasons	62.2***	39.1	59.7
	(3.60)	(5.88)	(3.12)
Problems with TANF/Food Stamp Agencies			
TANF or food stamp agencies do not keep records in a manner that makes it cost-effective	26.9*	39.0	29.9
	(3.32)	(6.07)	(2.89)
It is too difficult to get cooperation from TANF or food stamp agencies	28.1	25.3	28.4
	(3.57)	(5.00)	(3.04)
Either of the "TANF/FS Agency" Reasons	34.9	42.9	37.8
	(3.64)	(6.08)	(3.13)
Concerns about how direct certification would compromise student confidentiality	29.0	28.1	29.7
	(3.48)	(5.44)	(2.99)
Sample Size[a]	**301**	**98**	**417**

Source: 2001 Direct Certification Study SFA Survey.

[a]Because of nonresponse on individual survey items, sample sizes vary to a small degree for the items listed in the table. The sample size listed in the table is the maximum sample size among items reported.

*Difference between districts that have and have not used DC is significantly different from zero at the .10 level, two-tailed test
** Difference between districts that have and have not used DC is significantly different from zero at the .05 level, two-tailed test.
*** Difference between districts that have and have not used DC is significantly different from zero at the .01 level, two-tailed test.

Even if they wished to use direct certification, districts that lack (or perceive that they lack) sufficient resources to implement the policy probably will not do so. A substantial proportion of districts—especially among those that had never used direct certification—reported that a reason for not using the policy was that they lacked some key resource. Among districts that had never used direct certification, about half said that they had no staff available at the district level to perform the required work, 41 percent reported a lack of computer resources, and 38 percent said that funds were not available for training district staff to do the work required for direct certification. Overall, 62 percent cited one of these "lack of resources" reasons for not using direct certification.

Less commonly, districts cited as a reason for not using direct certification that they had problems dealing with State food stamp or welfare agencies. Thirty percent claimed that TANF and food stamp agencies do not keep records in a manner that makes it [direct certification] cost-effective.[13] A similar percentage reported that concern about student confidentiality was an important reason in their decision not to use direct certification.

B. DIRECT CERTIFICATION IMPLEMENTATION TYPES

A key component of the 1996 study was the development of a direct certification typology. Jackson et al. (1999) described three primary direct certification types. The 1996 study categorized most—though not all—direct certification districts into one of these three types on the basis of the following aspects of their implementation of direct certification:

[13]This reason was cited significantly more often by districts that had previously used direct certification, perhaps because of negative experiences they had with these agencies when they were using direct certification.

- Whether a process of matching lists of students enrolled in the district with households receiving FS/TANF/FDPIR was conducted
- If matching was conducted, whether it was done at the State or district level
- Whether the State or district sent the letter notifying households of their eligibility
- Whether children were required to return the notification letter to the school to trigger direct certification

In *nonmatching* (Type I) districts, there was no matching of enrollment and FS/TANF/FDPIR lists. Instead, a State agency sent letters to all families with school-age children receiving FS/TANF/FDPIR notifying them of their potential eligibility for free meal certification. These nonmatching districts required *active consent* to directly certify students. To become directly certified, in other words, students in these families were required to bring the notification letter to school and submit it to the appropriate school meal program administrators; without this letter, students would not be directly certified to receive free meals.

Both *district-level matching* (Type II) and *State-level matching* (Type III) districts conducted matching of enrollment and FS/TANF/FDPIR lists. These districts also used *passive consent*—students in a given district who were matched on these two lists were automatically considered directly certified for free meals and did not have to take the additional step of returning their notification letter to school to trigger direct certification. Families not wanting their child to be directly certified could notify the district of this, and the child would be removed from the direct certification list.

Type II and Type III districts differed in the entity that carried out the processes of matching and notification. In Type II—district-level matching—districts, matching was done at the district level and districts sent the notification letters to students' households. In Type III—State-level matching—districts, matching was done at the State level, in which case the letters were sent by the State.

In the 1996 study, most direct certification districts conformed to one of these three implementation types. About 16 percent of districts, however, implemented direct certification in a way that did not conform precisely to one of the three types. These *mixed type districts* combined characteristics of more than one type in implementing direct certification. For example, some nonmatching districts performed the task of identifying and notifying families with school-age children on FS/TANF/FDPIR at the district level, rather than the State level. Some matching districts performed some functions at the State level, others at the district level. A handful of mixed type districts in 1996 conducted matching but also required active consent in order to trigger direct certification.

Between 1996 and 2001, there was a shift in the implementation of direct certification toward districts that conduct matching. We found that in 2001, 41 percent of direct certification districts conducted district-level matching and 27 percent conducted State-level matching (Table II.5). These levels of matching districts represent an increase since 1996, when 34 percent conducted district-level matching and 19 percent conducted State-level matching. Overall, the percentage of direct certification districts using matching increased from 53 to 68 percent over this period. There was a corresponding reduction over this period in the prevalence of nonmatching districts, from 32 percent in 1996 to 20 percent in 2001.

The trends described above are also apparent when examined from the perspective of students. Among students enrolled in direct certification districts, about two-thirds were in matching districts in 1996 and more than 80 percent were in matching districts in 2001 (Table II.5).

TABLE II.5

PREVALENCE OF DIRECT CERTIFICATION IMPLEMENTATION TYPES, FINAL CATEGORIZATION
(Standard Errors in Parentheses)

	1996 Public School Districts			
	Type I: Non-Matching	Type II: District-Level Matching	Type III: State-Level Matching	Mixed
Percentage of Districts	32.1 (5.0)	33.6 (5.3)	18.6 (4.2)	15.6 (3.9)
Percentage of Students:				
Enrolled Students	25.0 (6.3)	40.8 (7.2)	26.0 (6.4)	8.2 (4.0)
Certified Free Students	28.3 (10.3)	40.3 (10.3)	24.9 (9.0)	6.5 (5.1)
Sample Size	**148**			
	2001 Public School Districts			
Percentage of Districts	20.1** (1.92)	41.2 (2.38)	26.5 (2.65)	12.1 (1.63)
Percentage of Students:				
Enrolled Students	11.1** (0.98)	51.7 (1.69)	30.4 (1.60)	6.8 (0.78)
Certified Free Students	7.3 (0.85)	55.0 (2.12)	32.7 (2.04)	5.0 (0.78)
Sample Size	**785**			

Source: 2001 Direct Certification Study SFA Survey.

Note: The 2001 categorization replicated the methodology used in the 1996 study, with one exception. After the initial categorization, which exactly matched the 1996 methodology, a large proportion of districts were in the "mixed" category. Many of these districts could be recategorized into one of the three primary types on the basis of their use of matching. This recategorization was conducted, resulting in a proportion of districts that could be placed into one of the three primary groups much closer to the proportion in 1996.

*Difference between 1996 and 2001 frequency is significantly different from zero at the .10 level, two-tailed test.
** Difference between 1996 and 2001 frequency is significantly different from zero at the .05 level, two-tailed test.
*** Difference between 1996 and 2001 frequency is significantly different from zero at the .01 level, two-tailed test.

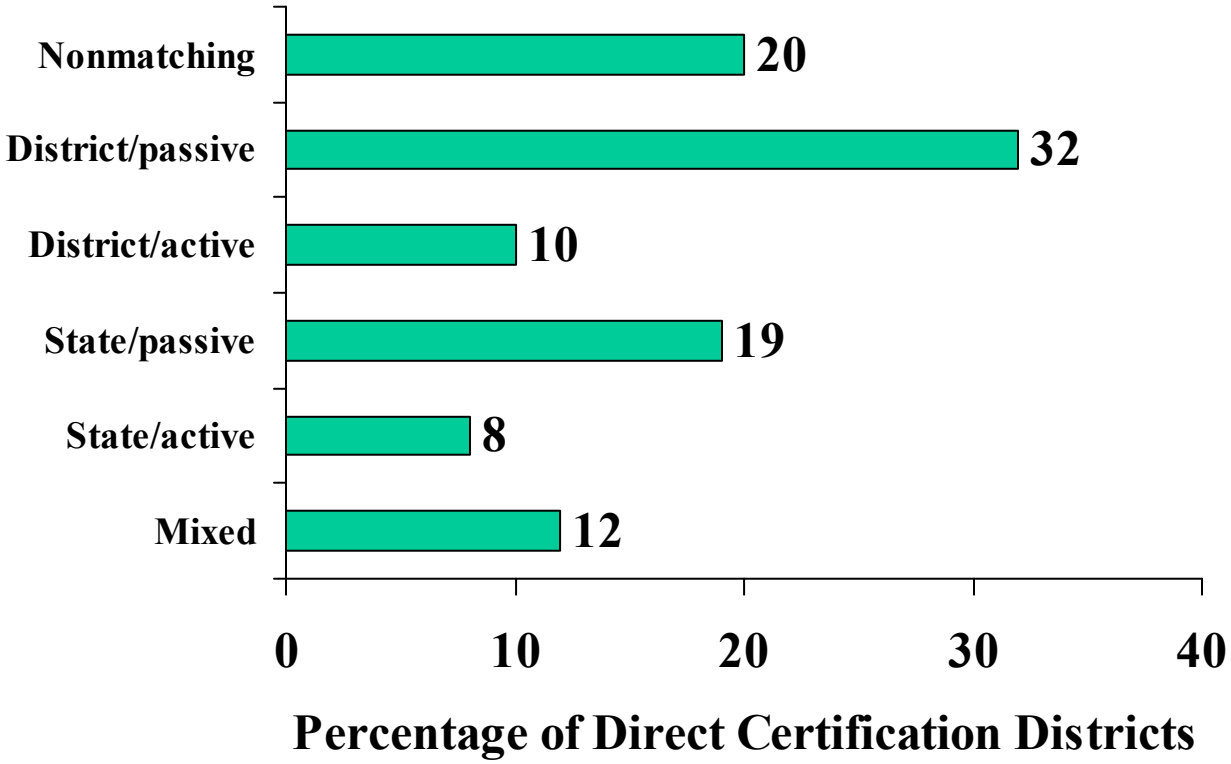
In addition to the trend toward matching in the implementation of direct certification between 1996 and 2001, the way matching districts implement direct certification also changed over this period. While the 1996 data suggested that nearly all matching districts used passive consent in directly certifying students, a substantial proportion classified as district-level or State-level matching districts in 2001 required active consent to trigger direct certification. In other words, these districts (or their States) produced a matched list of enrolled students whose families received FS/TANF/FDPIR, but they did not automatically directly certify these students. Instead, they required them to bring their notification to school in order to become directly certified.

Figure II.2 illustrates this pattern. The 1996 study defined Type II districts as those that conducted matching and notification at the district level and that used passive consent. In 2001, 32 percent of districts conformed precisely to that definition of district-level matching.

However, another 10 percent of districts conducted matching at the district level but used active consent to trigger direct certification. Similarly, although 19 percent of districts conducted State-level matching and notification and used passive consent—thus conforming to the 1996 definition of Type III implementation—another 8 percent conducted State-level matching and notification but required active consent. Thus, while more districts are using matching to implement direct certification, there also has been an increase in the use of active consent in conjunction with matching, a practice that was rare in 1996.

The reasons for the increase in the practice of using active consent with matching are not clear. One possibility is that districts that formerly were nonmatching districts began conducting matching but retained their previous practice of requiring active consent, and their reason for using the matching process was for purposes of documentation. These districts may have wished

Figure II.2
Detailed Breakdown of Direct Certification Implementation Types



to keep track of which students might be expected to bring in a direct certification notification letter.[14] An alternative possibility is that the districts previously used matching along with passive consent, but began requiring active consent to address problems with the matching process. In Section C of this chapter, we show the proportion of districts reporting that they experienced problems with the direct certification process leading to some children in a household being certified, while their siblings were not. It turns out that this proportion was much higher among districts using passive consent, along with matching, than among those using active consent with matching. Perhaps the latter group of districts turned to active consent as a way of avoiding this or other problems related to matching. A final possibility is that these districts simply misunderstood the set of questions about matching included on the SFA survey and should have been coded as nonmatching districts.[15]

C. KEY OPERATIONAL ASPECTS OF THE DIRECT CERTIFICATION PROCESS

1. Districts' Perceptions of Implementation Problems

In 1996, the use of direct certification was common among public school districts offering NSLP lunches, but many districts were inexperienced in the use of this policy. At that time, for example, nearly a third of public school districts had been using direct certification for one year

[14]Among the districts that reported using both matching and active consent on the SFA survey, we asked whether the purpose of matching was "to keep track of which students might be expected to bring a letter of approval for direct certification" and whether matching was conducted "primarily for record keeping purposes." Just under half of the districts that reported using matching and active consent answered affirmatively to one of these questions.

[15]In the 1996 study, information about direct certification implementation was collected to a greater extent through the use of open-ended questions so that the implementation typology could be developed based on as much information as possible. Since the typology had already been developed when the survey for the current study was designed, much greater use was made of closed-ended questions in obtaining information about direct certification implementation. While the closed-ended questions allow for more efficient collection and analysis of data from a large sample of districts, they are more susceptible to misinterpretation on the part of respondents.

(Jackson et al. 1999). By the late 1990s, however, the adoption of direct certification had slowed, so that only 7 percent of direct certification districts reported that they had been using the policy for one to two years (Figure II.3). A majority of direct certification districts (64 percent), reported that they had been using direct certification for more than five years.

In other words, direct certification districts now have more experience in operating the policy than they did in 1996. As a result, they may be less likely to experience some of the difficulties that are typically associated with the initial implementation of any policy. That is to say, while the set of problems that districts new to direct certification report might be initial "kinks" that will go away as the districts gain experience in operating direct certification, the problems reported in 2001 are less likely to disappear. Table II.6 shows the problems that direct certification districts report having experienced, both overall and by direct certification implementation type. We have grouped these problems into four categories: (1) matching issues, (2) resource issues, (3) parents not wanting their child to receive free meals, and (4) other issues.

Direct certification districts are most likely to report experiencing problems related to matching. Nearly half reported that the direct certification process resulted in a situation in which some children in a household were directly certified while their siblings were not. This situation could arise if the matching of enrollment and FS/TANF/FDPIR lists identified one child in a household but not his or her sibling(s).[16] Not surprisingly, districts that used matching and passive consent were most likely to report this problem—two-thirds of these districts cited the

[16]This could happen, for example, if children in the same household had different last names or if one of the lists contained a typo in one of the children's names.

Figure II.3
Districts' Experience Using Direct Certification

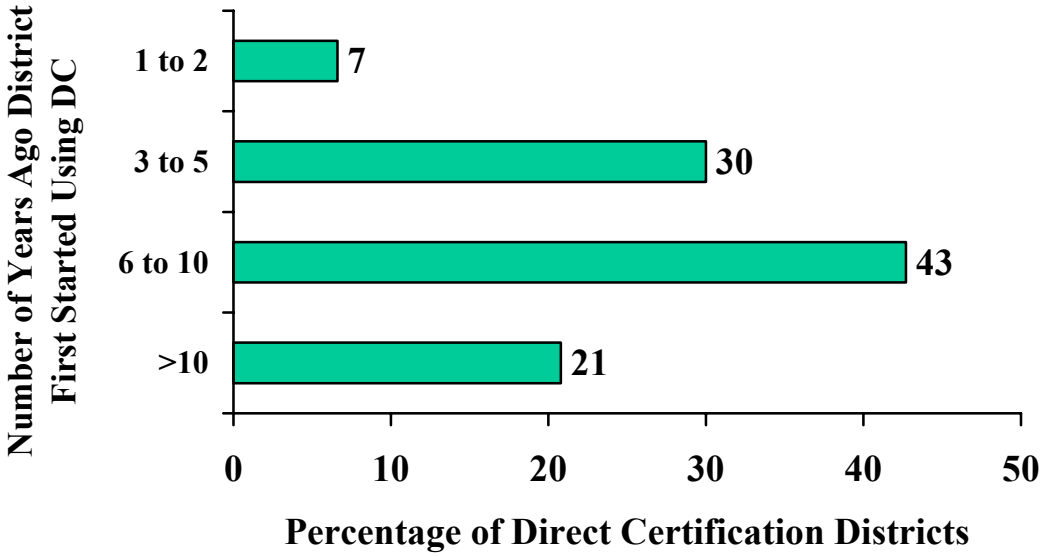


TABLE II.6

PROBLEMS ENCOUNTERED IN CONDUCTING DIRECT CERTIFICATION, BY DIRECT CERTIFICATION IMPLEMENTATION TYPE
(Standard Errors in Parentheses)

	Percentage of Direct Certification Districts Indicating as Problem						
		District-Level Matching Districts		State-Level Matching Districts			
Problem	Non-Matching Districts	Passive consent	Active consent	Passive consent	Active consent	Mixed Type Districts	Total
Matching Issues							
Having some children in a household directly certified while siblings may not be	29 (5.8)	62 (4.1)	25 (7.1)	65 (5.9)	62 (8.3)	40 (7.0)	47.2 (2.41)
Not being able to match child's name with parent's name	28 (5.0)	31 (3.5)	23 (6.9)	27 (4.4)	37 (9.0)	25 (5.2)	28.6 (1.99)
Either of the matching issues	42 (6.6)	68 (4.1)	35 (8.4)	72 (5.9)	48 (9.9)	50 (7.3)	56.3 (2.59)
Resource Issues							
More mailing had to be done	13 (3.5)	26 (3.0)	14 (6.2)	22 (3.9)	19 (7.9)	18 (6.5)	20.0 (1.79)
Current staff do not have time for direct certification	13 (4.1)	18 (2.8)	16 (6.6)	9 (2.5)	25 (8.8)	17 (4.5)	15.8 (1.64)
Had to modify computer system	4 (1.8)	14 (2.1)	9 (3.9)	11 (2.8)	6 (2.8)	7 (2.6)	9.7 (1.08)
Any of the resource issues	21 (4.3)	40 (3.7)	27 (7.9)	34 (4.7)	32 (9.1)	31 (6.9)	32.3 (2.13)
Parents not wanting their child to receive free meals	11 (5.9)	9 (2.0)	27 (10.5)	12 (3.1)	23 (7.9)	23 (7.0)	14.4 (1.95)
Other	17 (3.3)	18 (2.8)	5 (4.6)	17 (3.9)	14 (5.2)	24 (7.5)	15.6 (1.73)
Sample Size	**149**	**315**	**49**	**168**	**44**	**80**	**790**

Source: 2001 Direct Certification Study SFA Survey.

sibling matching problem (Table II.6). By contrast, fewer than one-third of districts requiring active consent (whether or not they used matching) reported this problem. As suggested in the previous chapter, this finding is consistent with—although not proof of—the argument that the sibling matching problem arises from the matching process, but the use of active consent can reduce the likelihood of the problem occurring. Another matching-related concern involves districts' difficulty in matching the names of children with their parents—29 percent of direct certification districts indicated that this was a problem (Table II.6). The frequency with which this problem was cited did not appear to be systematically related to whether or not the district used matching or whether it used active or passive consent. Overall, 56 percent of districts cited at least one of the two matching-related problems.

Resource issues were less commonly cited by direct certification districts as problems they had encountered in implementing the process. Fewer than one in three districts cited any of the following resource-related problems—(1) the fact that direct certification required more mailings, (2) a lack of staff time, or (3) the need for computer modifications as a result of direct certification.

Similarly, few districts (14 percent) reported as a problem the fact that parents of children who had been directly certified did not want their children to be certified for free meals (Table II.6). Among nonmatching districts, only 11 percent cited this problem. Since these districts require active consent—that is, the parents had to agree to direct certification in the first place—this finding is not surprising. However, a larger proportion (about one-fourth) of both district-level and State-level matching districts that use active consent reported this problem.

2. Do Districts Directly Certify as Many Students as Possible?

The figures reported in Table II.6 describe districts' own perceptions of the problems with implementation of direct certification. An alternative approach to assessing the implementation

of direct certification involves examining the success of districts in directly certifying those students whose families are receiving FS/TANF/FDPIR and thus are eligible for direct certification. Unfortunately, we do not know the direct certification status and FS/TANF/FDPIR status of each student enrolled in our sample districts. However, the SFA survey did ask districts to report the number of children directly certified versus certified by application, as well as the number certified by application on the basis of a FS/TANF/FDPIR case number (that is, the number categorically eligible). Students who were categorically eligible were not necessarily on FS/TANF/FDPIR at the time that direct certification eligibility was determined (typically during a summer month prior to the school year), since they could have begun receiving assistance after that time or they may have misreported their status on their application. It seems reasonable to assume, though, that a substantial proportion of categorically eligible students were on FS/TANF/FDPIR during the summer and could have been directly certified. Thus, if the number of categorically eligible students in a district is large relative to the number of directly certified students, this constitutes evidence that the direct certification process in the district missed a portion of students who could have been (and apparently wanted to be) directly certified.

Previously, we showed that in the average direct certification district, 25 percent of free-approved students were directly certified. Table II.7 presents this information along with information on the number of categorically eligible students in public school districts nationally. In the average direct certification district, 18 percent of students certified for free meals were categorically eligible in addition to the 25 percent who were directly certified, with the remaining 58 percent certified by application on the basis of reported income. Among all enrolled students in the average direct certification district, 62 percent were not certified at all, 26 were certified for free or reduced-price meals on the basis of income, 8 percent were directly certified, and 5 percent were categorically eligible.

TABLE II.7

PERCENTAGE OF STUDENTS CATEGORICALLY ELIGIBLE
VERSUS DIRECTLY CERTIFIED
(Standard Errors in Parentheses)

	Direct Certification Districts	Non-Direct Certification Districts	All Districts
Percentage of Certified Free Students Who Are: (means)			
Directly certified	24.9***	0.0	15.1
	(0.92)	(0.0)	(0.77)
Categorically eligible	17.5***	30.4	22.4
	(0.62)	(1.44)	(0.70)
Certified by application/income	57.6***	69.7	62.5
	(1.15)	(1.44)	(0.96)
Percentage of Enrolled Students Who Are: (means)			
Directly certified	7.5***	0.0	4.5
	(0.41)	(0.0)	(0.30)
Categorically eligible	5.3***	9.2	6.8
	(0.29)	(0.74)	(0.34)
Certified by application/income	25.6	26.7	26.0
	(0.68)	(1.49)	(0.71)
Not certified	61.5	64.1	62.6
	(0.90)	(1.87)	(0.92)
Sample Size	**623**	**331**	**957**

Source: 2001 Direct Certification Study SFA Survey.

*DC/Non-DC difference is significantly different from zero at the .10 level, two-tailed test
**DC/Non-DC difference is significantly different from zero at the .05 level, two-tailed test.
***DC/Non-DC difference is significantly different from zero at the .01 level, two-tailed test.

The proportions categorically eligible versus directly certified suggest that many students who were on FS/TANF/FDPIR either prior to or early in the 2001-2002 school year were not directly certified. Among students in the average direct certification district about whom we have some evidence that they were on FS/TANF/FDPIR in summer or fall 2001, only 59 percent were directly certified. The remainder completed an application to become certified, the step that direct certification was supposed to eliminate for those on assistance. It is also possible that additional students were on FS/TANF/FDPIR in summer 2001, and were neither directly certified nor categorically eligible—instead, they may have become certified on the basis of an application on which they reported their income or they have not been certified at all.

Why does the direct certification process appear to be missing so many students who may be eligible to be directly certified? One potential explanation was noted above: that categorically eligible students were not actually eligible for direct certification, because they either misreported FS/TANF/FDPIR receipt or they began receiving it after direct certification eligibility was determined. Two other possible explanations involve the direct certification process itself. First, students identified as being eligible for direct certification in States that use active consent may have been notified of their eligibility but did not return the notification letter to their school and thus did not trigger direct certification. Second, students receiving FS/TANF/FDPIR may not have been identified by the matching process used by the State/district.[17]

[17]The first of these two explanations would predict lower proportions of directly certified students relative to those categorically eligible in active consent districts than in passive consent districts. However, the second explanation would predict lower relative proportions of directly certified students in matching districts than in nonmatching ones. Because most matching districts also use active consent and nonmatching districts use passive consent, these two effects may cancel each other out. We examined variation in the proportion directly certified among those either directly certified or categorically eligible, and found little variation across districts using the different direct certification implementation types.

3. Do Districts Feel that Direct Certification Has Benefits?

Despite the evidence described above that there are some problems with the implementation of direct certification, most districts that use direct certification agree that it has had some positive consequences. For example, 8 of 10 direct certification districts agreed that direct certification makes the approval process less costly, and 9 in 10 agreed that it makes the approval process more efficient (Table II.8). In addition, 9 in 10 agreed that direct certification helps get more children to become certified and receive free meals.

D. SUMMARY

Use of direct certification has remained fairly stable since 1996. More than 6 in 10 of the nation's public school districts continue to use this process to certify children for free meals. Among districts not using direct certification, most reported that they do not use this practice because they are satisfied with their current procedures for certifying students.

Most districts using direct certification conduct some sort of matching process to identify and notify students of their direct certification status, and the percentage of districts conducting matching increased between 1996 and 2001. However, there appears to have been a shift in the way these matching districts implement direct certification. In the 1996 study, nearly all matching districts used passive consent, whereby students' direct certification status was triggered as soon as they appeared on a matched list of those both enrolled in the district and on FS/TANF/FDPIR. No further actions were required of these students to become directly certified. By 2001, however, a substantial minority of matching districts began requiring active consent on the part of students to trigger direct certification. Although we lack direct evidence on the causes of this trend, we suspect that it has multiple causes, including a desire on the part of districts to improve their record keeping and a response to past problems they may have had with the matching process. A common matching problem cited by districts—although not as

TABLE II.8

PERCENTAGE OF DIRECT CERTIFICATION DISTRICTS THAT AGREE OR STRONGLY AGREE WITH POSITIVE STATEMENTS ABOUT DIRECT CERTIFICATION

	Percentage of Public School Districts	Standard Error
Direct Certification Makes the Approval Process More Efficient	93.2	1.07
Direct Certification Makes the Approval Process Less Costly	79.5	1.96
Direct Certification Helps Get More Children Certified for Free Meals	90.6	1.31
Direct Certification Helps Get More Children to Receive Free Meals	89.4	1.42
Sample Size	**787**	

SOURCE: 2001 Direct Certification Study SFA Survey.

commonly by districts using active consent—was that the direct certification process sometimes resulted in a situation in which some children from a household were directly certified and others were not.

Although direct certification is widely used nationally, there is evidence that many students who could be directly certified are not. While about 25 percent of students certified for free meals in direct certification districts are directly certified, another 18 percent are certified by application on the basis of a FS/TANF/FDPIR case number. At least some of these categorically eligible students could have been directly certified but were missed by the system.