

§ 275.1

- 275.13 Review of negative cases.
- 275.14 Review processing.

Subpart D—Data Analysis and Evaluation

- 275.15 Data management.

Subpart E—Corrective Action

- 275.16 Corrective action planning.
- 275.17 State corrective action plan.
- 275.18 Project area/management unit corrective action plan.
- 275.19 Monitoring and evaluation.

Subpart F—Responsibilities for Reporting on Program Performance

- 275.20 ME review schedules.
- 275.21 Quality control review reports.
- 275.22 Administrative procedure.

Subpart G—Program Performance

- 275.23 Determination of State agency program performance.
- 275.24 High performance bonuses.

AUTHORITY: 7 U.S.C. 2011-2036.

EDITORIAL NOTE: OMB control numbers relating to this part 275 are contained in §271.8.

Subpart A—Administration

§ 275.1 General scope and purpose.

(a) Under the Food Stamp Act, each State agency is responsible for the administration of the Food Stamp Program in accordance with the Act, Regulations, and the State agency's plan of operation. To fulfill the requirements of the Act, each State agency shall have a system for monitoring and improving its administration of the program. The State agency is also responsible for reporting on its administration to FNS. These reports shall identify program deficiencies and the specific administrative action proposed to meet the program requirements established by the Secretary. If it is determined, however, that a State has failed without good cause to meet any of the program requirements established by the Secretary, or has failed to carry out the approved State plan of operation, the Department shall suspend and/or disallow from the State such funds as are determined to be appropriate in accordance with part 276 of this chapter.

(b)(1) The Food Stamp Act authorizes the Secretary to pay each State agency

7 CFR Ch. II (1-1-10 Edition)

an amount equal to 50 percent of all administrative costs involved in each State agency's operation of the program. The Act further authorizes the Secretary to increase the percentage share if:

(i) The State agency's payment error rate is less than or equal to 5.90 percent, and

(ii) The State agency's negative case error rate is less than the national weighted mean negative case error rate for the prior fiscal year.

(2) If a State agency qualifies for an increased percentage share, the amount of increase will be an additional percentage point for each full tenth of a percentage point by which the payment error rate is less than six percent, up to a maximum of 60 percent of administrative costs. Those State agencies not receiving the increased share of funding shall develop and implement corrective action plans to reduce payment errors. Corrective action shall be completed as required in subpart E of this section.

[Amdt. 160, 45 FR 15898, Mar. 11, 1980, as amended by Amdt. 266, 52 FR 3407, Feb. 4, 1987; Amdt. 328, 56 FR 60051, Nov. 27, 1991]

§ 275.2 State agency responsibilities.

(a) *Establishment of the performance reporting system.* (1) The State agency shall establish a continuing performance reporting system to monitor program administration and program operations. The method for establishing each component of the system is identified and explained in subparts B through F of this part. The components of the State agency's performance reporting system shall be:

(i) Data collection through management evaluation (ME) reviews and quality control (QC) reviews;

(ii) Analysis and evaluation of data from all sources;

(iii) Corrective action planning;

(iv) Corrective action implementation and monitoring; and

(v) Reporting to FNS on program performance.

(2) The State agency must ensure corrective action is effected at the State and project area levels.

(b) *Staffing standards.* The State agency shall employ sufficient State level staff to perform all aspects of the