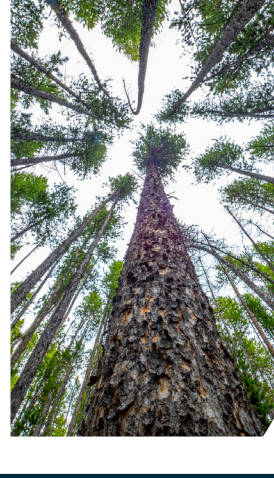




U.S. Department of Agriculture  
Office of Inspector General



# Food and Nutrition Administration's Summer Electronic Benefits Transfer Program

## Inspection Report 27801-0006-22

We determined that FNA did not have a process to ensure participating States, territories, and Indian Tribal Organizations that received an estimated \$2.5 billion in fiscal year 2025 administered the Summer EBT program in accordance with eligibility and timeliness requirements.

### OBJECTIVE

Our objective was to assess whether FNA ensured participating States, territories, and Indian Tribal Organizations (State agencies) administered the Summer Electronic Benefits Transfer program in accordance with selected eligibility and timeliness requirements established by Federal law and program regulations.

### BACKGROUND

The Summer EBT program provides eligible school-aged children with \$120 in grocery benefits during the summer months when school meal programs are unavailable. Eligibility is based primarily on qualification for free or reduced-price school meals, with automatic enrollment for children in certain households. State, territorial, and Tribal agencies administer the program voluntarily under FNA oversight. During the 2025 summer operational period, FNA provided an estimated \$2.5 billion in Summer EBT benefits to approximately 23.2 million participants.

### REVIEWED

We focused our inspection on FNA's monitoring activities of the 47 participating State agencies for the 2025 summer operational period.

### WHAT OIG FOUND

During fiscal year 2025, the Food and Nutrition Administration (FNA) provided an estimated \$2.5 billion in Summer Electronic Benefits Transfer (EBT) benefits to participating State agencies before implementing a process to ensure that the agencies provided program benefits timely and to eligible recipients. Specifically, FNA has not developed or implemented periodic compliance assessments since the program's summer 2024 inception. According to FNA, State agencies needed time to fully establish the program, and FNA planned to phase in its Summer EBT review procedures over time.

### WHAT OIG RECOMMENDS

We recommend that FNA: (1) establish timeframes for implementing the Management Evaluation and Financial Management Review processes for the Summer EBT program; and (2) establish and implement a periodic oversight process to verify that State agencies are complying with program regulations until the formal Management Evaluation and Financial Management Review processes are implemented.

FNA generally agreed with our finding and recommendations. We accepted management decision for both recommendations.



## OFFICE OF INSPECTOR GENERAL

United States Department of Agriculture



**DATE:** June 29, 2026

**INSPECTION**

**NUMBER:** 27801-0006-22

**TO:** Shiela Corley  
Acting Administrator  
Food and Nutrition Administration

**ATTN:** Amanda Musgrove  
Director  
Office of Internal Controls, Audits, and Investigations

**FROM:** Janet Sorensen  
Assistant Inspector General for Audit

**SUBJECT:** Food and Nutrition Administration's Summer Electronic Benefits Transfer Program

This report presents the results of our inspection of Food and Nutrition Administration's Summer Electronic Benefits Transfer Program. Your written response to the official draft is included in its entirety at the end of the report. Based on your written response, we are accepting management decision for both recommendations in the report, and no further response to this office is necessary.

In accordance with Departmental Regulation 1720-1, final action needs to be taken within 1 year of the date of each management decision. Please follow your internal agency procedures in forwarding final action correspondence to the Office of the Chief Financial Officer.

We appreciate the courtesies and cooperation extended to us by members of your staff during our fieldwork and subsequent discussions. This report contains publicly available information and will be posted in its entirety to our website (<https://usdaoig.oversight.gov>) in the near future.

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# Background and Objective

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## Background

The Summer Electronic Benefits Transfer (EBT) program is a Federal nutrition assistance program administered by the U.S. Department of Agriculture Food and Nutrition Administration (FNA).<sup>1</sup> <sup>2</sup> Originally, the Summer EBT program operated as a demonstration project from 2011 through 2023 in selected States and Indian Tribal Organizations.<sup>3</sup> The Consolidated Appropriations Act of 2023 established Summer EBT as a permanent, nationwide program beginning in the summer of 2024, to provide eligible school-aged children<sup>4</sup> with \$120 in grocery benefits during the summer months when school meal programs are not available.<sup>5</sup>

States, territories, and Indian Tribal Organizations may voluntarily participate in the Summer EBT program under FNA oversight. The designated Summer EBT agencies, hereinafter referred to as State agencies, are responsible for:

- entering into a written agreement with FNA that outlines the roles and responsibilities of each;
- submitting the required Plan for Operations and Management, which outlines how the State agencies will administer the program, to FNA;
- ensuring Statewide availability of the program; and
- coordinating with any other participating agencies, such as local education agencies.

Benefits are intended for use during the summer operational period,<sup>6</sup> as defined in the Plan for Operations and Management. The plan must describe how the State agency will comply with program requirements, including enrollment, application and verification requirements; the procedures to detect and prevent dual participation; and a description of the issuance process, including key dates that will be used to ensure timely and accurate issuance of benefits.

## Eligibility

Most participating children are automatically enrolled in the Summer EBT program through streamlined certification. To qualify, a child must be: eligible for free or reduced-price meals under the National School Lunch Program or School Breakfast Program; school-aged and live in

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<sup>1</sup> 7 Code of Federal Regulations § 292.3(a). The program is statutorily designated as the Summer Electronic Benefits Transfer for Children Program.

<sup>2</sup> On June 1, 2026, the Food and Nutrition Service (FNS) was officially renamed the Food and Nutrition Administration (FNA).

<sup>3</sup> The demonstration project, known as Summer EBT for Children, was conducted in the following States and Indian Tribal Organizations: Connecticut, Delaware, Michigan, Missouri, Nevada, Oregon, Tennessee, Texas, Virginia and Washington, along with the Cherokee Nation, Chickasaw Nation, and Inter Tribal Council of Arizona.

<sup>4</sup> School-aged means the years in which a child is required to attend school, or an equivalent program as defined by State or Tribal law.

<sup>5</sup> Consolidated Appropriations Act, 2023, Pub. L. No. 117-328, 136 Stat. 5990.

<sup>6</sup> Summer operational period means the benefit period that generally reflects the period between the end of classes during the current school year and the start of classes for the next school year, as determined by the State agency.

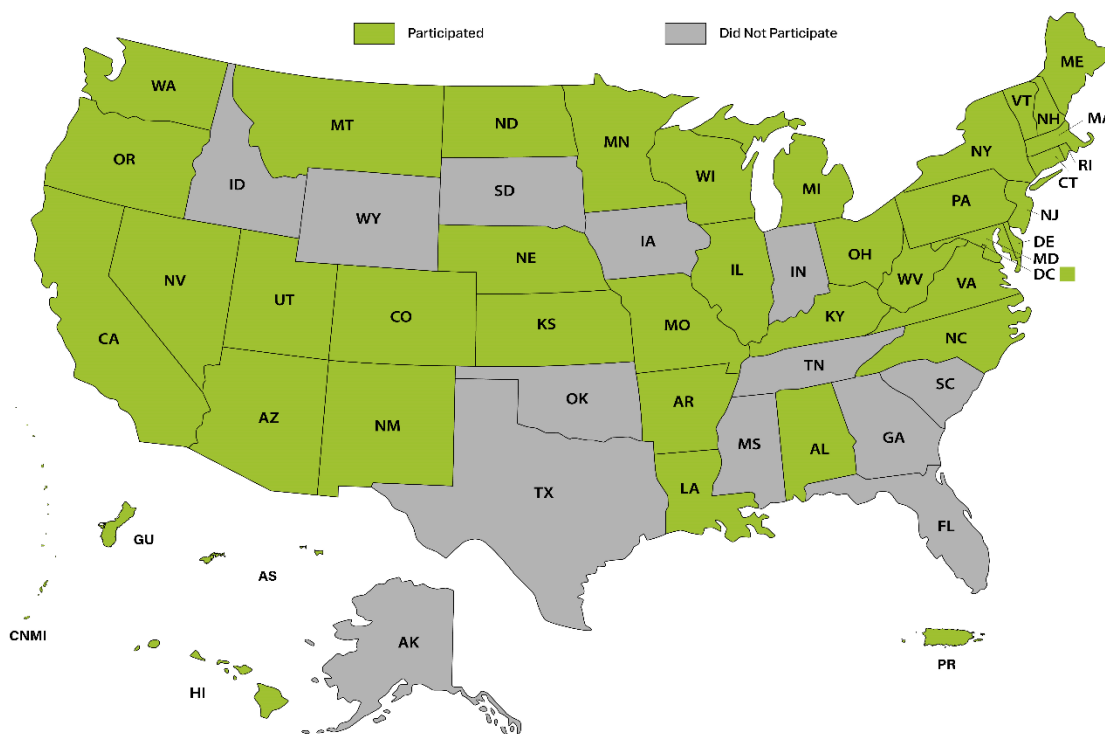
a household participating in the Supplemental Nutrition Assistance Program, Temporary Assistance for Needy Families, or Food Distribution Program for Households on Indian Reservations; or a school-aged migrant, homeless, foster, or runaway child. In some States, school-aged children in Medicaid households at or below 185 percent of the Federal poverty level also qualify. Children who are not automatically enrolled may apply directly to their State agency or school.

### Issuance Timeframes

For children who are streamlined-certified or have an approved application on file, benefits must be issued and available for use 7 to 14 calendar days before the summer operational period begins. For eligible children applying after the summer operational period starts, benefits must be issued and available within 15 operational days of receiving a complete application.

During the 2025 summer operational period, 37 States, the District of Columbia, 4 territories, and 5 Indian Tribal Organizations participated in the program (see Figure 1).<sup>7</sup> FNA provided an estimated \$2.5 billion in Summer EBT benefits to approximately 23.2 million participants.

**2025 State and Territory Participation in FNA's Summer EBT Program**



**Figure 1: Map of the United States depicting States and territories that participated in the 2025 Summer EBT program. Figure by the Office of Inspector General (OIG).**

<sup>7</sup> The following Indian Tribal Organizations participated in 2025: Cherokee Nation, Chickasaw Nation, Choctaw Nation of Oklahoma, Muscogee Creek Nation, and Otoe-Missouria Tribe.

## **Traditional FNA Oversight Activities**

As part of its oversight of nutrition assistance programs, FNA conducts periodic compliance assessments through its Management Evaluation and Financial Management Review processes. These assessments serve as FNA’s primary tools for monitoring State agencies’ management and operation of the programs, as well as their compliance with Federal laws, regulations, and policies. Management Evaluations and Financial Management Reviews result in a report of findings, observations, and noteworthy initiatives.<sup>8</sup> FNA Regional Office staff are responsible for overseeing State agencies. Their role is to ensure that program funds are used effectively and in accordance with applicable laws and regulations, identify performance deficiencies, and work with State agencies to implement timely corrective actions.

## **Objective**

Our objective was to assess whether FNA ensured participating States, territories, and Indian Tribal Organizations administered the Summer Electronic Benefits Transfer Program in accordance with selected eligibility and timeliness requirements established by Federal law and program regulations.

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<sup>8</sup> The *National Management Evaluation/Financial Management Review Guidance* defines a “finding” as an identification of noncompliance that must be corrected by the State agency. Each finding is associated with a required corrective action.

## **Finding 1: FNA Needs to Develop and Implement Oversight Processes for the Summer EBT Program**

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FNA has not developed or implemented periodic compliance assessments to ensure that State agencies administered the Summer EBT program in accordance with eligibility and timeliness requirements. According to FNA, State agencies needed time to fully establish the program, and FNA would phase in the Summer EBT review procedures over time.<sup>9</sup> As a result, FNA provided Summer EBT benefits in fiscal year 2025, totaling an estimated \$2.5 billion, to the State agencies without a process to ensure that program benefits were provided timely and to eligible recipients.

As the administering Federal agency,<sup>10</sup> FNA is responsible for Summer EBT program management and oversight to ensure the program operates effectively and in compliance with Federal requirements.

FNA completed risk assessments of the Summer EBT program in May 2024 and April 2025 and identified risks, such as issuing duplicative benefits, issuing benefits to ineligible children, and not issuing benefits timely. FNA noted these risks would be mitigated through the Management Evaluation process. However, we found that FNA had not performed any Management Evaluations or Financial Management Reviews of the Summer EBT program for the 2024 and 2025 summer operational periods. Further, during our fieldwork, we found that FNA did not have a timeline for implementing the Management Evaluations or an interim process to provide consistent oversight to ensure vulnerabilities, such as improper payments or untimely benefits to children do not occur.

According to FNA officials, Regional Office staff frequently communicate with State agencies to provide technical assistance and coordination in this program. FNA also reviews and approves each State agency's annual Plan for Operations and Management before the summer operational period. FNA officials told us that they planned to start a Special Review of the program in the first quarter of fiscal year 2026; however, it was delayed due to the October 2025 government shutdown and FNA management's clearance requirements. During our fieldwork, we found that, through the Special Review, FNA planned to:<sup>11</sup>

- ask State agencies to evaluate their summer 2025 practices and procedures, and complete a questionnaire;<sup>12</sup>
- focus on technical assistance and improving operations, while still utilizing corrective and fiscal action procedures, where appropriate; and

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<sup>9</sup> FNA, *Summer EBT Questions & Answers*, <https://www.fna.usda.gov/sebt/implementing-agency/qas> (last visited June 23, 2026).

<sup>10</sup> 7 Code of Federal Regulations § 292.3(a).

<sup>11</sup> FNA defines a Special Review as any oversight, technical assistance, or training where targeted support is provided to State agencies to improve operations and develop recommendations through State data collection and monitoring that is not associated with an established Management Evaluation or Financial Management Review.

<sup>12</sup> The questionnaire will ask the State agencies to provide program information such as total benefits issued, whether benefits were issued timely, their process for detecting and preventing dual participation, and any program violations.

- use data gathered from State agencies through this review to inform future Management Evaluation guides and review processes.

While we recognize the positive steps FNA is taking to inform future oversight activities for its multibillion-dollar summer program, we determined that the Special Review is not a substitute for a periodic compliance assessment, such as the Management Evaluation.

We reviewed the Special Review guide and questionnaire and determined that its results will rely on responses provided by the State agencies. Specifically, the Special Review procedures do not require FNA Regional Office staff to obtain supporting documentation, perform observations, or review case files as they typically would during a Management Evaluation. Obtaining supporting documentation would allow FNA to verify the accuracy and integrity of the State agencies' questionnaire responses. It would also provide FNA with greater assurance that State agencies are operating the program effectively and in compliance with Federal requirements, such as those related to timeliness of benefits and eligibility of participants.

During our exit conference, FNA officials stated that they initiated the actions we discussed throughout this finding and agreed that the recommendations would further strengthen Summer EBT monitoring activities and better mitigate program risks.

## **Recommendation 1**

Establish timeframes for implementing the Management Evaluation and Financial Management Review processes for the Summer Electronic Benefits Transfer program.

### **Agency Response**

FNA agreed with our recommendation. FNA stated it has already committed to implementing the Management Evaluation and Financial Management Review process for the Summer EBT Program beginning in fiscal year 2027. FNA stated it is in the process of developing tools for these reviews, which will be conducted after the conclusion of 2026 program operations.

FNA provided an estimated completion date of October 1, 2026.

### **OIG Position**

We accept management decision for this recommendation. For Final Action, FNA needs to provide the Office of the Chief Financial Officer evidence that FNA has finalized the Management Evaluation and Financial Management Review guides for the Summer EBT program, along with the schedule for performing these reviews throughout fiscal year 2027.

## **Recommendation 2**

Establish and implement a periodic oversight process to verify that State agencies are complying with program regulations until the formal Management Evaluation and Financial Management Review processes are implemented.

### **Agency Response**

FNA agreed with our recommendation and stated it is already implementing an interim oversight process while the agency develops and prepares to conduct formal Management Evaluation and Financial Management Review processes. The Special Review process is being conducted for all states, territories, and tribal organizations that administered the Summer EBT Program in summer 2025.

FNA provided an estimated completion date of September 30, 2026.

### **OIG Position**

As noted in this report, OIG concluded that the Special Review is not sufficient for FNA to verify that State agencies are complying with program regulations. However, because FNA plans to implement Recommendation 1 in fiscal year 2027, we accept management decision for this recommendation. For Final Action, FNA needs to provide the Office of the Chief Financial Officer evidence that FNA has finalized the Management Evaluation and Financial Management Review guides for the Summer EBT program, along with the schedule for performing these reviews throughout fiscal year 2027.

## Scope and Methodology

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We conducted this inspection by assessing whether FNA ensured participating States agencies administered the Summer EBT program in accordance with selected eligibility and timeliness requirements established by Federal law and program regulations. We focused our inspection on FNA Summer EBT program activities for the 2025 summer operational period and conducted fieldwork from September 2025 to May 2026. We performed our fieldwork with the FNA National Office. We discussed the results of our inspection with FNA officials on May 20, 2026, and included their comments, as appropriate.

To accomplish our inspection objective, we:



Reviewed Federal laws and regulations, and agency policy and procedures related to the Summer EBT program.



Assessed FNA oversight activities for ensuring State agencies are complying with eligibility and timeliness requirements.



Interviewed FNA National Office officials to gain an understanding of the Summer EBT program and FNA's oversight activities.



Reviewed approved Plans for Operation and Management for all State agencies operating the program for the 2025 summer operational period.

We did not independently review or assess the agency's information systems; therefore, we make no representation regarding the adequacy of the agency's computer systems, or the information generated by them.

The inspection was conducted in accordance with the Council of the Inspectors General on Integrity and Efficiency's *Quality Standards for Inspection and Evaluation*.

## Abbreviations

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EBT .....Electronic Benefits Transfer  
FNA.....Food and Nutrition Administration  
OIG .....Office of Inspector General

**Food and Nutrition Administration's  
Response to Inspection Report**



# Food and Nutrition Administration

U.S. DEPARTMENT OF AGRICULTURE

**Date:** June 10, 2026

**To:** Yarisis Rivera-Rojas  
Acting Assistant Inspector General for Audit

**From:** Patrick Penn /s/  
  
Acting Administrator  
Food and Nutrition Administration

**Subject:** OIG Inspection 27801-0006-12, Food and Nutrition Service's  
Summer Electronic Benefits Transfer Program

This letter responds to the official draft report issued on May 22, 2026, for inspection number 27801-0006-12, Food and Nutrition Service's Summer Electronic Benefits Transfer (Summer EBT) Program. Specifically, the Food and Nutrition Administration (FNA) is responding to the two recommendations made to the agency in the report.

In general, FNA agrees with OIG's recommendations to strengthen oversight of the Summer EBT Program. However, the agency disagrees with the implication that we have not provided timely or adequate oversight of program operations. FNA stands by its oversight efforts to date, which make best use of finite resources to supervise Summer EBT implementation nationwide while the agency builds infrastructure to conduct periodic Management Evaluations (ME) and Financial Management Reviews (FMR) beginning in fiscal year (FY) 2027.

Since the Summer EBT Program launched in summer 2024, FNA has integrated integrity throughout program implementation with the goal of building toward a full ME/FMR as quickly as possible. In the first three years of program implementation, summers 2024-2026, FNA has worked closely with administering states (including states, territories, and tribal organizations) on the development and approval of their annual plans for operations and management (POM). Among other things, the POM requires states to detail how eligibility

determinations will be made, their benefit issuance schedules, and their procedures for addressing program violations and errors. Beginning in 2026, the POM also requires states to submit an integrity plan that addresses internal controls, data quality, preventing dual participation, and identifying and investigating suspected program violations. Through the POM development process, FNA has prospectively assessed program compliance and provided technical assistance to help administering agencies establish internal processes, procedures, and controls that ensure their Summer EBT program operates effectively and with integrity. The process of POM review and approval has provided FNA significant insight into state operations, as well as the opportunity to help states course correct before problems arise.

FNA is also conducting a special review (SR) of summer 2025 operations, which assesses state compliance with program requirements and performance outcomes. The purpose of the SR process is to understand how the program is working on the ground, what potential integrity issues may exist, any specific actions states need to take to address their respective challenges, and how they can strengthen their overall approach to integrity. States have completed a detailed SR questionnaire and FNA is following up with interactive discussions to delve deeper into issues identified through the questionnaires.

Through the SR, FNA is:

- Taking fiscal action against states for erroneous payments identified during the SR;
- Documenting corrective actions and providing technical assistance, as needed; and
- Identifying key issues and evaluation approaches to inform the development of the new ME/FMR process.

Although the SR is not a substitute for a full ME/FMR, FNA determined that the SR is the best oversight tool for the 2025 program year. Importantly, the SR could be implemented in FY

2026 for **all** states that administered the program in summer 2025, as opposed to an ME/FMR which is typically conducted every 2-4 years for each state. FNA does not have the resources to conduct a full ME/FMR of all states in the same year for any of the nutrition programs we administer. The SR enables FNA to maintain oversight of all states while we prepare to launch periodic MEs/FMRs in FY 2027. If FNS had chosen to immediately implement a ME/FMR framework, some states would not be subject to any oversight for several years, which FNA determined is not in the best interest of program integrity.

If you have any questions or need additional information regarding this response, please contact Amanda Musgrove, Director of the FNA Office of Internal Controls, Audits, and Investigations (OICAI) at (703)305-2092 or [Amanda.Musgrove@usda.gov](mailto:Amanda.Musgrove@usda.gov).

### **OIG Recommendation 1**

Establish timeframes for implementing the Management Evaluation and Financial Management Review processes for the Summer Electronic Benefits Transfer program.

### **FNS Response**

Agree with recommendation:  Yes  No

Agree with monetary results:  Yes  No  N/A

FNA has already committed to implementing the ME and FMR process for the Summer EBT Program beginning in FY 2027 with evaluations of summer 2026 program operations. FNA is in the process of developing tools for these reviews, which will be conducted after the conclusion of 2026 program operations.

### **Estimated Completion Date**

October 1, 2026

**OIG Recommendation 2**

Establish and implement a periodic oversight process to verify that State agencies are complying with program regulations until the formal Management Evaluation and Financial Management Review processes are implemented.

**FNS Response**

Agree with recommendation:  Yes  No

Agree with monetary results:  Yes  No  N/A

FNA is already implementing an interim oversight process while the agency develops and prepares to conduct formal ME and FMR processes. The SR process is being conducted for all states, territories, and tribal organizations that administered the Summer EBT Program in summer 2025.

**Estimated Completion Date**

September 30, 2026

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