

**SUPPLEMENTAL
NUTRITION ASSISTANCE
PROGRAM
QUALITY CONTROL
POLICY MEMO**

SEP 08 2014

Region:	<u>ALRO</u>
Index No.:	<u>QC 14-03</u>
Provision:	275.12(f)(2)

Subject: Quality Control Tolerance Level – FY 2015

The Agricultural Act of 2014 (the Act) at Section 4019 set the Quality Control (QC) Tolerance Level for excluding small errors at up to \$37 for Fiscal Year (FY) 2014. FNS set the tolerance at \$37 for FY 2014. In addition, the Act requires FNS to adjust the tolerance level for future years by the percentage by which the Thrifty Food Plan (TFP) is adjusted under Section 3(u)(4) of the Food and Nutrition Act of 2008. The first year the TFP based adjustment will occur is FY 2015. FNS is adjusting the threshold using the TFP for the 48 contiguous States and the District of Columbia. FNS calculated the percentage change between the June 30, 2013 TFP (FY 2014) and the June 30, 2014 TFP (FY 2015). FNS has applied that percentage to the \$37 QC Tolerance Level, which results in an increase to \$38. Accordingly, State agencies shall use \$38 as the QC Tolerance Level for excluding small errors for FY 2015. All errors, regardless of dollar amount, shall continue to be reported in accordance with existing policy.

Please contact your appropriate Regional Office if you have any questions regarding the FY 2015 QC Tolerance Level.



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