

USDA Child Nutrition Programs Administrative Review Summary Report

School Food Authority: Sacred Hearts of Jesus
Mary School

Agency Code: 137310

Review Date(s): 3/6/18–3/9/18

School(s) Reviewed: Sacred Hearts of Jesus
Mary School (single site)

Date of Exit Conference: 3/9/18

State agencies (SA) are required to conduct administrative reviews to assess School Food Authority (SFA)'s administration of the National School Lunch Program (NSLP), School Breakfast Program (SBP), and other school nutrition programs. The objectives of the Administrative Reviews are to:

- Determine whether the SFA meets program regulations,
- Provide technical assistance,
- Secure needed corrective action,
- Assess fiscal action, and when applicable, recover improperly paid funds.

General Program Reminders/Updates:

- The Department of Public Instruction (DPI) School Nutrition Team (SNT) conducts School Nutrition Skills Development Courses (SNSDC) each summer in various locations around the state at no charge. Courses cover many areas of the school nutrition programs including administrative responsibilities, program basics, meal pattern requirements and menu planning, financial management, meal benefit determination process, professional standards, procurement, and many other topics. More information along with other upcoming trainings and webinars can be found on the Wisconsin DPI [School Nutrition Training](http://dpi.wi.gov/school-nutrition/training) webpage (dpi.wi.gov/school-nutrition/training).
- SFA staff are encouraged to pursue GOALS Certification. GOALS stands for Goal Oriented Achievement Learning Skills. This is a certificate endorsed by the DPI and is obtained by completing training in nutrition, program administration and operations, or communications and marketing. For more information go to the Wisconsin DPI [School Nutrition Training](http://dpi.wi.gov/school-nutrition/training/goal-oriented-achievement-learning-skills) webpage (dpi.wi.gov/school-nutrition/training/goal-oriented-achievement-learning-skills).
- The US Department of Agriculture (USDA) has a toolkit of resources to assist schools in meeting the nutrition standards on their [Healthier School Day: The School Day Just Got Healthier](http://www.fns.USDA.gov/healthierschoolday) webpage. The topics covered include Smart Snacks, offering fruits and vegetables, reducing sodium, and serving whole grain-rich products (http://www.fns.USDA.gov/healthierschoolday).
- [The Smarter Lunchrooms Movement](http://smarterlunchrooms.org) encourages schools to implement low-cost and no-cost lunchroom solutions to help students select healthier meal options (http://smarterlunchrooms.org). Smarter Lunchroom techniques are easy to begin implementing and help encourage student consumption of fruits, vegetables, legumes, non-flavored milk, and other healthful choices. These strategies are effective and research-based. Consider trying the Smarter Lunchroom techniques for increasing consumption of white milk.

Appreciation/Commendations/Noteworthy Initiatives:

Thank you to the staff at Sacred Hearts of Jesus Mary School for the courtesies extended during the on-site review and for being available to answer questions and provide additional information. All were very receptive to recommendations and guidance. The DPI review team appreciates the eagerness of the staff for their willingness to make changes to meet school nutrition program regulations.

The Food Service Director (FSD) provides a colorful, diverse selection of fruits and vegetables for students. The FSD allows students to come back through the line for seconds of fruits and vegetables, which is an excellent way to increase student intake of these foods.

The staff members' interactions with students were extremely positive and appear to foster an inviting cafeteria environment. The point of sale staff member took special care to greet each student by name.

Thank you to each staff member that took the time to discuss aspects of the review in great detail and with a positive attitude.

The DPI review team is confident that Sacred Hearts of Jesus Mary School will continue to improve their knowledge and operation of child nutrition programs.

REVIEW AREAS

1. MEAL ACCESS AND REIMBURSEMENT

Certification and Benefit Issuance

Technical Assistance:

Free and Reduced Price Meal Application Income Frequency

- When an application has multiple income frequencies listed, the income should be annualized before a determination is made. On the other hand, when an application only has one frequency of payment indicated for all of their reported incomes on the application, the income should not be converted to annual, but using the [Income Eligibility Guidelines](https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/income-eligibility-guidelines-1718.pdf) one would look at the amount of their income under the column indicating that stated frequency (i.e., weekly, twice monthly, every two weeks, monthly, annually) (<https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/income-eligibility-guidelines-1718.pdf>).

Incomplete Applications

- Any application that is missing required information, contains inconsistent information, or is unclear is considered an incomplete application and may not be determined until clarified with the household. The SFA may return the application to the household or contact the child's parent or guardian either by phone or in writing/email. The determining official should document the details of the conversation plus date and initial. Applications missing signatures must be returned to the parent to obtain. Reasonable effort should be made to obtain the missing information prior to denying the application.
- For income applications, the adult household member must provide the last four digits of their social security number (SSN) or check the box indicating that they do not have an SSN. An income application without an SSN is considered incomplete. The determining official should follow up with households that did not provide an SSN as described above.

- The total household member size box (Step 3G) includes all children and adults in the household and must match the number of names on the application for that application to be considered complete. The determining official should follow up with households with inconsistent household member size box as described above.

Other Source Categorical

- If a household submits an application that indicates Other Source Categorical Eligibility, such as homeless, migrant, or runaway, the SFA must confirm the children's status by an appropriate program official either through direct contact with the agency or by a list of names provided by the agency, before meal benefits can be provided. Once confirmed, this eligibility is only available to the designated child and is not extended to other members of the household.

Direct Certification (DC)

- The SFA's first DC run for the school year was on 7/29/17. As a reminder, SFAs are required to run direct certification a minimum of three times a year: at or near the beginning of the school year, three months after the initial run and six months after the initial run. It is recommended that DC be run once a month, or whenever a new student is enrolled or transfers.
- The effective eligibility date for a DC eligible student is the date of the original output file.

Limited English Proficiency (LEP)

- Application materials and other communications with households concerning eligibility determinations must be provided in a language that parents or guardians can understand in order to diminish any language barriers to participation for individuals with limited English proficiency.
- SFAs must make reasonable efforts to provide household letters and application forms to families in the appropriate languages.
- To assist SFAs in reaching households with limited English proficiency, the SNT provides the Wisconsinized version of the USDA Free and Reduced Price Meal application materials in English, Spanish, and Hmong.
- The USDA Food and Nutrition Service (FNS) website offers many other [foreign language translations of the Application for Free and Reduced Price School Meals](https://www.fns.usda.gov/school-meals/translated-applications) (<https://www.fns.usda.gov/school-meals/translated-applications>).
- The nonprofit food service account may be used to pay for translation services if there is a need to translate materials in a language that is not currently available.

Independent Review of Applications

- LEAs that have a 5% or higher error rate during the certification review of the Administrative Review will be required to conduct a second review of applications in the following school year.
- Sacred Hearts of Jesus Mary School had a 50% certification error rate, due to one out of two benefit determinations containing an error. More information on the Independent Review of Applications is found in the Eligibility Manual. An SNT memo will be mailed during the summer with more information for the SFA.

Findings and Corrective Action Needed: Certification and Benefit Issuance

❑ **Finding A:** The application packet sent to households at the beginning of the school year contained the application itself, but did not contain the required FAQ/Parent Letter of the Instructions/How to Apply information. These resources are available on the school's website, but must be distributed to all households with the application.

Corrective Action Needed for Finding A: Provide a statement describing how the SFA will ensure that the application, FAQ/Parent Letter, and the Instructions/How to Apply information is distributed to all households at the beginning of the school year.

❑ **Finding B:** The SFA does not maintain documentation of refusal of benefits if a household eligible for free/reduced meals elects to pay for meals. As outlined on page 52 of the [Eligibility Manual](#), the LEA must discontinue providing meal benefits as soon as possible, must document and maintain notification of the refusal, and the documentation should correctly reflect the child's eligibility status, but should include a noted that the family has elected to pay for meals (<https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/eligibility-manual.pdf>).

Corrective Action Needed for Finding B: Submit an example of how benefit refusals will be documented and maintained going forward.

✓ **Finding C:** Of the two eligibility determinations reviewed (one application, one direct certification), one error was found. The application initially approved for reduced benefits was missing the SSN of the adult household member, thus deeming the application incomplete. This error has been recorded on the SFA-1 form.

Corrective Action Needed for Finding C: Contact the household by phone to obtain the missing SSN information. Completed the application by filling in this information and documenting in writing when and how this information was obtained from the family. Notify consultant when SSN information is obtained. *Corrected on-site; no further action required.*

Verification

Commendations:

- The Verifying Official did an excellent job following up with the family selected for verification to confirm income frequency on the submitted pay stub before proceeding. This attention to detail resulted in the household receiving an increased benefit.

Technical Assistance:

- When applications are chosen for verification, the person designated as the Confirming Official must review the application(s) to ensure the initial determination is correct prior to contacting the family. There is a place for the Confirming Official to sign and date on the back of the application. The Confirming Official does not need to review all eligibility determinations—only those of the applications selected for verification.
- The Verifying Official must sign the back of the application in the designated area when verification is complete.
- When a benefit eligibility status increases, the change must take place within 3 days. When a benefit eligibility decreases, the change cannot take place before 10 calendar days and a notice of adverse action is sent in writing with appeal rights procedures.

Findings and Corrective Action Needed: Verification

- ✓ **Finding D:** The online food service contract has the incorrect person designated as the Confirming Official. The person actually completing the confirmation review must be listed as the Confirming Official on the contract.

Corrective Action Needed for Finding D: Update the online contract to accurately reflect the name of the Confirming Official. Notify the consultant when the contract is updated and ready for approval. *Corrected on-site; no further action required.*

- ❑ **Finding E:** The verification process was not completed by the required deadline of November 15th.

Corrective Action Needed for Finding E: Provide a statement describing the steps that will be taken to ensure that verification is completed by November 15th for upcoming school years.

Meal Counting and Claiming

Commendations:

- The meal counting and claiming system is excellent. The use of Teacher Ease student information system for benefit issuance and point of sale (POS) appears to be effective and accurate.

Technical Assistance:

- Please note that SFAs may claim visiting students in the paid category or the individual's category with documentation, unless they are from a CEP school.

Findings and Corrective Action Needed: Meal Counting and Claiming

- ✓ **Finding F:** The online food service contract does not have a software system for the POS listed. The SFA uses TeacherEase for benefit issuance information and at the POS, and this must be reflected on the contract.

Corrective Action Needed for Finding F: Update the online contract to show that TeacherEase is used for the POS software. *Corrected on-site; no further action required.*

2. MEAL PATTERN AND NUTRITIONAL QUALITY

Commendations:

- The food service director (FSD) is running an impressive and organized lunch program at SHS. Thank you for the dedication to feeding balanced meals to Wisconsin students. Sincere appreciation is extended for the warm welcome to the school, and the time taken to answer questions while on site. SHS cafeteria features fun, healthy, and educational murals on the walls. The low/no-sodium flavor station is a great addition to the cafeteria. Way to go, SHS!

Technical Assistance:

Crediting Beef in Spaghetti

- 20 fresh or frozen ground beef shrinks by 26% when cooked. Per the original recipe, 17.5 pounds of raw ground beef yields 12.95 pounds of cooked and drained meat. 12.95 pounds = 207.2 ounces. 207.2 divided into 100 servings is 2.072 ounces per serving. Per the Food Buying Guide 1 ounce

serving of cooked and drained 80/20 beef credits as 1 oz eq M/MA. Each 2.072 ounce serving of meat would round down to credit as 2 oz eq M/MA per serving.

- Per the CN label provided for 30# cooked beef patty crumbles (CP5876, September 2015): 30 pounds of precooked 80/20 beef crumbles provides 240x servings of 2 oz eq M/MA. 240 servings times 2 oz eq = 480 oz eq of beef in the entire case. Since the entire case goes into the sauce recipe, 480 oz eq is being divided into 100 servings. 480 oz eq divided by 100 = 4.8 oz eq M/MA per serving. This rounds down to 4.75 oz eq M/MA per serving.
- To achieve the same crediting with beef crumbles as when using raw beef, use 12.95 pounds of beef crumbles per 100 servings.
- While USDA is not currently enforcing M/MA maximums, there are limits on sodium, calories, saturated fat, and trans fat. Ground beef is a significant contributor. Keep in mind the [K-8 meal pattern requirements](https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/lunch-meal-pattern-table.pdf) while creating standardized recipes (https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/lunch-meal-pattern-table.pdf).

Offer versus Serve

- Under Offer versus Serve, students must be offered the daily and weekly minimum requirements from each component. However, they do not have to take the daily and weekly minimum requirements. K-8 students must be *offered* a minimum of 1M and 1G daily, and 9M and 8G weekly.
- On the day of review chicken nuggets (2M/MA, 1G) and a roll (1G) was offered. A student could select chicken nuggets (2M, 1G) and broccoli (1/2 cup vegetable) to create a reimbursable meal with 3 components. A student could select a roll (1G), sweet potato fries (1/2 cup vegetable) and a milk (1 cup milk) and also have a reimbursable meal with 3 components.
- For more information on OVS, please see the [Offer Versus Serve webinar](https://media.dpi.wi.gov/school-nutrition/offer-versus-serve/story_html5.html) (https://media.dpi.wi.gov/school-nutrition/offer-versus-serve/story_html5.html).

Findings and Corrective Action Needed: Meal Pattern and Nutritional Quality

☐ Finding #1: Weekly M/MA Shortage during the week of review (February 5-9, 2018) ***Please note that on future Administrative Reviews (AR), repeat violations of minimum quantity shortages may result in fiscal action.* There is a weekly M/MA shortage in the peanut butter sandwich meal. The peanut butter only provides 1 oz eq of M/MA. 5 days a week times 1 oz eq = 5 oz eq, which is not \geq 8 oz eq weekly requirement.

A possible solution would be to pair the peanut butter sandwich entrée with another source of M/MA, such as string cheese or yogurt.

Corrective Action Needed for Finding #1: Please submit a written statement on how it will be ensured each meal option offered meets the weekly minimum of 8 oz eq M/MA.

☐ Finding #2: Weekly bean/pea/legume vegetable sub-group shortage during the week of review (February 5-9, 2018) ***Please note that on future Administrative Reviews (AR), repeat violations of minimum quantity shortages may result in fiscal action.* There were 0 cups of bean/peas/legumes offered during the week of review. A minimum of 1/2 cup b/p/l must be offered to K-8 students weekly.

Corrective Action Needed for Finding #2: Please submit a written statement on how you will ensure 1/2 cup b/p/l is offered weekly.

❑ Finding #3: Standardized Recipes

Technical assistance was given for the recipe standardization process. Recipe standardization is very important to ensure that each meal is consistently planned to meet the daily and weekly requirements. Continue to work towards recipe standardization, and use all resources available. Visit our [Recipe Resources and Tools](https://dpi.wi.gov/school-nutrition/national-school-lunch-program/menu-planning/recipes) webpage for additional information (<https://dpi.wi.gov/school-nutrition/national-school-lunch-program/menu-planning/recipes>) or [contact a Public Health Nutritionist](https://dpi.wi.gov/school-nutrition/directory) for assistance (<https://dpi.wi.gov/school-nutrition/directory>).

Corrective Action Needed for Finding #3: Submit standardized recipes for

- Smoothies
- Spaghetti
- Broccoli
- Burgers (alternatively, list bun and burger on separate lines)
- Chicken sandwich (alternatively, list bun and sandwich on separate lines)
- Peanut butter sandwich

✓ Finding #4: Required signage

Reimbursable meals must contain ½ cup of fruit and/or vegetable. Please add a statement to the current signage that states the student must take at least ½ cup fruit, vegetable, or combination.

Corrective Action Needed for Finding #4: *Corrected on-site prior to service, no further action necessary.*

❑ Finding #5: Production records

Milk is a required component as part of the National School Lunch Program. Daily usage by milk type must be recorded on production records. Please update “milk types” to reflect the allowable milk types that are offered.

At the time of –onsite review, the salad bar was available to all students who select an NSLP meal. It is located at the end of the line, which is a great practice, so students who come to the end of the line without necessary components can still create a reimbursable meal. Since the salad bar is part of the daily offerings, it should be advertised on menus and signage. It also must be recorded on the production records. Planned portion sizes are required for every meal component. Even in salad bar/vegetable self-service, the menu planner must plan a specific portion size that he or she intends students to take. Fruits and vegetables credit down to the nearest 1/8th cup, while M/MA credit down to the nearest quarter ounce equivalent. All of the vegetables offered on the salad bar may be credited toward the appropriate weekly [vegetable sub-group](https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/vegetable-subgroups.pdf) (<https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/vegetable-subgroups.pdf>). Please keep in mind that leafy greens (romaine, iceberg lettuce, etc) credit as one-half of the volume served (eg, 1 cup of lettuce credits as ½ cup).

[Production record templates](http://dpi.wi.gov/school-nutrition/national-school-lunch-program/menu-planning/production-records) for breakfast and lunch can be found on our website (<http://dpi.wi.gov/school-nutrition/national-school-lunch-program/menu-planning/production-records>).

Corrective Action Needed for Finding #5: Please submit 3 days of completed production records with updated milk information. Include salad bar production records with planned serving size for each component and offering.

3. RESOURCE MANAGEMENT

Nonprofit School Food Service Account

Commendations:

- The business manager was extremely organized and thorough in the recordkeeping and financial management aspects of the school and affiliated church. All questions were answered in great detail and corresponding documentation was easily, quickly provided.

Technical Assistance:

Annual Financial Report (AFR)

- All revenues (reimbursements and student payments) and expenses (including food, labor, equipment, purchased services, and the other category) need to be separated into each program. This will aid the school in calculating its “yearly” reference period for non-program food compliance, which is highly recommended. The new [16-17 Annual Financial Report instructions](https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/annual-financial-report-instructions.pdf) are located on the DPI website (<https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/annual-financial-report-instructions.pdf>).
- Because the SFA sells non-program foods including extra milks, adult meals, and extra entrees, revenues and expenditures from these items must be broken out and correctly allocated on the AFR. See corrective action below.
- The SFA's AFR lists a transfer from a non-food service account for paid lunch equity purposes. However, information provided by the SFA indicates this transfer was an operating transfer, not a transfer for paid lunch equity (PLE). Transfers made to cover operating costs (food, labor, equipment, etc) show be allocated under the correct revenue category. PLE transfers are transfers made in lieu of raising the price of paid student lunches in accordance with the annual PLE requirements.

Unpaid Meal Charge Policy

- USDA Policy Memorandum SP 46-2016 requires all SFAs operating federal school meal programs to have a written and clearly communicated policy that addresses unpaid meal charges. For a snapshot on what the policy must include, see the [Unpaid Meal Charges In a “Nutshell”](http://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/unpaid-meal-charges-nutshell.pdf) (<http://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/unpaid-meal-charges-nutshell.pdf>). For a more comprehensive overview, see SP 23-2017: [Unpaid Meal Charges Guidance](https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/sp-23-2017.pdf) <https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/sp-23-2017.pdf>
 - Best Practices
 - Local meal charge policy checklist
 - Sample outstanding balance letter
 - Sample robo-call script
- Funds in student meal accounts are considered a liability until a meal is purchased. When the funds are left “unclaimed”, they cannot be used to offset another student’s negative account, unless *paid* households have *chosen to donate* those funds to the school food service account. All funds left in any student meal account which cannot be contacted must be turned over to the Wisconsin Department of Revenue (DOR) as unclaimed property. The DOR has rules concerning [unclaimed property](https://www.revenue.wi.gov/DOR%20Publications/pb82.pdf) that must be followed (<https://www.revenue.wi.gov/DOR%20Publications/pb82.pdf>).
- Bad debt is an unallowable expense to the food service program. A transfer must be made from non-federal funds to cover student account write-offs. [SP23-2017 Unpaid Meal Charges guidance Q & A](https://dpi.wi.gov/school-) may be found our Financial Management webpage (<https://dpi.wi.gov/school->

nutrition/national-school-lunch-program/financial).

Findings and Corrective Action Needed: Nonprofit School Food Service Account

❑ **Finding G:** Expenditures and revenues associated with non-program foods were not broken out on the AFR. When submitting AFR corrections, please also allocate the transfer from the church account to the correct category of “operating transfer from non-food service account.”

Corrective Action Needed for Finding G: Please resubmit the 16-17 Annual Financial Report with revenues and expenses broken out by program and category, and with the transfer correctly categorized. To do this, contact Jacque Jordee at Jacqueline.jordee@dpi.wi.gov or 608-267-9134, and fax or email her an updated report to complete a manual update. Notify the consultant when the AFR is corrected.

❑ **Finding H:** The school has no written unpaid meal charge policy which was required to be in place and distributed to all families by July 1, 2017. Posting the policy to the school’s website can be a helpful reference for families, however posting the policy to the website alone is not an adequate distribution method.

Corrective Action Needed for Finding H: Please develop a timeline for developing a written unpaid meal charge policy and plan for distribution to households. Submit to consultant.

❑ **Finding I:** The food service account is being charged for monthly utilities which are currently allocated by charging food service for 5% of the total expenses for electric, water, gas, sewer, and telephone. Although the 5% figure is based on the concept of kitchen space in relation to the school size, this is not an accurate allocation practice for assigning direct costs. The unallowable utilities include expenses from Sun Prairie Utilities, AT&T services, and Frontier services.

Corrective Action Needed for Finding I: Discontinue charging food service for the utilities that cannot be metered separately for food service usage. The We Energies expenses that are able to be metered separately are allowed to be charged to food service. However, it may be considered to discontinue charging food service for We Energies expenses due to the inability for food service to support all allocable expenses incurred annually, thus resulting in a required fund transfer from the church account.

Typically, unallowable utility expenses charged to food service during the current and prior school year must be refunded to food service. However, because the fund transfer from the church for SY 16-17 exceeded the unallowable utility expenses, no further action is required to reconcile the charges from SY 16-17. In this case scenario, non-food service funds have already covered the cost of the unallowable utilities.

For the current school year, unallowable utility charges must be discontinued immediately. A non-food service source must pay for these utilities going forward. Unallowable utility charges occurring during this SY 17-18 up until the point of discontinuation of these charges to food service must be refunded to food service.

Submit copies of documentation proving that unallowable utilities from the current school year have been refunded to food service. Additionally, submit copies of documentation proving that the food service account is no longer charged for unmetered utilities.

Revenue from Non-Program Foods

Technical Assistance:

Non-Program Foods

- Non-program foods include: Adult Meals, A la Carte, Extra Entrees, Extra Milk (for cold lunch or milk break), Vended Meals (meals sold to other agencies), Catered Meals, and Food Service operated Vending Machines. The cookie dough sale fundraiser that occasionally occurs at the SFA is also considered a non-program food.
- All costs associated with non-program foods, including food, labor, equipment, and purchased services must be covered by revenues received from the sale of those foods. Non-program foods may not be supported by reimbursable meals or have a non-program foods loss absorbed by the food service account. Thus non-program foods may never run in the negative unless non-federal funds are transferred into the food service fund to cover the deficit.
- Non-program food costs and revenues must be separated from program food costs and revenues.
- Since non-program foods include adult meals and extra milk, these expenses and revenues must be separated from program foods.
- The USDA Non-program Revenue Tool must be completed yearly, at a minimum. The [DPI Nonprogram Food Revenue Tool/Calculator](#) located on our website feeds into the USDA tool and aids in calculating prices of non-program foods and meeting the USDA non-program food regulation (<http://dpi.wi.gov/sites/default/files/imce/school-nutrition/xls/non-program-food-price-calculator.xlsx>).

$$\frac{\text{Nonprogram food revenue}}{\text{Total program and nonprogram revenue}} \geq \frac{\text{Total nonprogram food costs}}{\text{Total program and nonprogram food costs}}$$

Adult Meals

- Adult meals are considered non-program foods. Food service programs must price adult meals above the overall cost of the meals. Since adult meal costs can be difficult to calculate, SFAs must, at a minimum, follow the **minimum** pricing guidelines in Food Nutrition Services Instruction 782-5.
- A [Wisconsin Adult Meal Pricing Worksheet](#) has been developed to assist the SFA in pricing adult meals (<http://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/wisconsin-adult-meal-pricing-guide.doc>).
- Districts need to assess adult meal prices annually prior to contract submission to ensure student reimbursements are not being used to subsidize adult meals. The current reimbursement rates (2017-18 SY) should be used to determine adult prices. See corrective action below.

Resources

- [Nonprogram Foods Revenue Rule SP-20-2016](#) (<http://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/sp-20-2016.pdf>)
- [Nonprogram Foods In a "Nutshell"](#) (<http://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/nonprogram-foods-in-a-nutshell.pdf>)

Findings and Corrective Action Needed: Revenue from Non-Program Foods

Finding J: The Non-Program Foods Revenue Tool has not been completed for the current school year.

Corrective Action Needed for Finding J: Select one of the two below options for completing the tool.

1. Complete the [USDA tool](#) using information from the prior school year; OR
2. Complete the [DPI tool](#) using information from a 5 day reference period in the current school year.

❑ **Finding K:** The adult meal price listed on the online contract is \$3.60, which is compliant with adult meal pricing requirements. However, the actual price charged to adults at the POS is \$3.50 which is not compliant with the requirements.

Corrective Action Needed for Finding K: Reference the [adult meal pricing worksheet](#) to determine the minimum required adult price. Update the POS to reflect the adult meal price that is at least the minimum required price. Update the online contract as needed to reflect the adult meal price actually charged to adults. Submit a screenshot or print-out from the POS system that shows that the adult price has been increased appropriately. If the adult price will be changed from the \$3.60 currently on the contract, notify the consultant when the contract has been updated.

Indirect Costs

Technical Assistance:

- DPI does not allow the annual assigned indirect cost rate to be applied to Fund 50 (Foodservice account within WUFAR). For both public and private schools in Wisconsin, any costs assessed to foodservice must be based on documented and justifiable costs for each school building as they pertain to the school situation rather than an indirect cost rate. This may include utilities, rent, printing and mailing services, administrative oversight, etc.
- Allowable expenditures assessed to the food service fund must be supported with documentation for items such as gas, electricity, waste removal, fuel, water, etc. for the school district. Examples of supporting documentation for costs assessed to food service fund could include:
 - Rent – consultation with knowledgeable resource person on appropriate charges per facility (i.e., local realty broker who has knowledge of current rates for rent of similar facilities).
 - Utility charges - separately metered or current usage study by the local utility company.
 - Labor expenditures - based on actual amount of time worked specifically for the purpose of school food service times the employee's wages and benefits.
 - Printing/publishing – documentation of actual costs or documentation to support how these costs were prorated from the district's total costs, based on volume.
 - Waste disposal services, extermination services, and laundry services - documentation of actual costs or documentation to support how these costs were prorated from the district's total.

4. GENERAL PROGRAM COMPLIANCE

Civil Rights

Technical Assistance:

Nondiscrimination Statement

- When including the [non-discrimination statement](#) on letters, menus, website, and other documents used to convey program information, it is necessary to use the current statement which was updated in 2015 (<http://dpi.wi.gov/school-nutrition/national-school-lunch-program/civil-rights>). However, when space is very limited, such as on the printed menus or low balance notices, the abbreviated statement may be used, “**This institution is an equal opportunity provider.**” Either of these statements must be in the same size font as the other text in the document.

Civil Rights Training

- Civil rights training must be conducted on a yearly basis for all staff and volunteers who administer any portion of a school nutrition program. See corrective action below.

Civil Rights Self-Compliance Form

- The [Civil Rights Self-Evaluation Compliance](#) form is required to be completed by October 31 annually. See corrective action below.

Processes for complaints

- Schools must have a process for receiving and processing complaints alleging discrimination within the school meals program. See corrective action below.
- All verbal or written civil rights complaints regarding the school nutrition programs that are filed with the district must be forwarded to the Civil Rights Division of USDA Food and Nutrition Service within 3 days. Be sure that this is included in the district procedures to ensure compliance.
- All SFAs should have procedures (written procedures preferred) in place for handling civil rights complaints in regards to discrimination in the National School Lunch Program and School Breakfast Program. A SFA may always attempt to resolve a situation that is occurring in real time. However, if an individual states that they wish to file a civil rights complaint, the SFA must provide them with the information necessary to do so and not impede an individual’s right to file. Please refer to the [USDA Program Discrimination Complaint Form](#) for assistance in filing these complaints (https://www.ocio.usda.gov/sites/default/files/docs/2012/Complain_combined_6_8_12.pdf).
 - Additional information can be found in the [FNS 113-1 USDA Civil Rights Compliance and Enforcement for Nutrition Programs and Activities](#) resource (<https://fns-prod.azureedge.net/sites/default/files/113-1.pdf>).

Special Dietary Needs

- All food substitutions made outside of the meal pattern requirements must be supported by a signed medical statement from a licensed medical professional. SFAs may use the [prototype Medical Statement](#) for Special Dietary Needs posted on the DPI website, which is also available in Spanish and Hmong (<http://dpi.wi.gov/school-nutrition/national-school-lunch-program/special-dietary-needs>). Meals served to students with special dietary needs with the signed medical statement do not need to meet meal pattern requirements. Additional information on [special dietary needs](#) can be found on the DPI School Nutrition Team website (<http://dpi.wi.gov/school-nutrition/national-school-lunch-program/special-dietary-needs>). This [flow chart](#) gives guidance on special dietary needs, as well (<https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/sdn-flowchart.pdf>)
- School food service staff may make food substitutions, at their discretion, to accommodate children without a signed medical statement from a licensed medical practitioner. It is highly recommended that the SFA have a completed medical statement on file from a medical authority (which could be the school nurse) to support the request. These accommodations made for students must meet the USDA meal pattern requirements in order for the meals to be reimbursable. It is recommended

that the SFA develop a policy for handling these types of accommodations to ensure that requests are equitable for everyone.

- Juice may not be substituted for fluid milk unless juice is specified as a substitution on a medical statement signed by a licensed medical practitioner. Water is available to all students, but an SFA may choose to offer lactose free milk or provide a fluid milk substitute that meets the nutritional requirements set forth by USDA. Nutrition information for a fluid milk substitute the SFA wishes to provide for students, must be approved by the SNT office. For more information on [fluid milk substitutes](#), please see our Special Dietary Needs webpage (<http://dpi.wi.gov/school-nutrition/national-school-lunch-program/special-dietary-needs>).
- Fluid milk substitution rules apply to all federal school nutrition programs, including the National School Lunch Program, School Breakfast, and After School Snack Program, but do not apply to the Wisconsin School Day Milk Program. WSDMP allows juice as a milk substitution and is reimbursable. SFAs may offer lactose-free milk to children who have lactose intolerance without requiring DPI pre-approval for use.

Findings and Corrective Action Needed: Civil Rights

Finding L: The menus do not include the required shortened non-discrimination statement.

Corrective Action Needed for Finding L: Update menus with correct shortened statement. Submit updated copy of menus to consultant.

Finding M: The food service page of the school's website does not contain the required full non-discrimination statement.

Corrective Action Needed for Finding M: Update the food service's website so that it contains [the full non-discrimination statement](#). Notify consultant when website has been updated.

Finding N: Civil rights training has not been completed by all staff and volunteers that have roles in administering child nutrition programs. See supplemental Civil Rights Training and Professional Standards Reference sheet for names of staff that must complete civil rights training.

Corrective Action Needed for Finding N: Any person with a role in child nutrition program administration that has not yet completed civil rights training this school year must read through the [DPI Civil Rights Training PowerPoint Presentation](#) and sign-off that they have completed the training—submit the sign-offs to the consultant when completed. Please submit a statement describing how it will be ensured that all required staff and volunteers annually complete and sign-off on the civil rights training.

Finding O: The Civil Rights Self-Compliance PI-1441 form was not completed for the 17-18 school year. This form must be completed annually by October 31st and retained by the SFA.

Corrective Action Needed for Finding O: Complete the [PI-1441 form](#) for the current school year. Submit copy of completed form to the consultant. Provide a statement describing how this form will be completed by the deadline annually, including a designation of which person will be responsible for completion.

Finding P: The SFA does not have a process in place for receiving and processing complaints alleging discrimination within the school meals program.

Corrective Action Needed for Finding P: Develop a written procedure that describes the process for receiving and processing complaints alleging discrimination within the school meals program. Submit procedure to consultant. Please use the resources provided above to develop this procedure.

Local Wellness Policy

Technical Assistance:

Wellness Policy Final Rule

- The local wellness policy requirement was established by the Child Nutrition and Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) Reauthorization Act of 2004 and further strengthened by the Healthy, Hunger-Free Kids Act (HHFKA) of 2010. The final rule requires School Food Authorities (SFAs) to begin developing a revised local school wellness policy during School Year 2016-17 with full compliance of the final rule by June 30, 2017.
- At a minimum, SFAs must permit participation by the general public and the school community including parents, students, and representatives of the school food authority, teachers of physical education, school health professionals, the school board, and school administrators in the wellness policy process. In addition, SFAs must designate one or more school officials to ensure the SFA complies with the policy.

Content of the Wellness Policy

The final *Local School Wellness Policy Implementation Under the Healthy, Hunger-Free Kids Act of 2010* rule requires the SFA to retain basic records demonstrating compliance with the local school wellness (LWP) requirements. At a minimum the wellness policy must include:

- Nutrition education (Recommended goals related to nutrition education include integrating into other core subjects or offering as a stand-alone course for all grade levels.)
- Nutrition promotion (At a minimum SFAs must review smarter lunchroom tools and strategies. Additional promotional activities include contests, surveys, food demonstrations, taste testing, and farm to school programming.)
- Physical activity (Recommended that SFAs offer time for students to meet the 60 minute goal, this could include recess, classroom physical activity breaks, and opportunities for physical activity before and after school.)
- Guidelines for all foods and beverages sold on the school campus during the school day (The LWP must contain guidelines for Federal school meal requirements and competitive food standards [Smart Snacks]).
- Guidelines for all foods and beverages provided on the school campus during the school day (SFAs must develop standards for foods provided to students, this includes classroom parties, schools celebrations, food offered as rewards/incentives.)
- Guidelines for food and beverage marketing (At a minimum, SFAs must restrict marketing to food and beverages that meet competitive food standards on the school campus during the school day.)
- Public involvement and committee leadership (SFAs must invite and allow for a diverse group of stakeholders to participate in the development, implantation, review, and updating of the LWP. SFAs must also identify the official responsible for oversight of the LWP to ensure school compliance.)
- Implementation, assessment and update of policy (At a minimum, SFAs must notify the public about the content, implementation of, and updates to the LWP. SFAs must complete a triennial

assessment to evaluate compliance with the LWP, how the LWP compares to model wellness policies, and progress made in attaining the goals of the LWP).

Wellness Committee Stakeholders

- The final *Local School Wellness Policy Implementation Under the Healthy, Hunger-Free Kids Act of 2010* rule requires the SFA to retain documentation that notifies potential stakeholders of their ability to participate in the development, review, update, and implementation of the local school wellness policy (LWP). SFAs are required to actively seek members for the wellness committee that represent a diverse group and to the extent possible, allow them to participate. SFAs must document stakeholders invited to participate in the committee and their relationship to the SFA. SFAs are encouraged to notify key stakeholders through various methods of communication. This may include a district-wide email, the posting of flyers at community locations, or a newspaper posting. For information on forming a wellness committee, review pages 5-6 of the [Wisconsin Wellness: Putting Policy into Practice - School Wellness Policy Toolkit](http://dpi.wi.gov/school-nutrition/wellness-policy/toolkit) (<http://dpi.wi.gov/school-nutrition/wellness-policy/toolkit>).

Resources:

- Please refer to the USDA [summary of the requirements](http://www.fns.usda.gov/sites/default/files/tn/LWPsummary_finalrule.pdf) for local school wellness policies (http://www.fns.usda.gov/sites/default/files/tn/LWPsummary_finalrule.pdf).
- USDA Food and Nutrition Service has information on the [local school wellness policy](https://healthymeals.nal.usda.gov/school-wellness-resources) process and wellness policy elements (<https://healthymeals.nal.usda.gov/school-wellness-resources>).
- Wisconsin Team Nutrition has several [wellness policy resources](http://dpi.wi.gov/school-nutrition/wellness-policy) available, including a toolkit, a wellness policy builder, and wellness policy report card (<http://dpi.wi.gov/school-nutrition/wellness-policy>). The policy builder provides sample language that can be used in the SFA's policy when the updates are made.

Findings and Corrective Action Needed: Local Wellness Policy

- ❑ **Finding Q:** SFA LWP meets some, but not all, requirements as stipulated above. The current policy lacks required language pertaining to policy leadership, food and beverage marketing, the triennial assessment, and updating/informing the public. Additionally, it is recommended to add some language to the wellness policy pertaining to Smarter Lunchroom techniques.

Corrective Action Required for Finding Q: Please provide a timeline for updating the policy to become compliant with the final rule by adding language regarding the topics listed.

Smart Snacks in Schools

Technical Assistance:

- At the time of the on-site review there were no competitive foods or beverages sold at SHS. If any food or beverage sales occur in the future, the items must either be in compliance with the Smart Snacks general and nutritional guidelines, or must qualify as an exempt fundraiser. A staff member at each school should be responsible for documenting compliance of exempt fundraisers and any other competitive food sales. Fundraiser tracking tools can be found on the [Smart Snacks](https://dpi.wi.gov/school-nutrition/national-school-lunch-program/smart-snacks) webpage (<https://dpi.wi.gov/school-nutrition/national-school-lunch-program/smart-snacks>). It is recommended to use the Alliance for a Healthier Generation [Smart Snacks Product Calculator](#),

found on the Smart Snacks webpage (<https://foodplanner.healthiergeneration.org/calculator/>) to assess product compliance.

Professional Standards

Technical Assistance:

Professional Standards: Training Requirements

- Annual training must be job-specific and intended to help employees perform their duties well. The required annual training hours vary according to the employee's role in the management and operation of the school nutrition program.
- Trainings can be provided in a variety of formats (online, in person, webinars) and through various providers (DPI, USDA, in-house, etc.).
- SFAs should clearly document all required training information and maintain that file including the name of staff person, date hired, title/position, brief list of core duties/responsibilities, status (full, part-time, substitute, volunteer, etc.), professional standards position (director, manager or staff). Learning codes are not required, but encouraged. A template tracking tool is posted to our [Professional Standards](http://dpi.wi.gov/school-nutrition/training/professional-standards) webpage (<http://dpi.wi.gov/school-nutrition/training/professional-standards>).
- Within the SFA, staff members subject to professional standards training requirements have completed their necessary training for the year. Please be sure that each person is tracking their training hours annually to indicate that training was completed.

Annual Training Requirements for All Staff

- Directors: 12 hours
 - Managers: 10 hours
 - Other Staff (20 hours or more per week): 6 hours
 - Part Time Staff (under 20 hours per week): 4 hours
 - If hired January 1 or later, only half of the training hours are required during the first school year of employment.
-

Water

Commendations:

- A water cooler and paper cups were available for students during lunch. Many students were observed utilizing the water station which was kept clean and accessible throughout the meal period.
-

Food Safety, Storage and Buy American

Commendations:

- The food service director was well-versed on food safety practices. The salad bar was kept clean and was set up in a manner that minimizes cross-over of foods into other containers on the bar.

Temperature logs were maintained and demonstrated consistent attention to appropriate temperature control.

Technical Assistance:

Buy American

- The USDA requires that an SFA purchase, to the maximum extent practicable, domestic commodities or products. Using food products from local sources supports the local economy, small local farmers and provides healthy choices for children in the school meal programs. The Buy American provision is required whether food products are purchased by SFAs or entities that are purchasing on their behalf.
- The Buy American provision should be included in solicitations, contracts, and product specifications. The SFA should maintain written procedures to ensure product received and inventory is compliant with the Buy American procedure. Sample written [procurement contract management procedures](https://dpi.wi.gov/school-nutrition/procurement/contract-procedures/contract-management) (<https://dpi.wi.gov/school-nutrition/procurement/contract-procedures/contract-management>) and Buy American monitoring procedures.
- There are limited exceptions to the Buy American provision which allow for the purchase of products not meeting the “domestic” standard as described above (“non-domestic”) in circumstances when use of domestic products is truly not practicable. Refer to SP 24-2016 for more information on the Buy American provision and limited exceptions.
- More information on this new requirement, including a tool to assist with tracking noncompliance products, can be found on the [SNT Procurement](http://dpi.wi.gov/school-nutrition/procurement/buy-american) webpage (<http://dpi.wi.gov/school-nutrition/procurement/buy-american>).

Food Safety

- During meal observation, it was observed that some food handlers were not practicing proper glove usage procedures. There were several instances when food handlers touched clothing, clipboards, handles, and other non-food items with gloved hands and then proceeded to touch ready-to-eat foods with the same gloves. It is recommended that food handlers receive additional training on proper glove usage in accordance with the standard operating procedures (SOP) in the food safety plan.
- During meal observation, it was observed that a student returned to the salad bar with a dirty tray for seconds. Clean trays or disposable plates/boats should be used when serving students seconds of fruits and vegetables. Serving food onto a dirty tray brought back through the line could be a cross-contamination risk. It is recommended to provide additional training to food handlers so they properly direct students to take a clean tray or use a disposable plate/boat (if available) when returning for seconds.
- All food handlers must have a signed [Food Employee Reporting Agreement](https://datcp.wi.gov/Documents/foodemployeereportingagreementsupplement.pdf) on file (<https://datcp.wi.gov/Documents/foodemployeereportingagreementsupplement.pdf>). This includes volunteers that occasionally substitute on the serving line.

Findings and Corrective Action Needed: Buy American

✓ **Finding R: Non-compliant items**

The following products were identified in SFA’s storage area as non-domestic and not listed on the SFA’s Buy American – Noncompliant List or SFA equivalent form or did not have proper labeling to identify the country of origin:

- Tropical fruit cocktail- Thailand
- Crushed pineapple- Thailand

Corrective Action Needed for Finding R: Begin using a Non-compliant Product List for tracking non-domestic products. Provide a copy of the form that will be used and include any noncompliant products currently in the SFAs food storage areas. Provide the completed list as corrective action. A template form is located on the [procurement](https://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/buy-american-noncompliant-list.docx) webpage (<https://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/buy-american-noncompliant-list.docx>). *Corrected on-site; no further action required.*

Findings and Corrective Action Needed: Food Safety

❑ **Finding S:** Volunteers filling in as substitutes for absent food service employees must have signed employee reporting agreements on file. This ensures that volunteers are aware of what illnesses or symptoms would prohibit or restrict them from working with food.

Corrective Action Needed for Finding S: Because the volunteers are only called in to substitute when needed, it is not currently feasible to request copies of signed food employee reporting agreements from the volunteers. Volunteers should also complete civil rights training because they are responsible for serving food to students within the program. Please submit a statement acknowledging that these volunteers will sign agreements and complete civil rights training the next time they are called in to substitute.

Reporting and Recordkeeping

Technical Assistance:

- There are several reports that must be completed and submitted to DPI annually. The October lunch claim cannot be submitted until the AFR, FNS 10, and Paid Lunch Price reports are submitted.
 - Annual Financial Report (AFR) due by August 31st
 - FNS 10 report due by November 1st
 - Paid Lunch Price Report due between November 1st-15th
 - Verification Collection Report due between November 15th--February 1st
- Reference the [Reporting webpage](https://dpi.wi.gov/school-nutrition/national-school-lunch-program/reporting) (<https://dpi.wi.gov/school-nutrition/national-school-lunch-program/reporting>) and [Calendar of Requirements](https://dpi.wi.gov/school-nutrition/calendar-of-requirements) (<https://dpi.wi.gov/school-nutrition/calendar-of-requirements>) for detailed explanations of the required reports and deadlines.

Findings and Corrective Action Needed: Reporting and Recordkeeping

✓ **Finding T:** The PLP has not yet been submitted for the current school year.

Corrective Action Needed for Finding T: Submit the PLP for the current school year. Describe the steps that will be taken to ensure this report is completed on time going forward. *Corrected on-site; no further action required.*

School Breakfast Program (SBP) and Summer Food Service Program (SFSP) Outreach

Technical Assistance:

Breakfast Promotion

- While the School Breakfast Program is not currently offered at the SFA, the success of the lunch program suggests implementing breakfast may be a well-received action that would benefit students nutritionally and potentially financially benefit food service.

When starting a breakfast program, the SFA's online contract will need to be updated to reflect the program's operations. The SFA should work closely with a Nutrition Program Consultant to add the program to the contract and begin submitting the appropriate claims for reimbursement.

For information about starting and promoting a breakfast program please view the [Serving up a Successful School Breakfast Program](http://dpi.wi.gov/school-nutrition/school-breakfast-program) guide (<http://dpi.wi.gov/school-nutrition/school-breakfast-program>). A [Breakfast in the Classroom Toolkit](https://dpi.wi.gov/school-nutrition/school-breakfast-program/resources) is also available if that option is considered (<https://dpi.wi.gov/school-nutrition/school-breakfast-program/resources>).

Summer Meals

- A goal of USDA Child Nutrition Programs is to ensure all students have access to healthy and nutritious meals year-round. Even though a summer feeding program is not operated at the SFA, USDA requires all SFAs to inform families of where their students can receive a free meal in the summer months. SFAs can inform families of summer meals via the following methods:
 - Promotion of the [summer meals locator](https://dpi.wi.gov/community-nutrition/sfsp/find-summer-meals-site) on the DPI Summer Meals webpage (<https://dpi.wi.gov/community-nutrition/sfsp/find-summer-meals-site>)
 - Promotion of calling 211 to locate meals in the area
 - Promotion of the ability to text 'food' to 877-877 to locate meals in the area
 - Promotion of the USDA [Summer Food](http://www.fns.usda.gov/summerfoodrocks) website (<http://www.fns.usda.gov/summerfoodrocks>)
- Resources:
 - To access an inclusive map of all potential participating sites in the area, see the [interactive map](http://www.fns.usda.gov/capacitybuilder) on the SFSP website (<http://www.fns.usda.gov/capacitybuilder>).
 - For more information on Summer Feeding option contact:
Amy J. Kolano, RD, CD, Summer Food Service Program Coordinator
Phone: 608.266.7124; e-mail: amy.kolano@dpi.wi.gov

Findings and Corrective Action Needed: SFSP and SBP Outreach

❑ Finding U: SFSP outreach was not completed.

Corrective Action Needed for Finding U: Please provide a statement outlining how the SFA will inform families of the availability of SFSP for the upcoming summer and going forward.

Dr. Tony Evers, State Superintendent of Wisconsin Department of Public Instruction, shares a vision that every student will graduate prepared for college and career. His goals are for students to have the knowledge, skills, and habits that will allow them to succeed in life after high school. Access to quality nutrition plays a major role in developing those life-long habits.

The School Nutrition Team believes that what school nutrition programs do every day plays a very important part in the success of every child being able to graduate. We all know that well-nourished children are ready to learn. Thank you for all you do to ensure student success.

For more information on this initiative, please visit the Wisconsin DPI Every Child a Graduate webpage (dpi.wi.gov/statesupt/agenda-2017).



With School Nutrition Programs!