

**USDA Child Nutrition Programs
Administrative Review Summary Report**

School Food Authority: St. Ann's School

Agency Code: 13-7365

School(s) Reviewed: St. Ann's School

Review Date(s): 2/26/18-2/27/18

Date of Exit Conference: 2/27/18

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. Courses cover many areas of the school nutrition programs including administrative responsibilities, program basics, meal pattern requirements and menu planning, financial management, professional standards, meal benefit determination process, 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, and 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 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 do 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](https://www.smarterlunchrooms.org/scorecard-tools/smarter-lunchrooms-strategies#Milk) (https://www.smarterlunchrooms.org/scorecard-tools/smarter-lunchrooms-strategies#Milk).

Appreciation/Commendations/Noteworthy Initiatives:

Thank you to the staff at St. Ann's School for the courtesies extended to us during the on-site review. Thank you for being available when answering questions and providing additional information. In addition, thank you for taking the time to respond to the off-site questions and requests, as well as pulling records for the on-site portion of the review. The food service director and staff are a team of very dedicated and hardworking individuals with a clear goal to serve the children enrolled at St. Ann's School. Meals are cooked from scratch as able and presented very nicely during meal service. Reviewers enjoyed visiting your agency and participating in lunch service.

REVIEW AREAS

1. MEAL ACCESS AND REIMBURSEMENT

Certification and Benefit Issuance

13 eligibility determinations were reviewed, 2 errors were identified.

Technical Assistance/Compliance Reminders

Free and Reduced Price Meal Applications and Direct Certification

- Applications and Direct Certification must be reviewed in a timely manner. An eligibility determination must be made, the family notified of their status, and the status implemented within 10 operating days.
- Children are eligible for free or reduced price meal benefits on the date their application is determined complete and unambiguous by the Determining Official. The effective eligibility date for Direct Certification is the date of the output file.
- For up to 30 **operating days** into the new school year (or until a new eligibility determination is made, whichever comes first) an individual child's free or reduced price eligibility status from the previous year will continue within the same LEA. When the carryover period ends, unless the household is notified that their children are directly certified or the household submits an application that is approved, the children's meals must be claimed at the paid rate.

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.

St. Ann's School had a 15.38% certification error rate, which means you will need to complete a second review. An SNT memo will be mailed during the summer with more information. Details on this process can also be found in the Eligibility Manual for School Meals.

Transferring Students

Transferring the eligibility determination between LEAs ensures that qualifying students continue to receive school meal benefits as they transition to new schools, and avoids the possibility of unpaid meal charges. FNS strongly encourages LEAs to immediately accept the eligibility determinations made at a student's previous LEA (if they participated in NSLP) when a student transfers between LEAs during the school year, over the summer, or at the start of the next school year. The transfer of eligibility between LEAs for students attending CEP schools will be required by July 1, 2019.

Note: Wisconsin DPI requires source documentation of the student's previous eligibility.

Public Release

- All SFAs are required to distribute a Public Release before the start of the school year (<https://dpi.wi.gov/school-nutrition/national-school-lunch-program/free-reduced-applications#apps>). The purpose is to inform the public that free and reduced price meals and free milk are available. SFAs must annually distribute the Public Release to:
 - Local news media
 - Grassroots organizations (local organizations providing services to populations in need)
 - Major employers contemplating or experiencing large layoffs
 - Local Unemployment Office (as applicable)

SFAs are not required to pay to have the public release published but must maintain documentation of whom it was sent to along with the specific materials distributed.

Disclosure

- The information provided by the family on the free and reduced price application is to be used only for determining eligibility for meal or milk benefits.
- The LEA must seek written consent from the parent or guardian to use the information provided on the application or through direct certification for non-program purposes, such as athletic or testing fee waivers, registration fee waiver, school fees, etc. Consent must be obtained each school year. Find the Sharing Information with Other Programs template on the Free and Reduced Meal Applications and Eligibility webpage (<https://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/sharing-info-other-programs.doc>).
- For anyone receiving eligibility information to approve students for non-food service program benefits after parental consent is received, the *Disclosure Agreement* form should be signed and on file at the district. A template Disclosure of Free and Reduced Price Information form is located on the SNT website (<http://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/disclosure-agreement.docx>).

Findings and Corrective Action Needed: Certification and Benefit Issuance

❑ Finding #1: Carryover of the previous school year eligibility was not communicated or executed properly. Application materials indicate a carryover end date of September 12th when the agency began school on September 5th.

Corrective Action Needed: The agency must provide 30 operating days of carryover benefit, or until a new eligibility determination is made (whichever comes first). For any household that did not have a 1718 SY status established carryover should have ended on October 17th, with paid status beginning on Oct. 18th. Submit a statement outlining the actions that will be taken by the agency to ensure carryover of meal benefits is handled appropriately.

❑ Finding #2: Two student errors were found and indicated on the SFA-1 form provided to the SFA. Student 10 reported an ineligible program along with the case number. Student C did not have appropriate source documentation to issue benefits, but later matched to direct certification. The household was never notified of this match.

Corrective Action Needed: Follow-up with student 10 to clarify if the household participates in an eligible program. If they do not, obtain income information and determine the application based on the income. This clarification can be taken over the phone. Date and initial the communication on the application. If the household no longer qualifies, send a letter of adverse action. Provide 10 calendar days advance notice prior to changing the status. Day 1 is the day the letter is sent.

Student C has been corrected per a Medicaid match on 2/14/17, but the household was never notified. Send a letter notifying the household of free meal benefits effective 2/14/18. Refund the household for any meals served on 2/14 or after. Submit a copy of this communication. Before the agency can claim for meals served to this student at the free status in February, the household must be refunded.

Fiscal action will be assessed within the review process for both student errors.

❑ Finding #3: The 1718 SY public release was not sent to local media and grassroots organizations. **Corrective Action Needed:** Submit a plan of action to the consultant outlining where the public release will be sent in the 1819 SY. This must be done annually after July 1, but before the beginning of school.

Verification

Technical Assistance/Compliance Reminders

- The agency incorrectly reported that *Direct Verification* was conducted on the 1718 SY Verification Collection Report (VCR). This report can no longer be amended as it has already been submitted to USDA, but should be completed correctly in the 1819 SY and moving forward. *Direct Verification* is the use of records from public agencies to verify children's eligibility for free and reduced price benefits rather than reaching out to the household for income stubs or program participation letters.
- The LEA must complete verification activities no later than November 15 of each school year [7 CFR 245.6a(b)(1)].

Confirmation Reviews

Prior to any other verification activity, an official must review each approved application *selected for verification* to ensure the initial determination was accurate. The confirmation review must be done by an individual other than the individual who made the initial eligibility determination.

Adverse Action (decrease in meal benefits)

In the case of the application that was verified incorrectly, the household was never sent a letter of communicating the results of verification. Households must be notified of any reduction in benefits, and must be informed of their right to reapply for benefits at any time [7 CFR 245.6a(f)(7)]. If benefits are decreased, a notice of adverse action must be sent. LEAs must provide 10 days advance notification to households that are to receive a reduction or termination of benefits, prior to the actual reduction or termination [7 CFR 245.6a(j)].

Findings and Corrective Action Needed: Verification

✓ **Finding #1:** The confirmation review was not completed.

Corrective Action Needed: By signing off on this report, the agency agrees to conduct the confirmation review prior to verification activities in the 1819 SY and moving forward. **Corrective action completed. No further action required.**

❑ Finding #2: Verification was not completed by November 15th.

Corrective Action Needed: Submit a timeline outlining when the agency will begin verification in the 1819 SY to ensure the process is completed by November 15th.

❑ Finding #3: The application selected for verification was not verified correctly. The household was changed to paid status and still qualified at the reduced rate.

Corrective Action Needed: Follow-up with the household to obtain income documents necessary for verification and/or clarify if they still wish to receive meal benefits. Send a copy of the communication and/or letter increasing meal benefits to the consultant.

❑ **Finding #4:** The agency can benefit from additional training on the verification process. Verification Resources can be found on the [SNT DPI Verification Website](#). The [Verification Tracker Forms](#) can be used to document the process and household communications.

Corrective Action Needed: Watch the [Verification Webcast](#). If there is a quiz, submit the quiz results as proof of completion. If the webcast does not have a quiz, submit an email communicating the date of completion.

Meal Counting and Claiming

Findings and Corrective Action Needed: Meal Counting and Claiming

❑ **Finding:** The agency is not completing an edit check prior to claim submission each month.

Corrective Action Needed: Begin using the Daily Break out and Reimbursable meal reports within Lunch Box to check the daily meal counts by category against attendance. Submit the February claim along with the edit check to the consultant. The edit check should be retained with the claim records each month. For more information on the edit check process, SNT has a manual [edit check](#) form to reference.

2. MEAL PATTERN AND NUTRITIONAL QUALITY

Commendations:

Thank you to the staff of St. Ann's School for their warm welcome and cooperation during the Administrative Review. A special thanks to the Food Service Director for sending documentation and answering questions prior to coming on-site, as this greatly expedited the review process. The salad bar is a great addition to the National School Lunch Program and provides an excellent variety of foods daily. It was noted that certain menu items are cooked from scratch and some CN labeled items have fresh additions, providing special and delicious lunches for students. Thank you for all of your hard work and your dedication to making your Child Nutrition Programs shine!

Technical Assistance:

Printed Menu

The printed menu should list all components included with the reimbursable meal. Currently, fruit, vegetables, milk, and alternate entrée options are not listed on the menu. Milk and alternate entrée options may either be listed daily or listed in one place on the menu. For milk, a statement that says a variety of milk is offered daily as part of the reimbursable meal may be included. For alternate entrée options, a statement that says the alternate entrée options are offered daily as part of the reimbursable meal with a list of these options may be included.

USDA Food Buying Guide

The [USDA Food Buying Guide](#) for School Meals Programs contains yield and crediting information for foods with standards of identity (in large part, unprocessed foods) (<https://foodbuyingguide.fns.usda.gov/>). Foods that do not have standards of identity are not listed in the *Food Buying Guide* (FBG) and require further documentation (a Child Nutrition (CN) label or a product formulation statement (PFS)) clearly detailing the ingredients and their creditable quantities in order to be served in School Meal Programs.

While on-site, the FBG was used in order to figure out how many baby carrots equal ½ cup of vegetable. The entry used in the FBG was “**Carrots, fresh- Baby, Ready-to-use.**” This entry details that 1 pound (16 ounces) of baby carrots yields 12.9-¼ cups raw vegetable. 12.9-¼ cups equals 3.225 cups. Therefore, 16 ounces of baby carrots equals 3.225 cups.

$$\begin{array}{r} 16 \text{ oz} \\ \hline 3.225 \text{ cups} \end{array} = \begin{array}{r} X \text{ oz} \\ \hline 0.5 \text{ cup} \end{array}$$

Cross multiply, so 16 oz x 0.5 cups = 8, then divide by 3.225 = 2.48 oz. This means that ½ cup of baby carrots would weigh 2.48 oz.

When weighing out baby carrots on-site with the Food Service Director, it was determined that 6 baby carrots equaled ½ cup.

Whole Grain-Rich Exemptions

The bun for the breaded chicken sandwich and the hoagie bun for the meatball sub sandwich do not meet the criteria to be considered whole grain-rich (WGR) and therefore, cannot be credited towards daily or weekly whole grain-rich requirements. If the School Food Authority can demonstrate a hardship in procuring, preparing, or serving a compliant WGR product that is accepted by students, an exemption can be requested for that specific product. Review the August 23, 2017 memo, “[School Meal Flexibilities for School Year \(SY\) 2017-18](#)” for more information on the exemption process (<https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/snt-mail-082317.pdf>). *Note that until an exemption approval has been received, WGR products must continue to be served.*

Grain-Based Desserts

During the week of review, grain-based desserts did not exceed the maximum weekly requirement. WGR graham crackers are used on days where other grain items are not WGR. Remember, no more than 2.0 ounce equivalents of grain-based desserts can be offered per week at lunch. Grain-based desserts that are whole grain-rich can count towards the grain component, but grain-based desserts that are not whole grain-rich (made with more than 50 percent enriched grains) cannot count towards the grain component. Grain-based desserts contribute towards the weekly grain-based dessert limit regardless of whether they are whole grain-rich or not (e.g., a slice of cake made with enriched white flour cannot credit towards the grain component, but it counts towards the grain-based dessert limit for the week in which it is served).

Salad Bar Portioning Utensils and Signage

Planned, controlled portion sizes are essential for compliance with meal pattern requirements and dietary specifications. Because the vegetables on the salad bar are being used to meet the daily vegetable requirement and the weekly vegetable subgroup requirements, portion sizes of at least 1/8 cup each should be communicated to students. Portion sizes can be communicated to students with signage showing what the intended portion size is or by using portioning utensils for the intended portion size. Remember, raw, uncooked leafy greens credit as half the volume served in their fresh forms. For example, if the intended portion size is ¼ cup, consider including a photo of what 1/4 cup of romaine (1/8 cup creditable dark green vegetable) looks like or an appropriate portion utensil for 1/4 cup of romaine.

The salad bar also offers shredded cheese, cottage cheese, deli meats, and croutons in addition to the reimbursable meal. These food items should be portion controlled using appropriate utensils for their nutrition label serving size or the menu planner’s intended portion size if not contributing toward the meal pattern. Tongs and spoons are not appropriate portion control utensils. Cottage cheese should use the appropriate spoodle for the serving size or the intended portion size. To figure out the appropriate serving utensil for shredded cheese, weigh out one serving size and find a spoodle in which this serving size fits best.

While on-site, ¼ cup of shredded cheese was weighed out to figure out how many ounces by weight ¼ cup of shredded cheese is. ¼ cup of shredded cheese weighed 1 ounce and credits as 1 ounce equivalent meat/meat alternate.

Standardized Recipes

Recipes are utilized on-site for taco seasoning mix, Spanish rice, and refried beans. Of these recipes used during the review week, there were lacking pieces of information necessary for standardized recipes such as the total volume or measure (gallons, pieces) of the recipes, pan sizes, weight or volume in each pan, and the number of pans. 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 to you. 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). For an overview of essential information needed in standardized recipes, please view the [Standardized Recipe Checklist](https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/standardized-recipe-checklist.pdf) (https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/standardized-recipe-checklist.pdf).

Condiment Signage

Condiments can be significant sources of calories, saturated fat, and sodium in a meal, especially when usage is not controlled. Condiment usage is not monitored nor are portion sizes communicated to students at St. Ann's School.

Consider ways to promote correct portion sizes to students such as, adding signage at the condiment station with a photo of what one tablespoon of dressing looks like, purchasing single-use one ounce cups to aid in portion control, or using signage such as "One squeeze, please!" on self-serve squirt bottles.

Training

Regular trainings are offered on the Wisconsin DPI webpage through webcasts, webinars, and on-site trainings. Check our [Training webpage](https://dpi.wi.gov/school-nutrition/training) often for current and upcoming opportunities (dpi.wi.gov/school-nutrition/training). Please also know that all members on the School Nutrition Team are available for technical assistance any time throughout the year. A complete list of [DPI SNT staff](https://dpi.wi.gov/school-nutrition/directory) can be found on our website (dpi.wi.gov/school-nutrition/directory).

Findings and Corrective Action Needed: Meal Pattern and Nutritional Quality

❑ **Finding #1:** The following non-whole grain-rich products were used during the week of review in order to meet meal pattern requirements:

- Bun for breaded chicken sandwich
- Hoagie bun for meatball sub sandwich

Corrective Action Needed: Submit labels for replacement products that are whole grain-rich or submit documentation for whole grain-rich exemption approval from DPI.

Please note that failure to meet the 100% whole grain-rich requirement during subsequent Administrative Reviews may result in fiscal action.

❑ **Finding #2:** One non-reimbursable meal was observed during meal service on February 26, 2018. The one non-reimbursable meal did not meet the ½ cup fruit and/or vegetable requirement. The meal observed was cheese pizza, milk, ¼ cup romaine lettuce (1/8 cup creditable leafy green).

Corrective Action Needed: Submit a written statement how this error will be corrected and avoided in the future.

Fiscal action will be assessed on this one non-reimbursable meal.

❑ **Finding #3:** While MyPlate signage and a daily menu is posted, signage explaining what constitutes a reimbursable lunch to students is not posted. It is required to post signage visible to the students that indicates the offered components in each meal and tells students what they must select in order for their meal to count as reimbursable. The lunch signage should list the five components and inform students that under Offer versus Serve (OVS), they must select at least three full components, one of which must be at least ½ cup fruit, vegetable, or a combination of fruit and vegetable.

Samples of signage that can be printed or updated and implemented in your school can be found on our [Signage Resources](http://dpi.wi.gov/school-nutrition/national-school-lunch-program/menu-planning/signage) webpage (dpi.wi.gov/school-nutrition/national-school-lunch-program/menu-planning/signage).

If you are interested in ordering signage from SNT, please visit the [Team Nutrition](http://dpi.wi.gov/team-nutrition) webpage and complete the Resource Order Form (dpi.wi.gov/team-nutrition).

Corrective Action Needed: Submit a picture or PDF of new or supplemental signage that has been posted.

❑ **Finding #4:** Production records were missing or did not have the following information filled in based on DPI's [Production Record Requirements](http://dpi.wi.gov/school-nutrition/national-school-lunch-program/menu-planning/production-records) ("Must Haves and Nice to Haves") (<http://dpi.wi.gov/school-nutrition/national-school-lunch-program/menu-planning/production-records>):

- Menu item with recipe name/reference number or specific product name/description
- Planned number of portions (K-8, adult, a la carte)
- Total number of purchase units prepared (2-No 10 can, 10 lb case, etc.)
- Total number of portions prepared
- Planned portion size and actual usage for condiments
- Actual number of reimbursable and non-reimbursable (adult, a la carte, seconds) meals served

For more information and a complete explanation of production record categories, please see [Instruction for Completing Production Records](https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/production-record-instructions.pdf) (<https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/production-record-instructions.pdf>).

Corrective Action Needed: Submit one week of completed production records for lunch with the above information filled in.

❑ **Finding #5:** Salad bar items do not have a planned portion size. Planned portion sizes are required for every meal component. Even in self-service, the menu planner must plan a specific portion size. Because the salad bar vegetables count toward the daily ¾ cup vegetable requirement, a minimum of 1/8 cup of vegetable should be offered in order to be a creditable amount towards the vegetable requirement. Please note that leafy greens credit as half the amount.

Corrective Action Needed: Submit one week of completed salad bar production records for lunch with planned portion sizes for all items including vegetables, fruit, meat/meat alternate, and grain.

3. RESOURCE MANAGEMENT

Nonprofit School Food Service Account

Technical Assistance/Compliance Reminders

Annual Financial Report (AFR)

The ending balance, on June 30, can never be a negative balance. A transfer must be made from the non-federal funds to bring the ending balance to \$0.00. The school general funds are supporting the food service program annually, but this was not accurately reflected on the food service Annual Financial Report.

Allowable Cost

The agency mentioned plans for an upcoming kitchen/building remodel. Allowable costs are defined in 2 CFR 200 Subpart E and should be necessary, reasonable and allocable. I would encourage the agency to review the School Kitchen and Building Cost section of the [SNT Financial Q/A](#) prior to making purchases with food service funds. More information on allowable costs can be found within the [Indirect Costs guidance](http://dpi.wi.gov/school-nutrition/national-school-lunch-program/financial) (<http://dpi.wi.gov/school-nutrition/national-school-lunch-program/financial>).

Q7. We will be renovating our kitchen and cafeteria next year, what costs are allowable for the food service account (Fund 50) to support?

A. 2 CFR 200.452, identifies costs of normal repairs and alterations as allowable so long as they: (1) keep property in an efficient operating condition; (2) do not add to the permanent value of the property or appreciably prolong its intended life; and (3) are not otherwise included in rental or other agreements. Based on these principles, FNS has allowed funding of limited renovations within the inside perimeter of a kitchen/cafeteria space. For example, renovating a kitchen by cutting away a portion of the wall to allow room for a walk-in refrigerator and related electrical wiring would be an allowable expense if the renovation is “necessary” to accommodate increased participation of students in the school meal programs. If items purchased will be used for more than just food service, the cost *must* be prorated. An example is the cost of new cafeteria seating that is also used for study hall and afterschool programming. There is no state agency pre-approval required except for the capital expenditure for equipment not on the pre-approval list.

Q8. Our school board just approved building a new elementary school next year. Are any of the building costs allowable for the food service account (Fund 50) to support?

A. No. School Meal Program regulations at 7 CFR 210.14(a) and 220.7(e) require that revenues received by the food service account (Fund 50) shall *not* be used to purchase land or buildings or to construct buildings unless the purchase is pre-approved by the USDA FNS. The goal is to ensure that a School Food Authority (SFA) maintains the necessary funding to operate the program as required by the school meal programs authorizing legislation and regulations, and that the food service account (Fund 50) is not used to cover major expenses that should be borne by the school district’s general fund (Fund 10) (e.g., capital infrastructure costs).

Findings and Corrective Action Needed: Nonprofit School Food Service Account

❑ Finding: The 1516 SY and 1617 SY Annual Financial Reports are incorrect.

- The 1516 SY ending fund balance is reported incorrectly. It must be \$0 or +.
- The 1617 SY report does not separate *nonprogram* food cost and revenue (adult meals, extra entrees, and extra milk sales) from *program* foods.

Corrective Action Needed: Please resubmit/amend your 15-16 and 16-17 Annual Financial Reports to correct the issues noted above. To do this, you will need to 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.

Revenue from Nonprogram Foods

Commendations/Comments/Technical Assistance/Compliance Reminders

- Nonprogram 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.
- All costs associated with nonprogram foods, including food, labor, equipment, and purchased services must be covered by revenues received from the sale of those foods. Nonprogram foods may not be supported by reimbursable meals or have a nonprogram foods loss absorbed by the food service account. Thus nonprogram foods may never run in the negative unless non-federal funds are transferred into the food service fund to cover the deficit.
- Nonprogram Food costs and revenues must be separated from Program food costs and revenues.
- Since nonprogram foods include Adult Meals and extra milk, these expenses and revenues must be separated from Program foods.
- The USDA Nonprogram 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 nonprogram foods and meeting the USDA nonprogram food regulation (<http://dpi.wi.gov/sites/default/files/imce/school-nutrition/xls/non-program-food-price-calculator.xlsx>).

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

Findings and Corrective Action Needed: Revenue From Nonprogram Foods

❑ Finding: The nonprogram food revenue tool was not completed correctly. The tool omitted adult meals, extra milk sales, and program food items at the bottom of the tool.

Corrective Action Needed: Fix the nonprogram food tool by including the items listed above. Submit the corrected tool so reviewer can evaluate whether the agency is in compliance with the revenue ratio.

4. GENERAL PROGRAM COMPLIANCE

Civil Rights

Technical Assistance/Compliance Reminders

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.

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>).

Findings and Corrective Action Needed: Civil Rights

Finding: St. Ann’s School food service landing webpage, which houses program materials, does not contain the USDA’s nondiscrimination statement.

Corrective Action Needed: Update the food service website landing page to contain the nondiscrimination statement. Any materials that are posted and may be distributed via other means to household must also have the non-discrimination statement on them separately. Send the consultant a screen shot, or link to the updated website when complete.

Local Wellness Policy

Findings and Corrective Action Needed: Local Wellness Policy

Finding: SFA LWP meets some but not all requirements as stipulated above. The policy is missing language permitting the public to participate in the development, review, and implementation. Additionally, there is no language about completing a triennial assessment.

Corrective Action Required: Please provide a timeline for updating your policy to become compliant with the final rule.

Smart Snacks

Compliance Reminders

Final Rule

At the time of the on-site review there were no competitive foods or beverages sold at St. Ann’s School. 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 the school should be responsible for documenting compliance of exempt fundraisers and any other competitive food sales.

Fundraisers

If St. Ann's School chooses to have fundraisers in the future, please note WI DPI allows two fundraiser exemptions per student organization per school per school year, not to exceed two consecutive weeks each. An exempt fundraiser may sell foods and beverages that are not allowable under the Smart Snacks rule, but sales may not occur in the meal service area during meal service times. All exempt fundraisers must be documented. Templates, such as the Exempt Fundraiser Tracking Tool, are available on the [Smart Snacks](https://dpi.wi.gov/school-nutrition/national-school-lunch-program/smart-snacks) webpage, under the resources heading (<https://dpi.wi.gov/school-nutrition/national-school-lunch-program/smart-snacks>).

Documentation is required for school fundraisers. Keeping records of school fundraisers, both compliant and noncompliant, using DPI-provided tracking tools, is a great way to make sure schools are meeting Smart Snacks regulations.

Smart Snacks Product Calculator

If St. Ann's School chooses to serve snacks outside of NSLP, it is highly recommended to use the Alliance for a Healthier Generation [Smart Snacks Product Calculator](https://dpi.wi.gov/school-nutrition/national-school-lunch-program/smart-snacks), found on the Smart Snacks webpage (<https://dpi.wi.gov/school-nutrition/national-school-lunch-program/smart-snacks>) to assess product compliance. Simply answer a series of questions to see if the general and nutrition standards are met, then save and print the results for your records.

Professional Standards

Commendations/Comments/Technical Assistance/Compliance Reminders

- The Professional Standards regulations in 7 CFR 210.30 established hiring standards for new school nutrition program directors, hired on or after July 1, 2015, that manage and operate the National School Lunch and School Breakfast Programs. In addition, the regulations established annual training standards for all school nutrition program directors, managers, and staff which must be tracked.
- The [hiring standards for SFA directors](http://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/professional-standards-hiring-chart-by-district-size.pdf) are based on the size of the SFA and includes education, school nutrition experience and food safety training requirements (<http://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/professional-standards-hiring-chart-by-district-size.pdf>).

Findings and Corrective Action Needed: Professional Standards

- Finding:** The Food Service Director was hired after July 1, 2015 and did not have the minimum *school* food service experience for this SFA at the time.

Corrective Action Needed: Complete the Professional Standards Exemption form and submit to Karrie Isaacson @ karrie.isaacson@dpi.wi.gov for review.

Food Safety and Buy American

Commendations/Comments/Technical Assistance/Compliance Reminders

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.

SFAs must monitor contractor performance as required in 2 CFR Part 200.318(b), formerly in 7 CFR Part 3016.36(b)(2), to ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.

- If no country of origin is identified on the label, than SFA must get certification from the distributor or supplier stating: “We certify that (insert product name) was processed in the U.S. and contains over 51% of its agricultural food component, by weight or volume, from the U.S.” This can be accepted within an email.
- What is acceptable to determine compliance on a label? Label should indicate if the product is grown, processed and packed in the continental U.S. and any U.S. Territories. **If the label indicates that product is distributed or packed in the U.S, but the country of origin is not listed, this product requires the distributor’s certification as mentioned above.**
- The following products were identified in SFA’s storage area and did not have proper labeling to identify the country of origin. Any product that does not identify the country of origin now requires certification from the manufacturer or distributor. Work with your distributor/supplier to move toward compliance.
 - Oats- *distributed* in Arkansas
 - Olive oil- *distributed* in Arkansas
 - Mayo- *distributed* in Arkansas
 - Zesty Italian dressing- *distributed* in Arkansas
 - Chili powder- *distributed* in Arkansas
 - Rubbed sage- *distributed* in Arkansas
 - String cheese- *distributed* in Wisconsin

Findings and Corrective Action Needed: Food Safety and Buy American

- **Finding #1:** 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:
 - Mandarin oranges- product of China
 - Tomatoes- Mexico

Corrective Action Needed: Begin using a Noncompliant Product List for tracking nondomestic 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](https://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/buy-american-noncompliant-list.docx) is located on the procurement webpage (<https://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/buy-american-noncompliant-list.docx>).

- **Finding #2:** It was observed that insulated milk barrels are being used, but the agency is not discarding milk at the end of service per the Time as a Public Health Control SOP within the food safety plan. The milk barrels are adequately maintaining the temperature of the milk at or below 41 degrees F.

Corrective Action Needed: Replace the current milk barrel SOP with the DPI SOP template that allows monitoring of temperature and reuse of milk if the temperature is maintained at 41 degrees Fahrenheit or below. Please provide a copy of the SOP to the nutrition program consultant.

- **Finding #3:** No annual food safety plan review completed.

Corrective Action Needed: Review entire food safety plan and update as needed. Document date and name of reviewer on the Food Safety Plan Review page. Submit completed Food Safety Plan Review page as an attachment to assigned DPI Nutrition Program Consultant via email.

Summer Food Service Program (SFSP)

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 St. Ann's School, 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 your 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

5. OTHER FEDERAL PROGRAMS REVIEWS

Special Milk Program (SMP)

Commendations/Comments/Technical Assistance/Compliance Reminders

Only unflavored milk is allowable for students not yet in kindergarten who are being served under the updated CACFP meal pattern. This includes milk offered in Special Milk Program. Flavored milk may not be served. Children 2-5 years old and not yet in kindergarten should be served unflavored low-fat (1%) or unflavored fat-free (skim) milk. The Smarter Lunchrooms Movement has strategies to encourage the consumption of unflavored milk (<https://www.smarterlunchrooms.org/scorecard-tools/smarter-lunchrooms-strategies#Milk>).

Findings and Corrective Action Needed: SMP

❑ **Finding:** the 1718 SY online contract states that the agency operates a "pricing program" with free milk option for those that qualify. Upon review, the agency is really a "nonpricing program", not charging households, and claiming all milks in the paid category.

Corrective Action Needed: Update your 1718 SY online contract to align with your actual practice. Change the SMP dropdown on the SFA-wide and site-specific policy statement pages to read, "nonpricing".

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 your students' success.

For more information on this initiative, please visit the Wisconsin DPI [Every Child a Graduate](https://dpi.wi.gov/statesupt/every-child-graduate) webpage (<https://dpi.wi.gov/statesupt/every-child-graduate>).

