

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

School Food Authority: Watertown Unified School District

Agency Code: 28-6125

School(s) Reviewed: Lincoln Elementary and Douglas Elementary

Review Date(s): December 11-13, 2017

Date of Exit Conference: Dec 13, 2017

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 Watertown Unified School District for the courtesies extended to us during the on-site review and for being available to answer questions and provide 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. All files were thoroughly completed and readily available. We found the director and food service administrative staff to be knowledgeable, prepared and organized.

The staff at Lincoln and Douglas Elementary Schools were friendly and receptive to our recommendations and guidance. The DPI review team appreciates the eagerness of the staff at Watertown Unified School District for their willingness to make changes to meet school nutrition program regulations. The staff is concerned for the nutritional well-being of their students as evidenced through their adherence to food safety, menu, service, civil rights, local wellness and water availability. We were impressed during meal service that the servers looked very professional in their uniform shirts and treated students with care and kindness.

The school nutrition section of the school district's website is informative and very professional. With information from Nutrislice, they include facts and pictures for a Harvest of the Month fruit or vegetable, plus nutrition fact labels for menu items as a reference for parents and students. The Local Wellness Policy was recently updated to include all pertinent sections and was communicated to district families.

Watertown Unified School District is in superior standing of compliance with school nutrition program regulations and continue to improve their knowledge and operation of child nutrition programs.

REVIEW AREAS

1. MEAL ACCESS AND REIMBURSEMENT

Certification and Benefit Issuance

Comments/Technical Assistance (TA)

- Four hundred and fifty eligibility determinations were reviewed with only one identified error, which was corrected onsite.
- The administrative office person completed the application approval process flawlessly and followed through the verification process with documented details.

Free and Reduced Price Meal Applications

- Applications are reviewed in a timely manner, with an eligibility determination made, the family notified of its status, and the status implemented within 10 operating days of the receipt of the application. Watertown uses a great practice of switching the color of the application packet material each year to help identify the current files.
- All free/reduced applications and the direct certification runs were available for review.
- This SFA approved applications using the correct [Income Eligibility Guidelines](#) and took the single frequency as appropriate rather than calculating all applications to an annual amount.

- When a household has income in addition to a loss from a business, that income must be included on the free and reduced application in full and is not offset by the business loss. A business loss (negative dollar amount) would become \$0 for the income on the application. Great job with all annual income applications.

Annual Income

- There has been a recent modification to the requirement pertaining to the reporting of annual income on an application. USDA released SP-19, 2017 on March 20, 2017 allowing households to report current income as an *annual figure*. Annual income is typically reported for households with jobs that are seasonal, self-employed, or agricultural work since that is a more accurate representation of *current income*. These applications may now be processed at face value. However, most households that receive regular pay checks, will report income based on what is *currently earned* and the frequency of that pay, i.e. weekly, biweekly, bimonthly or monthly.

Household Size Box

- 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. This was completed correctly with notes when a household was contacted for clarification.

Application Forms

- If an SFA wishes to change the look or format of the application for Free or Reduced-price school meals or other forms in the application packet, that document needs to be approved by the School Nutrition team at DPI.

Effective Date of Eligibility

- Current students with eligibility carry-over from the prior school year, may keep that status for the first 30 operating days of school or until a new determination is in effect. There is not a “temporary status” for applicants.
- SFAs may establish the date of submission of an application as the effective date of eligibility, rather than the date the application is reviewed and eligibility is determined. This flexibility applies only to complete applications containing all required information. See SP 11-2014 for more information. The SNT must be contacted prior to implementing this flexibility for approval. Contact Karrie Isaacson at karrie.isaacson@dpi.wi.gov for more information and approval.

Public Release

- (TA) All SFAs are required to distribute a [Public Release](#) before the start of the school year. 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.

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.
- This district provides materials in Spanish.
- 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.

Direct Certification

- Thank you for running the Direct Certification matches in the required time frames, when you receive a new student and other times to pick up any newly eligible students.

Transferring Students

- When a child transfers to a new school within the same Local Educational Agency (LEA), the new school must accept the eligibility determination from the child's former school, if the child has an individual eligibility determination.
- 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. Wisconsin DPI requires source documentation of the student's previous eligibility. The transfer of eligibility between LEAs for students attending CEP schools will be required by July 1, 2019.

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. Consent must be obtained each school year. Find the [Sharing Information with Other Programs](https://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/sharing-info-other-programs.doc) 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](https://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/disclosure-agreement.docx) form is located on the SNT website ([http://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/disclosure-agreement.docx](https://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/disclosure-agreement.docx)).

Findings and Corrective Action Needed: Certification and Benefit Issuance

- ❑ **Finding #1:** One application was found with a discrepancy between the number of names on the application and the total in the household size box. The students were coded as HEAL1 and HEDA2. Please contact the household to see which number is correct so the correct meal benefits can be provided to the household.

Corrective Action Needed: The household was contacted; they forgot to add one name when the application was submitted, so upon addition the benefits were correct. **This finding was corrected onsite 12-11-17.**

- ❑ **Finding #2:** The letters to parents indicating meal benefits' approval or denial must contain the entire current non-discrimination statement. Please change the nondiscrimination statement on all template letters used from the software system as notification to households about meal benefit approval or denial. The system had the short one sentence statement rather than the complete statement.

Corrective Action Needed: Please send a statement of the timeline to enter the correct nondiscrimination statement into the software for compliant letters to send to households in the future.

Meal Counting and Claiming

Appreciation/Commendations/Noteworthy Initiatives:

The staff at the reviewed elementary schools worked well to serve meals to students in a caring manner. The colored uniform shirts looked professional and clean. The cafeterias had great signage and water in coolers with glasses available. It was nice to see an eye-appealing presentation of menu item choice of entrees, even at the elementary schools, which helps keep participation in the school nutrition programs.

The Point of Service system, Lunch Box, has an option to select the homeroom where the cashier picks out the students who participate in the meal programs.

Comments/Technical Assistance (TA)

- Meals must be offered to all students each day school is in session a full day, so DPI has created [Field Trip meal resources](https://dpi.wi.gov/school-nutrition/national-school-lunch-program/menu-planning) to help schools offer student meals, including a SOP template (https://dpi.wi.gov/school-nutrition/national-school-lunch-program/menu-planning).
- The meal counting and claim for the Review Month was conducted perfectly. Thank you for using the Edit Check before submitting claims for meals and milk.
- 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.

2. MEAL PATTERN AND NUTRITIONAL QUALITY

Commendations

Thank you to the food service staff at Watertown Unified School District for the organized, thorough documentation provided prior to the review. Having this information in advance helped to expedite the review process. The food service staff is doing a wonderful job. They are friendly, professional and up-to-date with USDA regulations. They have a good working knowledge of weight versus volume and clearly take pride in what they do.

The monthly menu features creative menu names such as "awesome applesauce," "jolly giant green beans," and "crazy 4 carrot sticks," which is a nice Smarter Lunchroom technique for making foods

more appealing to students. Additionally, the point of service (POS) staff member at Lincoln had positive interactions with the students and spent time helping them learn their PIN numbers at breakfast. Keep up the great work! You are all making a difference to the students in this district.

Comments/Technical Assistance/Compliance Reminders

Documentation

In order to accurately document the items that were offered as part of the reimbursable meal, items should be recorded by type on the production record (for example, if a variety of cereal is offered, each type should be recorded with planned number of servings, actual number prepared, leftover, etc.). This is especially important when different varieties credit differently or have different dietary specifications. If the same varieties are offered consistently, a recipe may be developed and then the total usage may be recorded instead of by type. However, a recipe would need to be developed for each site based on actual usage for a week and updated at least twice per year. Additionally, actual products served (e.g. fresh fruit type/s, breakfast to-go pack) must be documented on the production record.

Currently, production records do not document all required information. A list of production record requirements (“Must haves and Nice to haves”) can be found on our [Production Records](http://dpi.wi.gov/school-nutrition/national-school-lunch-program/menu-planning/production-records) webpage (<http://dpi.wi.gov/school-nutrition/national-school-lunch-program/menu-planning/production-records>). This list requires that the planned number of portions, total purchase units prepared, total number of portion prepared and number of portions leftover are all included. However, the production record template in use has columns for planned quantity (which is sometimes used to document total quantity and sometimes used for number of portions), served quantity and leftovers. Portion sizes for anything not prepackaged at breakfast (such as pre-portioned bulk applesauce) must also be documented rather than listing it as “each”.

Meal Pattern Crediting/Portion size

The planned portion size for pork taco filling used in the nacho recipe was a scant 3oz spoodle intended to provide 3.17 oz by weight and 2 oz eq meat/meat alternate (m/ma). Scant and heaping servings are not recommended as this makes it difficult to provide consistent portions. Rather, a different serving utensil should be used to ensure the planned portion is provided. This may mean using a scoop versus a spoodle or two scoops with a smaller utensil. For the pork taco filling, it was determined that a 2 oz spoodle provides 2.25 oz (1.25 oz eq m/ma), a 3 oz spoodle provides 3 oz (1.75 oz eq m/ma) and a #12 scoop provides 3.25 oz (2 oz eq m/ma).

The Go-gurt served the day of observation only credited as 0.5 oz eq m/ma. It was offered along with a 1 oz eq grain product, so all daily minimum requirements were met. However, the Go-gurt was not enough to credit as a full food item. This should be considered when planning future menus and also communicated to staff checking for reimbursable meals. One student was observed leaving the line with a milk, juice and Go-gurt and therefore, this meal was not reimbursable.

Breakfast participation and alternative service models

While it was not a review site, we are excited to hear that Watertown High School has started offering a second chance breakfast this school year. We encourage the district to consider the possibility of additional alternative service or financial models to help increase breakfast participation. Breakfast in the Classroom often works well for Elementary students. Additionally, Elimination of Reduced Price Breakfast could be a feasible option to increase reduced price student participation without a significant loss in revenue to the district. Our [breakfast resources webpage](https://dpi.wi.gov/school-nutrition/school-breakfast-program/resources) (<https://dpi.wi.gov/school-nutrition/school-breakfast-program/resources>) has a lot of information about the different breakfast

service and financial models for your reference. If you ever have questions on breakfast models or ideas to increase participation, please contact [Tracy Huffman](mailto:tracy.huffman@dpi.wi.gov) (tracy.huffman@dpi.wi.gov).

Findings and Corrective Action Needed

❑ **Finding #3:** The planned serving size for scrambled eggs at breakfast on 11/9/17 was a 2 oz spoodle. However, the weight of this serving is needed to determine how it credits towards meal pattern requirements.

Corrective Action Needed: The next time this item is served, document the weight of a 2 oz serving and submit this information.

❑ **Finding #4:** A complete standardized recipe was not available for the Spanish rice.

Corrective Action Needed: Develop and submit a standardized recipe for the Spanish rice.

❑ **Finding #5:** Juice is offered daily at lunch along with fresh and canned fruit, but students are limited to one ½ cup fruit choice. For the purposes of assessing the juice limit, an “offering” of fruits or vegetables is defined as the amount a child is able to select at a given meal, regardless of the number of options/variety of fruits or vegetables. The total amount of juice available at all meals over the course of the week (separately for lunch and breakfast) is then divided by this total fruit offering to determine the weekly juice offering. No more than half of the total fruit offering may be in the form of juice. Therefore, the planned lunch menu is exceeding the weekly juice limit.

Corrective Action Needed: It was decided that juice will only be offered on Wednesdays and Fridays at lunch for the elementary schools. A memo was sent out during the on-site review regarding this change. **No further action needed.**

❑ **Finding #6:** Signage helps students understand what components make up a reimbursable meal. Your signage featured pictures of the daily lunch items and was very impressive! However, the lunch signage was missing a statement stating that students must take at least ½ cup fruit, vegetable or combination.

Corrective Action Needed: Please add a statement to your current signage or post a supplemental sign that states the student must take at least ½ cup fruit, vegetable, or combination. Submit a picture or copy of the change/additional made.

❑ **Finding #7:** Breakfast production records do not currently document the specific fruit, cereal and breakfast kits offered.

Corrective Action Needed: Submit one week of production records showing that these items are being documented and that the production records are meeting all production record requirements.

Once the Public Health Nutritionist has all crediting documentation and updated standardized recipes for the week of review, it can be analyzed to determine if the meal patterns for the National School Lunch Program and School Breakfast Program are being met. Until that time, the review cannot be closed. Please be aware that the possibility to conduct a weighted nutrient analysis exists if substantial errors are found. Additional errors may also be subject to fiscal action. Thank you.

3. RESOURCE MANAGEMENT

Nonprofit School Food Service Account Comments/Technical Assistance (TA)

- The consultant addressed financial topics with the Director of Business including a review of the annual financial report of the agency's Child Nutrition Program, which provides you with a compilation of meals claimed, your reported revenues and expenditures, amount of federal reimbursement received and per meal costs for lunch and breakfast.
- The Aids Register shows the amount deducted from reimbursement to pay for shipping, handling and processing costs of USDA Foods and to track all program deposits made to the agency's account. Both resources are accessible from our [Online Services](https://dpi.wi.gov/nutrition/online-services) webpage (dpi.wi.gov/nutrition/online-services).
- SFAs must limit the net cash resources in order to not exceed three months average expenditures.
- 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](#) may be found our Financial Management webpage (<https://dpi.wi.gov/school-nutrition/national-school-lunch-program/financial>).

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
- Thank you for providing Watertown Unified School District's completed Unpaid Meal Policy #3621.2 and that it was communicated to all households before school started. It is noted there are different policy statements for Elementary schools and Secondary Schools. The district provides a mini meal at no charge to the students and it is not claimed for reimbursement.
- The general fund or a non-federal fund or must cover the cost of providing a mini meal for students without sufficient money in their accounts to cover meals.
- (TA) It is noted that the district is reviewing the policy to conform to the procedure of not refunding money less than \$10.00 at a time determined to be when the student leaves the district. This will be deleted as USDA requires that all money in accounts must be returned to the household or follow unclaimed asset rules as per a [Financial Question and Answer document](https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/financial-questions-answers.pdf) from DPI in October 2017 (<https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/financial-questions-answers.pdf>).
- 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 that must be followed (<https://www.revenue.wi.gov/DOR%20Publications/pb82.pdf>).

Paid Lunch Equity (PLE)

Comments/Technical Assistance (TA)

- Thank you for completing the Paid Lunch Equity tool each year and adhering to the pricing requirements.
- Great job running this tool! The SFA's current weighted average for 2017-18 SY tool is \$2.50 toward the USDA weighted average of \$2.64.
- Refer to the [PLE 'In a Nutshell'](#) for more information on the PLE tool.
- Step-by-step instructions to completing the PLE tool can be found on our [financial website](#) under Paid Lunch Equity.

Revenue from Nonprogram Foods

Comments/Technical Assistance (TA)

- 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. Thank you for completing and analyzing the calculator for an average 5 day reference period and to use this as a tool for setting prices for food sales.
- (TA) Meals sold to the Joint Agreement sites should be calculated much like an adult meal since no reimbursements or USDA Food value are reimbursed for the meals produced and delivered.
- 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.
- 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>).

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

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 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.

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) (<http://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/nonprogram-foods-in-a-nutshell.pdf>)

Indirect Costs

Comments/Technical Assistance (TA)

- DPI does not allow the annual assigned indirect cost rate to be applied to Fund 50; any costs assessed to foodservice must be based on documented and justifiable costs for each school building as they pertain to your school situation rather than an indirect cost rate. This has been handled correctly with a separate meter for electric and gas attributed to food service.

4. GENERAL PROGRAM COMPLIANCE

Civil Rights

Comments/Technical Assistance (TA)

Nondiscrimination Statement

- 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.

And Justice for All Poster

- “And Justice for All” posters are posted in public view where the program is offered.

Civil Rights Training

- Civil rights training is conducted on a yearly basis for all staff and volunteers who administer any portion of a school nutrition program.
- Documentation was sent to show attendance at the annual training.

Civil Rights Self-Compliance Form

- The [Civil Rights Self-Evaluation Compliance](#) form was completed by October 31 annually.

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 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.

- 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.

Overt Identification

- The meal counting system, Lunch Box, must prevent overt identification of students receiving free and reduced price benefits.

Processes for complaints

- Watertown Unified School District Policy #5360.1 about Student Discrimination Complaint Procedures must have a process for receiving and processing complaints alleging discrimination within the school meals program.
- An 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).
- (TA) The district's procedures has a section for Federal programs, but it does not specify school meal programs under National School Lunch Program or School Breakfast Program with referral to USDA's Office of the Assistant Secretary for Civil Rights.

On-site Monitoring

Comments/Technical Assistance (TA)

- Every school year, each SFA with more than one school must perform no less than one on-site review of the meal counting and claiming system and the readily observable general areas of review identified under 7 CFR 210.18(h) in each school operating the NSLP and 50% of schools operating the SBP administered by the SFA; this is due by February 1. This was done for all schools correctly.

Local Wellness Policy

Comments/Technical Assistance (TA)

- The local wellness policy for Watertown Unified School District Policy #3620.1 contained all of the USDA requirements, as revised July 24, 2017. It contains:
 - Specific goals for nutrition promotion and education, physical activity, and other school-based activities that promote student wellness. LEAs are required to review and consider evidence-based strategies in determining these goals. Watertown is using at least 26 Smarter Lunchroom Movement Techniques to achieve a silver Healthier US School Challenge (HUSSC) award status.
 - Standards and nutrition guidelines for all foods and beverages sold to students on the school campus during the school day that are consistent with Federal regulations for school meal nutrition standards, and the Smart Snacks in School nutrition standards.
 - Standards for all foods and beverages provided, but not sold, to students during the school day.

- Plan for measuring policy implementation.
- Designation of the District Superintendent or designee as being ‘in charge’ of the policy.
- An assessment of the policy every three years to determine compliance with the wellness policy, how the wellness policy compares to model policies, and progress made in attaining the goals of the wellness policy. SFAs must make the Triennial Assessment available to the public. In addition, SFAs must make available to the public the wellness policy and any updates to the wellness policy on an annual basis.
- Congratulations on a well-written local wellness policy! The committee should be complimented on working together to accomplish this goal.

Smart Snacks in Schools

Comments/ Technical Assistance (TA) from the Public Health Nutritionist

- The Smart Snacks Final Rule, published in the Federal Register on July 29, 2016, finalized science-based nutrition guidelines for competitive foods sold on the school campus during the school day. Foods and beverages sold in schools must meet both the general standards and nutrient standards if they do not qualify for an exemption.
- The Wisconsin Department of Public Instruction 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 this may not occur in the meal service area during meal service times.
- There is no required template that must be used to track fundraisers or products sold that are subject to Smart Snacks standards. However, tracking tool templates are available on the [Smart Snacks page](#) of our website and may be helpful in tracking this information (<https://dpi.wi.gov/school-nutrition/national-school-lunch-program/smart-snacks>).

Findings and Corrective Action Needed: Smart Snacks in Schools

☐ **Finding #8:** One exempt fundraisers was held during the 17-18 school year at Douglas Elementary, which is in compliance with the Wisconsin DPI allowance of two exempt fundraisers per student organization per school per school year. However, this fundraiser was not documented.

Corrective Action Needed: Submit a written statement describing your plan for tracking future fundraisers including who will be responsible for doing so.

Professional Standards

Comments/Technical Assistance (TA)

- 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.
- 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.
 - **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.

- This SFA clearly documented all staff training information and maintained a 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.
- (TA) Training must be offered and documented for non-school nutrition staff with duties in the school nutrition program, such as school staff that work as cashiers for the meal programs

Food Safety, Storage and Buy American

Comments/Technical Assistance (TA)

[A Flash of Food Safety](http://www.fns.usda.gov/ofs/food-safety-flashes) is a video series designed to help school nutrition professionals understand and apply safe food practices (www.fns.usda.gov/ofs/food-safety-flashes). The [Office of Food Safety](http://www.fns.usda.gov/ofs/food-safety) website (www.fns.usda.gov/ofs/food-safety) includes food safety resources.

Food Safety Inspections

- Food safety inspection reports are conducted according to schedule and posted in public view.

Temperatures

- All cooling equipment have the internal temperatures taken and recorded daily on temperature logs. The logs are kept on file.

Food Safety Plans

- The Food Safety Plan was available for review. It was obvious in observing the food service manager/director at work that they are very knowledgeable about food safety practices and safe food handling. All temperature logs, calibration logs, and sanitizing solution logs were up-to-date.
- All schools have a comprehensive, site-specific food safety plan on-site which includes all process 1, 2, and 3 items, all applicable standard operating procedures (SOP), all equipment, and a listing of food service staff at that site. The food safety plan is reviewed annually. Thank you for maintaining the food safety plans for each school. A prototype food safety plan template as well as template SOPs may be found on the [SNT Food Safety](https://dpi.wi.gov/school-nutrition/food-safety) webpage. (<https://dpi.wi.gov/school-nutrition/food-safety>)

Time as Public Health Control

- When using "Time as a Public Health Control:"
 - The internal temperature must be at or below 41 degrees Fahrenheit (°F) at the beginning of the holding period for cold time/temperature control for safety (TCS) food.
 - TCS food can be held up to 6 hours at an internal temperature between 41°F and 70°F under monitored conditions. Provisions must be made to discard product if the 6 hour time limit is exceeded, the temperature of the cold TCS food rises above 70°F, or the food is removed from service.
 - Hot TCS foods can be held up to 4 hours at an internal temperature greater than 70°F. Provisions must be made to discard product if the 4 hour time limit is exceeded, the temperature of the hot TCS food falls to 70°F, or the food is removed from service.

- **There can be no leftovers and no reuse of the items covered under this plan.** Thus, if any TCS food is held without mechanical refrigeration during service, including TCS foods on garden bars, all leftover TCS food must be discarded.

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. A reply offer to comply with Buy American terms in a solicitation ensures contractors are aware of Buy American requirements. Furthermore, bidder assurance of the Buy American provision ensures that the bidder is responsive and responsible to the solicitation.
- 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.
- (TA) 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. These items were found in storage without an identified country of origin: onion powder, syrup, ketchup, baked beans, pizza (Big Daddy’s), sausage links, margarine and cottage cheese.
- 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.
- Any substitution of a non-domestic product for a domestic product (which was originally a part of the RFP), must be approved, in writing, by the food service director, prior to the delivery of the product to the school.
- Any non-domestic product delivered to the school, without the prior, written approval of the Food Service Director, will be rejected. Should non-domestic substitutes that were not pre-approved in writing by the food service director be delivered to and rejected by the school, selected distributor(s) shall be held accountable for all over-claims that result from failure to meet the school’s required meal pattern.
- Agricultural products which are processed and produced outside of the U.S. may be accepted with proof from the manufacturer that poor market conditions exist (weather, and/or supply availability of market); this requirement applies to private labels as well as other labels.
- The SFA should maintain written procedures to ensure the product received and the 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](https://dpi.wi.gov/school-nutrition/procurement/buy-american/monitoring) (https://dpi.wi.gov/school-nutrition/procurement/buy-american/monitoring) are found on the procurement webpage under Buy American.
- 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.

- It is expected that the following products will require an exception to Buy American provisions: pineapple, mandarin oranges, olives, tuna, bananas and coffee.
- More information on this new requirement, including a tool to assist with tracking noncompliant 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>).

Findings and Corrective Action Needed: Buy American

- ❑ **Finding #9:** The following product was 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:

Olive oil from Italy, Spain, Tunisia, Morocco, and Turkey

Corrective Action Needed: Please check if the SFA is able to purchase another acceptable product or secure the information needed to complete the Noncompliant Product exception form. 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>).

Reporting and Recordkeeping

Comments/Technical Assistance (TA)

- Thank you for completing the required USDA and DPI reports and maintaining the paperwork in an organized manner. We would like to recognize, again, the organized and complete files presented to us for the on-site portion of the review. It is appreciated.

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

Comments/Technical Assistance (TA)

Breakfast Promotion

- In the packets sent to all households prior to beginning of the new school year, the school breakfast program is promoted. Efforts are made throughout the year to remind families of the breakfast program being offered. At the High School, the school nutrition staff has placed cards with school breakfast information on table and in the "Nest" area and on the serving line.

Summer Meals

- A goal of USDA Child Nutrition Programs is to ensure all students have access to healthy and nutritious meals year-round. Thank you for offering and informing families of how their students can receive a free meal in the summer months. Posters are distributed to local businesses, churches, the YMCA and Watertown Food Pantry in an effort to promote the summer meals at Watertown schools. Nice job!

5. OTHER FEDERAL PROGRAMS REVIEWS

Fresh Fruit and Vegetable Program (FFVP)

Comments/Technical Assistance/Compliance Reminders: Fresh Fruit and Vegetable Program

Operating Labor

Two hours of operating labor on 8/31/2017 were claimed at \$13.77 per hour for an employee for a FFVP “kickoff” event for families at the elementary school open house. This cost is unallowable for two reasons and resulted in fiscal action of \$27.54 and subject to the NSLP \$600 disregard as part of Watertown Unified School District’s Administrative Review.

1. This cost is unallowable because it is an August expense on a September claim. This claim was not a combined claim or an amended claim. In the future, if an expense from a prior month needs to be added to the following month’s claim, please submit an amended claim. Please contact a FFVP Coordinator to explain the situation and receive approval prior to submitting the claim.
2. Per FFVP guidelines, using operating funds for promotion is unallowable. The FFVP Proposed Rule lists promotional items, such as posters and buttons, and nutrition education materials as non-reimbursable costs. Operating costs should only include: buying fruits, vegetables, low-fat or non-fat dip for vegetables only; buying nonfood items like napkins, paper plates, serving bowls and trays, cleaning supplies, and trash bags; value added services such as pre-cut produce, ready-made produce trays, and delivery charges; and salaries and fringe benefits for employees who do such tasks as washing and chopping produce, preparing trays, distributing produce to classrooms, setting up kiosks, restocking vending machines, and cleaning up.

The only time promotion is an allowable cost is when it is an administrative cost. According to the USDA FFVP Handbook, administrative costs can include salaries and fringe benefits for employees who coordinate nutrition promotion activities. Therefore, it would be allowable to claim labor as an administrative cost for administrative personnel to coordinate promotional activities.

Adult Participation

Either the teacher OR teacher’s aide may participate in the FFVP snack if they are directly responsible for serving the fruit/vegetable to students. If both the teacher and teacher’s aide are present during service, both cannot have the snack. One of them has to be deemed “directly responsible” for serving, and they would therefore be the only eligible to participate.

Program Promotion

Additional methods to help publicize the program are encouraged. Ideas for program promotion can be found on the [FFVP Program Promotion page](http://dpi.wi.gov/school-nutrition/ffvp/promotion) (<http://dpi.wi.gov/school-nutrition/ffvp/promotion>).

Findings and Corrective Action Needed:

❑ Finding #10: Documentation provided to validate the September 2017 FFVP claim for Schurz El showed that an August promotional operating cost was claimed for September. **This expense resulted in fiscal action of \$27.54 and subject to the NSLP \$600 disregard as part of Watertown Unified School District’s Administrative Review.**

Corrective Action Needed: Provide a written statement confirming understanding that only expenses obligated in a certain month can be included in that month’s claim. Please also confirm understanding that the only time promotion can be claimed as a cost is for the administrative labor it takes to coordinate the promotional activity. *This corrective action was completed prior to the on-site review. No further action needed.*

Wisconsin School Day Milk Program (WSDMP)

Comments/Technical Assistance (TA)

- Wisconsin School Day Milk Program requires the distribution of free milk to students eligible for free and reduced priced meals, but only for students in K-5th grade.
- Point of Service Counts (POS) for the Wisconsin School Day Program must be recorded by who “did” take milk at the time of service to the student.
- The claim was justified for milk served to free and reduced eligible students in the 2016 – 2017 school year.
- This SFA has begun claiming juice for appropriate students eligible for free or reduced benefits if they are not able to consume milk with the proper documentation.
- Milk break milks purchased by Paid students, not eligible for free milk benefits, must be included as a non-program food in the tool and on the annual financial report.

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!