



Administrative Review Summary and Corrective Actions

SFA Name:	Salem School District
SFA Code/ ID Number:	305068
Administrative Review Conducted on:	Wednesday, February 28, 2018

The purpose of this spreadsheet is to inform you of the results of the Administrative Review that was conducted on February 28, 2018 at an exit conference summarizing the findings that took place on the same day.

The Administrative Review (AR) is a comprehensive evaluation of the Local Education Agency's (LEA's) National School Lunch Program (NSLP) and School Breakfast Program (SBP). The AR consists of two performance standards. While findings were identified, the two performance standards reviewed were found to be satisfactory. During the Administrative Review, compliance with the new meal pattern requirements is also evaluated, at this time there are no menu findings that warrant the termination of the performance based reimbursement.

Section 207 of the Healthy, Hunger Free Kids Act amended section 22 of the NSLA (42 U.S.C. 1769c) to require State agency to post a summary of the most recent final administrative review results for each SFA on the State agency's publicly available website, and the SFA is strongly encouraged to post a summary on the SFA's public website. To meet this requirement, a copy of the full Administrative Review Summary Report will be posted on the School Nutrition Team website at <http://dpi.wi.gov/school-nutrition/national-school-lunch-program/administrative-review> within 30 days of the SFA receiving the final AR report.

This summary includes a comprehensive list of the technical assistance that was provided throughout the review as well as all findings that require a written response from the SFA. All items listed on the red Corrective Action tabs (Menu and Review) require a written response and must be submitted in writing to CN Resource, by **April 23, 2018**. Please complete the responses electronically. If any additional responses are needed, please respond on district letterhead. In addition to responding to the findings please ensure that additional training is provided to all staff to bring all finding areas into compliance. Failure to submit the required materials by the due date may result in the withholding of claims. Should corrective actions not be submitted, a follow-up review may take place to ensure all required corrective actions were completed and implemented system-wide as appropriate.

Fiscal action is required to be calculated per 7 CFR 210.18 for critical violations to reclaim unearned reimbursement. In addition, withholding of program payments is required if documentation of corrective action is not received within 30 days of the date negotiated at the exit conference, or as later extended upon written request if extraordinary circumstances delay completion of corrective action within the originally negotiated timeframe. Uncorrected errors are subject to reclaim for the entire school year.

Any potential fiscal action will be calculated once the corrective action responses have been received and approved. You have the right to appeal the denial of all or part of a claim for reimbursement or withholding of funds. If applicable, appeal rights will be provided with the notification of the fiscal action calculation. Please note, there is the possibility of a follow-up review should corrective action not be completed or to verify corrective action was completed system-wide, as appropriate.

I appreciate the courtesies extended by you and your personnel during the review. If you have questions or need assistance concerning the school food service program, please call our office.

Administrative Review Technical Assistance Summary

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Commendations & Suggestions

Outstanding job meeting all of the requirements for breakfast. All daily and weekly meal component and food quantity requirements were met for the week of menu review for the breakfast menu.

The Food Service Staff from Arbor have done an excellent job in providing a great breakfast and lunch for the Salem students. The first year can sometimes be very difficult but the staff seems to have all areas under control.

The administration staff were all very helpful . Susan Jarvis was very sick but came in to make sure I had all information I needed. After she left for the day Elaine Manker continued to do an amazing job answering questions. If she did not know the answered she went out of her way to find out where I could get the answer. All school staff were very helpful.

Thank you for completing the Paid Lunch Equity Tool each year and adhering to the pricing requirements for both paid student lunches and adult meals.

Other areas of Technical Assistance (Does NOT require SFA Response)

Menu Review- technical assistance was provided in an email to the SFA with the menu review results. Suggestions were provided to bring the menus into compliance.

Resource Management - Time Studies

The SFA should maintain an up-to-date time study to substantiate the allocation for janitor wages & benefits. DPI has an "annual time study tool" on their website, under "Budgeting and Cost Control": <https://dpi.wi.gov/school-nutrition/national-school-lunch-program/financial>

During the review, Local Wellness Policies were discussed with the SFA. The SFA is required to perform an assessment of the Local Wellness Policy at a minimum once every three years. The results of the assessment need to be made available to the public. The SFA should use the results of the assessment to determine any changes or updates that need to be made to the wellness policy.

Meal Charges:- The SFA feeds all students regardless of funds to pay for the meal. The SFA does need to have an official charge policy on file and available for parents.

SFA Name: <i>Salem School District</i>	Site(s) Selected for Review: 1 <i>Salem School District</i>	NSLP Grade Group: K-8	SBP Grade Group: K-8	<input type="checkbox"/> N/A
SFA ID Number: <i>305068</i>	2 <i>N/A</i>	NSLP Grade Group:	SBP Grade Group:	<input type="checkbox"/> N/A
Week of Menu Review: <i>1/8/18 - 1/12/18</i>	3 <i>N/A</i>	NSLP Grade Group:	SBP Grade Group:	<input type="checkbox"/> N/A

Menu Review Findings: Lunch

For the week of menu review, the lunch menu did not meet the minimum daily and weekly requirements for grain. A grain was offered daily, however the minimum daily and weekly requirements were not met.

Technical Assistance

During the Administrative Review the results of the menu review were provided in a detailed Menu Review Results Report. Recommendations were included to bring all areas into compliance. All menus served within the SFA for the National School Lunch Program must meet all daily and weekly meal pattern requirements for the specific grade group. The SFA was encouraged to provide training as needed to ensure compliance. Please note that per USDA guidance any repeat menu findings in future Administrative Reviews, may result in fiscal action.

For detailed regulations see: 7 CFR 210.10

Required Criteria for Response to Findings	SFA Response	CNR Internal Use	
		Appv.	Intls.
1. Provide a written statement that the daily and weekly grain requirements are now met. Include details to describe what specific changes were made to the menu to correct all menu review findings and bring the menu into compliance.			
2. Submit any necessary documentation to demonstrate that the menu findings listed under step 1 are now corrected. This documentation may include: production records, nutrition facts labels, Child Nutrition (CN) labels, and recipes. Reference the menu review results report for specific details and suggestions to bring the menu into compliance.			
3. List the steps that will be taken when a site does not have one of the planned menu items or there are insufficient quantities on the serving day.			
4. Provide a written statement that the serving line will be visually reviewed prior to service to confirm that all required components are available.			
5. Submit the position title(s) of the School Food Authority representative(s) that will oversee this area and ensure future compliance.			

SFA Name: Salem School District
 SFA Code/ID: 305068

Administrative Review Conducted: Wednesday, February 28, 2018
 Site(s) Selected for Review: Salem School District

Date Corrective Action Plan was provided to SFA: 3/23/2018

Due Date for Corrective Action Plan: 4/23/2018

The following pages address the findings that were identified during the Administrative Review. There is an area for a response for each finding.
Please enter the detailed response for each in the spaces provided .

Finding #1: Civil Rights			
The SFA is attempting to resolve complaints alleging discrimination within the FNS School Meal Programs			
Technical Assistance			
During the review the process for receiving and processing complaints alleging discrimination was discussed with the SFA. The SFA should not attempt to resolve complaints in-house and should forward all complaints to the appropriate outside agency.			
FNS Instruction 113-1 Section XV Complaint Procedures			
Required SFA Response	SFA Response	CNR Internal Use	
		Appv.	Intls.
1. Provide the date that the finding was brought into compliance or the planned date of completion.			
2. Provide the name(s) and title(s) of the SFA representative(s) that will ensure compliance.			
3. Provide a statement of assurance that all alleged civil rights complaints regarding the meal programs will not be handled internally and that the complaints will be forwarded to the appropriate agency.			

Finding #2: Civil Rights			
The SFA did not provide the yearly civil rights training for the appropriate staff. Non-nutrition Staff			
Technical Assistance			
During the on-site review the requirement to provide a yearly civil rights training was discussed with the SFA. The SFA must provide civil rights training at least once a year to all frontline staff and supervisor and maintain all required documentation.			
FNS Instruction 113-1 Section XI Training			
Required SFA Response	SFA Response	CNR Internal Use	
		Appv.	Intls.
1. Provide the date that the finding was brought into compliance or the planned date of completion.			

2. Provide the name(s) and title(s) of the SFA representative(s) that will ensure compliance.			
3. Provide civil rights training to all appropriate staff. Non-nutrition staff.			
4. Provide a statement of assurance that civil rights training will be provided annually to all appropriate staff.			

Finding #3: Professional Standards

The SFA is not tracking training hours.

Technical Assistance

During the review, training requirements were discussed with the SFA. To be in compliance, the SFA must track the hours of training completed by all School Nutrition staff. For further information, please see the USDA's Guide to Professional Standards for School Nutrition Programs.

210.30(g) School food authority oversight.

Required SFA Response	SFA Response	CNR Internal Use	
		Appv.	Intls.
1. Provide the date that the finding was brought into compliance or the planned date of completion.			
2. Provide the name(s) and title(s) of the SFA representative(s) that will ensure compliance.			
3. Provide a statement of understanding that the SFA must track the hours of training completed by all School Nutrition staff.			
4. Provide a copy of the tracker that will be used by the SFA.			

Finding #4: Resource Management

The SFA charged unallowable costs to the food service account.

Technical Assistance

Expenses charged to the food service account must be necessary, reasonable and allocable. During the review, it was determined that the SFA charged unallowable costs to the food service program (see list below). The SFA is responsible for ensuring no unallowable purchases are made using food service funds, and should have internal controls in place to prevent such unallowable costs from occurring. Examples of internal controls include staff training on allowable costs, developing written policies & procedures so only trained, authorized personnel can approve food service expenses, and segregation of duties. An extensive list of allowable and unallowable costs can be found in 2 CFR Part 200, Subpart E.

DPI does not allow the annual assigned indirect cost rate to be applied to Fund 50. For both public and private schools in Wisconsin, any costs assessed to food service must be based on documented and justifiable costs for each school building as they pertain to your school situation rather than on the indirect cost rate.

(1) The SFA charged utilities to Fund 50, but did not have the documentation to substantiate this allocation. \$3,000 was charged for gas, \$8,977 for electricity, and \$2,000 for sewerage in SY 16-17, based on a percent determined in SY 13-14. Although the cost is reasonable and necessary, the cost must also be allocable. Costs must be assigned to cost objectives based on the benefit received (DPI does not allow indirect costing). The SFA did not have proper documentation substantiating the benefit the food service program received from the utilities. This could be done through usage studies or some other sort of direct measurement of utilities used by the food service program versus the rest of the school (such as a separate meter for the kitchen, or annual electricity consumption of an appliance per the manufacturer). The SFA will need to provide this documentation as part of their corrective action response, or the cost will be considered unallowable due to it not being allocable and Fund 50 will need to be reimbursed. It was suggested that the SFA stops charging utilities to the food service account, since the SFA has other allowable costs that are currently being paid for by the general fund, but could be charged to Fund 50.

(2) The SFA charged \$2,750 of maintenance expenses to Fund 50, based on an estimation of time that the school's maintenance workers spent repairing and maintaining for food service. Estimation is not an allowable way to allocate expenses. The SFA did not have proper documentation substantiating the benefit the food service program received from the maintenance services. The maintenance workers should log the time spent on food service jobs.

For detailed regulation see: 2 CFR 200 Subpart E

Required SFA Response	SFA Response	CNR Internal Use	
		Appv.	Intls.
1. Provide documentation showing the food service account was reimbursed for any unallowable costs charged in the previous school year. If the SFA has new documentation to support all or a portion of the expenses as allowable to the food service account, the SFA may provide this documentation. Examples include usage studies, time studies, or other calculations/documents showing that the expenses were reasonable, necessary, and allocable to the food service program.			

2. Explain how internal controls have been improved to prevent unallowable costs from being charged to the food service account in the future. This could include additional staff training, written policies & procedures on charging expenses to the food service account, a list of unallowable costs that will no longer be charged to food service, improved segregation of duties, etc.			
3. Provide the name(s) and title(s) of the SFA representative(s) that will ensure compliance in the future.			

Finding #6: Resource Management

The SFA sold nonprogram foods, but did not determine compliance with nonprogram food requirements.

Technical Assistance

The SFA has not determined compliance with nonprogram food revenue requirements. The DPI NonProgram Food Revenue Tool should be completed every year. You can use a 5-day reference period to complete the tool. This tool should include adult/staff meals, extra milks, extra entrees, etc. as your nonprogram foods. If the tool shows you are out of compliance, you need to increase nonprogram food prices. A copy of the DPI tool and instructions can be found on the DPI financial website under "NonProgram Food Revenue": <https://dpi.wi.gov/school-nutrition/national-school-lunch-program/financial>

For detailed regulation see: 210.14(f) Revenue from nonprogram foods.

Required SFA Response	SFA Response	CNR Internal Use	
		Appv.	Intls.
1. Watch the Nonprogram Foods Revenue Tool webinar (https://media.dpi.wi.gov/school-nutrition/nonprogram-food-revenues/story_html5.html) and provide a copy of the completed quiz questions.			
2. Submit a completed copy of the DPI NonProgram Food Revenue Tool. If the tool shows you are out of compliance, include a written statement explaining how nonprogram food prices will be increased to come into compliance.			
3. Provide a written statement of understanding that the DPI Nonprogram Food Revenue Tool will be completed each year. This should include a timeframe for when the tool will be completed and assurance that the SFA will take the necessary steps to come into compliance if the tool shows they did not generate sufficient nonfederal revenue.			
4. Provide the name(s) and title(s) of the SFA representative(s) that will ensure compliance.			

Check the confirmation check box, sign and date the form (typing in your signature is acceptable) and upload the signed copy to cnrsupport.com by the due date indicated.

By checking this box you confirm that all of the above responses have been reviewed and are representative of practices within the SFA. In addition the SFA ensures that additional training will be provided to all applicable staff to bring all finding areas into compliance moving forward.

If you have any questions, feel free to contact CN Resource at your convenience. Thank you.



Administrative Review Team

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