

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

School Food Authority: Kiel School District

Agency Code: 362828

School(s) Reviewed: Kiel Middle School

Review Date(s): Jan 10-12, 2017

Date of Exit Conference: Jan 12, 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, 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 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 webpage dpi.wi.gov/school-nutrition/training/goal-oriented-achievement-learning-skills.
- SFAs are required to have a local meal charge policy in place no later than July 1, 2017. More information, resources, and best practices may be found on the Wisconsin DPI School Nutrition Financial Management webpage dpi.wi.gov/school-nutrition/national-school-lunch-program/financial, scroll down to the unpaid meal charges section.

Appreciation/Commendations/Noteworthy Initiatives:

Thank you to the staff at Kiel for the courtesies extended to us during the on-site review. Thank you for being available when answering questions and providing additional information. All were very receptive to recommendations and guidance. 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. Corrine and staff do an outstanding job with providing meals to students while striving to meet all regulations. They should be commended for their efforts.

REVIEW AREAS

1. MEAL ACCESS AND REIMBURSEMENT

Comments/Technical Assistance/Compliance Reminders

Household Size Box

If the Total Household Members box has not been completed, the SFA is required to follow up with the household to confirm the total number of household members. It cannot be assumed that the number of people listed on the application is the total number of household members. This box has been added as an edit check to ensure all members of the household are included and can make a difference in the eligibility determination. Per clarification from the USDA Regional office, any application that does not have this box completed is considered an incomplete application. **Technical assistance** was provided regarding household members.

Incomplete Applications

Any application that is missing required information, contains inconsistent information, or is unclear is considered an incomplete application and may not be determined until clarified. The SFA may return the application to the household or contact the child's parent or guardian either by phone, or in writing, including email. The determining official should document the details of the conversation, date, and initial. Applications missing signatures must be returned to the parent to obtain. Reasonable effort should be made to obtain the missing information prior to denying the application.

Findings and Corrective Action Needed

Finding #1: It was found there were several applications that did not list all names of household member. The reviewed applications indicated a larger household number than the number of members listed. SFA did not follow up to verify the inaccuracies.

Corrective Action Needed: Please contact families to confirm household size. SFA did contact families and confirm household member size. There was no change in benefits to families. No further action is needed.

Finding #2: It was found that there was an application that was determined incorrectly.

Corrective Action Needed: SFA contacted family to confirm income information reported on application. Thus resulting in a change of benefits. Family will be contacted of the change. No further action is needed. Fiscal action will be applied as required.

2. MEAL PATTERN AND NUTRITIONAL QUALITY

Commendations and Appreciations

Sincere thanks to the Nutrition Director of Kiel Area School District. We appreciate your time and efforts spent preparing for and participating in the administrative review. Open communication helped identify the strengths and areas of opportunity for the food service throughout Kiel Area School District.

Technical Assistance and Program Requirement Reminders

Crediting Documentation

Acceptable crediting documentation was not available for GFS Cooked Ham or GFS Turkey Breast. These processed foods must be accompanied by a product formulation statement (PFS) or a Child Nutrition (CN) label to sufficiently document meal component crediting. Please provide crediting information for this product by securing a PFS directly from the manufacturer. If proper documentation cannot be obtained, discontinue using these products for school meals. More information about crediting documentation can be found at: <http://dpi.wi.gov/school-nutrition/national-school-lunch-program/menu-planning/meal-pattern>.

Production Records

The breakfast production record template includes the required information; however, all sections must be filled in completely each day. The lunch production record template currently in use is missing required information. While there is no required template, there are examples on our website: <http://dpi.wi.gov/school-nutrition/national-school-lunch-program/menu-planning/production-records>. The current template must be updated to include the following required information for continued use:

- Planned number of portions
- Total number of portions prepared and number of portions leftover

Cold Packs

The cold packs, intended as a grab n go option, do not consistently include 3/4 cup of vegetables. Students who select this option have access to the veggie bar, but the Nutrition Director indicated there is confusion amongst the students and the employees at the POS over this. The Director plans to increase the amount of vegetables included in the cold packs to 1/2 cup daily to reduce or eliminate the confusion. We suggest including 3/4 cup, which meets the minimum daily quantity requirement of the K-8 meal pattern. Please ensure the weekly subgroup requirements are met if students who select the cold packs are no longer directed to select vegetables from the veggie bar.

Corrective Action

Meal Pattern Finding #1: Insufficient crediting documentation for GFS Cooked Ham and GFS Turkey Breast. **Required Corrective Action:** Please submit product formulation statements (PFS) for these two items.

Meal Pattern Finding #2: Production records are not filled in completely.

Required Corrective Action: Please submit production records for two full days with all sections filled in completely.

3. RESOURCE MANAGEMENT

Commendations

The financial recordkeeping is compliant and the individual that maintains the financial records for the NSLP should be commended for her work.

Comments/Technical Assistance/Compliance Reminders

Non-Program Foods

Section 206 of the Healthy, Hunger-Free Kids Act of 2010 (HHFKA) amended section 12 of the Richard B. Russell National School Lunch Act by establishing requirements related to the revenue from the sale of nonprogram foods. Under subsection 12(q) of the Richard B. Russell National School Lunch Act and 7 CFR 210.14(f), SFAs are required to ensure:

- All revenue from the sale of nonprogram foods accrues to the non-profit school food service account; and
- Revenue available to support the production of reimbursable school meals does not subsidize the sale of nonprogram foods.

Nonprogram foods include any non-reimbursable foods and beverages **purchased using funds from the nonprofit school food service account**. This encompasses all foods sold in schools as well as adult meals, foods sold outside of school hours, or any foods used for catering or vending activities. For the majority of SFAs, a la carte foods offered during meal service are the largest share of nonprogram foods.

Compliance is measured by determining if the percent of total revenue generated from nonprogram food sales is equal to or greater than the percent of total food costs of nonprogram foods. For example, if the costs of nonprogram food are 25 percent of the SFA's total food costs, then the amount of revenue generated from the sale of these nonprogram foods must be at least 25 percent of the total revenue in the school food service account.

To assist SFAs in meeting this requirement, the School Nutrition Team (SNT) has created a *Nonprogram Food Revenue Tool/Price Calculator* located on our website:

<http://dpi.wi.gov/sites/default/files/imce/school-nutrition/xls/non-program-food-price-calculator.xlsx>.

This tool can assist SFAs in pricing nonprogram foods and calculating total nonprogram expenses and revenues and total program expenses and revenues for the designated

reference period. This data then pulls into the USDA *Nonprogram Food Revenue Tool* and compares revenue and food cost ratios to measure compliance. It's an exciting new tool, and we strongly encourage SFAs to utilize it when determining compliance.

If the SFA finds the food cost ratio is higher than the revenue ratio, the SFA must take steps to increase the revenue from nonprogram foods by either increasing nonprogram food prices or contributing non-federal funds to the nonprofit school food service account. The SNT *Nonprogram Food Revenue Tool/Price Calculator* mentioned above can assist in determining which product prices could be increased and by how much to increase the revenue ratio to be in compliance. **Technical assistance** was provided

Adult breakfast, lunch, and after school snacks meals served to **visitors** and school staff members must follow federal nonprogram food guidelines, outlined in 7 CFR 210.14 (f). Meals served to food service employees are exempt from the following guidelines.

Food service programs must price adult meals above the overall cost of the meals. Since adult meal costs can be difficult to calculate, School Food Authorities (SFAs) must, at a minimum, follow the **minimum** pricing guidelines in Food Nutrition Services Instruction 782-5. Include the highest price a student pays, plus federal reimbursements for a **paid** meal including the \$.06 performance based reimbursement (PBR) for menu certification, plus the federal cash-in-lieu of commodities rate, plus the state lunch aid. If a SFA receives the \$.02 lunch differential, include this amount in the federal reimbursement. **Technical assistance** was provided to assist with child guest meals.

Findings and Corrective Action Needed

Finding #1: It was found the USDA non-program tool was not completed.

Corrective Action Needed: Please complete the tool and submit the tool. Additionally if there is a shortage of funds based on running the tool, please submit a statement on how this will be corrected. Corrective action was completed on-site, no further action is needed.

Finding #2: It was found that the Child guest price was not high enough to cover costs.

Corrective Action Needed: Please submit a statement on how the SFA will correct this and a timeline of when this change will occur.

4. GENERAL PROGRAM COMPLIANCE

Comments/Technical Assistance/Compliance Reminders

Professional Standards

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.

Training obtained since April 1, 2015 may count towards training requirements. Trainings can be provided in a variety of formats (online, in person, webinars) and through various providers (DPI, USDA, in-house, etc.).

SFAs should clearly document all required training information and maintain that file including the name of staff person, date hired, title/position, brief list of core duties/responsibilities, status (full, part-time, volunteer, etc.), professional standards position (director, manager or staff). Learning codes are not required, but encouraged. A template tracking tool is posted to our website at <http://dpi.wi.gov/school-nutrition/training/professional-standards>. **Technical assistance** was given regarding training requirements and the tracking of trainings.

Procurement

The purpose of this procurement manual is to ensure that goods and services purchased for the National School Lunch Program are obtained in a cost-effective manner and in compliance with federal, state, and local regulations. **Technical assistance** was given to develop a manual. Resources were shared on the website.

Buy American

The USDA requires that a SFA purchase, to the maximum extent practicable, domestic commodities or products. Using food products from local sources supports small local farmers and provides healthy choices for children in the school meal programs. Purchasing from these entities also supports the local economy. 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. Further, bidder assurance of the Buy American provision ensures that the bidder is responsive and responsible to the solicitation.

There are limited exceptions to the Buy American provision which allow for the purchase of products not meeting the "domestic" standard as described above ("non-domestic") in circumstances when use of domestic products is truly not practicable. Refer to SP 24-2016 for more information on the Buy American provision and limited exceptions.

More information on this new requirement can be found on the SNT website at <http://dpi.wi.gov/school-nutrition/procurement/buy-american> including a tool to assist with tracking noncompliance products. **Technical assistance** was given regarding buy American and non-compliant products and how to record non-compliant products.

Reporting and Recordkeeping

All free and reduced price applications, including applications from households denied benefits must be kept on file for a minimum of three years after the final claim is submitted for the fiscal year to which they pertain. This includes all other records pertaining to food service operations.

SFA On-Site Monitoring

The SA must determine whether each SFA **with more than one school** performs no less than one on-site review of the National School Lunch Program counting and claiming system in use in each school under its jurisdiction by February 1 of each year. Necessary follow up is required for non-compliance findings during these internal monitoring reviews. Beginning in SY 2016-17, on-site monitoring is now also required for the School Breakfast Program (SBP). A minimum of 50% of schools participating in the SBP must be monitored annually by February 1, with each school operating the SBP being monitored at least once every two years. **Technical assistance** was provided regarding when and how to conduct the on-site monitoring process.

Civil Rights

All SFAs should have procedures (written procedures preferred) in place for handling civil rights complaints in regards to discrimination in the National School Lunch Program and School Breakfast Program. A SFA may always attempt to resolve a situation that is occurring in real time. However, if an individual states that they wish to file a civil rights complaint, the SFA must provide them with the information necessary to do so and not impede an individual's right to file. The form to assist in filing these complaints can be found on the DPI SNT website at <http://dpi.wi.gov/school-nutrition/national-school-lunch-program/civil-rights>. **Technical assistance** was given regarding this matter.

Wellness

Local Wellness Policy Summary for Administrative Review

The local wellness policy requirement was established by the Child Nutrition and Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) Reauthorization Act of 2004 and further strengthened by the Healthy, Hunger-Free Kids Act of 2010 (HHFKA). The final rule requires School Food Authorities (SFAs) to begin developing a revised local school wellness policy during School Year 2016-2017 and full compliance with the requirements of the final rule by June 30, 2017.

At a minimum, SFAs must permit participation by the general public and the school community including parents, students, and representatives of the school food authority, teachers of physical education, school health professionals, the school board, and school administrators in the wellness policy process. In addition, SFAs must designate one or more school officials to ensure each school complies with the policy.

Content of the Wellness Policy

At a minimum the wellness policy must include:

- 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.

- 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.
- Policies for food and beverage marketing that allow marketing and advertising of only those foods and beverages that meet the Smart Snacks in School nutrition standards.
- Description of public involvement, public updates, policy leadership, and evaluation plan.

SFAs must complete an assessment of the policy every three years to determine compliance with the wellness policy, how the wellness policy compares to model policies, and process 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.

A summary of the requirements can be found at:

http://www.fns.usda.gov/sites/default/files/tn/LWPsummary_finalrule.pdf. USDA Food and Nutrition Service has information on the local school wellness policy process and wellness policy elements at: <https://healthymeals.nal.usda.gov/school-wellness-resources>. Wisconsin Team Nutrition has several wellness policy resources available including a toolkit, a wellness policy builder, and wellness policy report card at: <http://dpi.wi.gov/school-nutrition/wellness-policy>. **Technical assistance** was given regarding updated regulations. Technical assistance was given to review current policy to see if it meets all requirements.

Smart Snacks

All foods (vending machines, school stores, etc.) sold anywhere on school campus, between midnight and 30 minutes after the last bell, must be in compliance with the new “Smart Snacks” regulation that is effective July 1, 2014. Information on this regulation, along with a product calculator to help determine compliance of various food items, can be found on our website at <http://dpi.wi.gov/school-nutrition/national-school-lunch-program/smart-snacks>.

The Wisconsin Department of Public Instruction allows two fundraiser exemptions per student organization per school per school year. A fundraiser cannot exceed two weeks in time. An exempt fundraiser may sell foods and beverages that are not allowable under the Smart Snacks rule but may not compete directly with the sale of reimbursable meals. All food fundraisers must be tracked SFA-wide to assure compliance with the regulation. Copies of the tools are available on our website at <http://dpi.wi.gov/school-nutrition/national-school-lunch-program/smart-snacks>.

Findings and Corrective Action Needed

Finding #1: It was found that while there is a system for tracking of professional standards by individuals, a SFA wide tracking tool is not available which should include certain required elements.

Corrective Action Needed: Please develop a SFA wide tracking tool for professional standards which should include current staff and trainings, please submit a copy of this.

Finding #2: It was found that the on-site monitoring had not ever been ever conducted. Thus no forms had ever been conducted.

Corrective Action Needed: Because the on-site monitoring process which includes the forms being completed has not been ever completed, please complete the on-site monitoring and submit completed forms for all schools in the district.

5. OTHER FEDERAL PROGRAMS REVIEWS

Comments/Technical Assistance/Compliance Reminders

Summer Feeding Outreach

As part of the National School Lunch Program, it is required to do SFSP outreach. The purpose is to inform your students and families of the free feeding site(s) they may have access to in the summer while school is out of session. Near the end of this school year, it is as simple as a blurb in a newsletter sent home to students, or putting up free posters and/or mail these items free of charge. To access an inclusive map of all potential participating sites in your area, see the interactive map on the SFSP website <http://www.fns.usda.gov/capacitybuilder>. **Technical assistance** was given to alert families at the end of the school year of any local locations offering the program.

Dr. Tony Evers, State Superintendent of Wisconsin Department of Public Instruction, shares a vision that every student will graduate prepared for college and career in an initiative called "Agenda 2017". 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 webpage dpi.wi.gov/statesupt/agenda-2017.

