

Administrative Review Summary Report

Technical Assistance and Corrective Action Plan

Agency Code: 401897 **School Food Authority:** Maple Dale Indian Hill

School(s) Reviewed: Indian Hill School

Review Date(s): 11-17-16 **Date of Exit Conference:** 11-17-16

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 School Food Authority meets program regulations,
- Provide technical assistance,
- Secure needed corrective action,
- Assess fiscal action, and when applicable, recover improperly paid funds.

Appreciation/Commendations/Noteworthy Initiatives:

Thank you to the staff at Maple Dale Indian Hill for the courtesies extended to us during the on-site review. It was helpful to have all of the requested documentation pulled and ready for the review and we greatly appreciated the work done prior to the review in completing the Off-site Assessment Tool. I hope that you found the time spent in providing technical assistance during the on-site review helpful.

The 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 can be found on our training page, along with other upcoming trainings and webinars <http://dpi.wi.gov/school-nutrition/training>.

Consider pursuing a GOALS Certification. GOALS stands for Goal Oriented Achievement Learning Skills. This is a certificate endorsed by the WI Department of Public Instruction and is obtained by completing training in nutrition, program administration and operations, and communications and marketing. For more information go to: <http://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 SNT website <http://dpi.wi.gov/school-nutrition/national-school-lunch-program/financial>, scroll down to the unpaid meal charges section.

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.

Review Areas

1. Meal Access and Reimbursement: Certification and Benefit Issuance, Verification, Meal Counting and Claiming

Appreciation/Commendations/Noteworthy Initiatives:

- Of those students eligible for free/reduced price meals in October, all but one was determined correctly, and direct certification had been run in the appropriate timeframes.

Comments/Technical Assistance/Compliance Reminders:

Certification and Benefit Issuance

- Applications must be signed and dated by the determining official at the time of approval.
- The benefit's issuance document should have the date that the student became eligible for benefits not the start date of school.
- The effective eligibility date for a DC eligible student is the date of the original output file.
- Benefit's eligibility only extends to other members of a household via direct certification. Income or categorical application benefits do not extend.

Disclosure

- The LEA must seek written consent from the parent or guardian to use the information provided on the application or through direct certification for non-program purposes, such as athletic or testing fee waivers. Each program must be listed individually and not simply a blanket consent form for fees. Consent must be obtained each school year. A template sharing information form is located on the SNT webpage <http://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/sharing-info-other-programs-1617.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 form is located on the SNT website <http://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/disclosure-agreement.docx>

Verification

- When applications are chosen for verification, the person designated as the Confirming Official, which at your SFA is Janice De Meuse, should be reviewing these applications to make sure that the original determination is correct. There is a place for the Confirming Official to sign and date on the back of the application.

Meal Counting and Claiming

- Monthly claim consolidation Edit Check review may not be delegated to the Food Service Management Company.
- Meals may only be charged to a student at the time of receipt of a reimbursable meal to assure proper benefits issuance.
- Please note that SFAs may claim visiting students in the paid category or the individual's category with documentation, unless they are from a CEP school.

Findings and Corrective Action Needed:

- Finding #1:** An error on the part of the Department of Human Services with Direct Certification runs before August 10, 2016, caused some students to come back as a false positive for benefits. Because of this, 6 students were given DC benefits incorrectly.
Corrective Action Needed: Please notify these households of the reduction in benefits (to take effect 10 days from the date they are notified in writing). Record date that corrective action is taken on the **SFA-2** form and send completed copy as corrective action. No fiscal action will be assessed due to a system-wide error at no fault of the SFA.
- Finding #2:** From the student sample reviewed for benefit's issuance, 1 student is receiving free benefits from a free income household, but his name is not listed on the application.
Corrective Action Needed: Please notify this household of the reduction in benefits (to take effect 10 days from the date they are notified in writing) or have them add this student to the application. Record date that corrective action is taken on the **SFA-1** form and send completed copy as corrective action. Fiscal action will be figured for this error for the review period (October) and month of on-site review (November), but the total dollar amount will be less than \$600.00, so the fiscal reclaim will be disregarded. Please submit your November edit check for Indian Hill School after you submit your November claim.
- Finding #3:** The applications had income no income, household size, eligibility status, date of approval or determining official signature on the back of the application.
Corrective Action Needed: Please provide a statement of understanding that going forward, all applications will contain this information.
- Finding #4:** The Benefit's Issuance document had most all benefits starting September 1, 2016.

Corrective Action Needed: Please submit a statement of understanding that the BI list will contain the date the student became eligible for benefits.

- Finding #5:** The Sharing Information letter that you use does not have each specific program that information will be shared with listed separately.

Corrective Action Needed: Please update your sharing form to list each program for which information will be shared, and submit a copy to DPI.

- Finding #6:** No confirmation reviews were conducted on the applications selected for verification.

Corrective Action Needed: Please submit a statement of understanding to do a confirmation review for Verification going forward. Information on the verification process can be found on our website at <http://dpi.wi.gov/school-nutrition/national-school-lunch-program/verification>.

2. Meal Pattern and Nutritional Quality: Meal Components and Quantities, Offer versus Serve, Dietary Specifications and Nutrient Analysis

Findings and Corrective Action Needed:

- Finding #1: Whole Grain-Rich:** the chips served with the walking taco meal were not whole grain-rich. All grains offered in school meal programs are required to be whole grain-rich. Grains that are not whole grain-rich cannot be credited toward the grain component.

Corrective Action Needed: Lori sent a new label for whole grain-rich tortilla chips to be served with this meal from now on. No further action required.

- Finding #2: Documentation:** Acceptable crediting documentation was not available for the frozen, fully cooked Jenni-O deli turkey meat. This processed food must be accompanied by a product formulation statement (PFS) or a Child Nutrition (CN) label to sufficiently document meal component crediting.

Corrective Action Needed: Lori found the USDA fact sheet (commodity item) for this product and updated her binder with this documentation. No further action required.

- Finding #3:** The Romaine Lettuce Mix used in many of the menu items was credited as 1 cup = ½ cup dark green vegetable. Although this is correct, this is only correct for full Romaine lettuce. The Romaine Lettuce Mix found onsite was a 50/50 blend; Romaine and Iceberg, which are two different vegetable subgroups. Lori explained she will only serve a full Romaine lettuce blend from now on as the students prefer this anyway.

Corrective Action Needed: Please send a label for a full Romaine Lettuce blend **or** update the recipe so that 1 cup of the 50/50 blend credits as ¼ cup dark green vegetable, and ¼ cup other vegetable. Corrective action received, no further action required.

- Finding #4:** There were no beans/peas served during the week of review. Even though the week of review consisted of 4 days, all meal pattern requirements still need to be met, including all subgroup requirements for the week. More information on meal pattern requirements with weeks other than 5 days can be found: <http://www.fns.usda.gov/sites/default/files/SP10-2012r2a.pdf>

Corrective Action Needed: Please send a statement about what you will do going forward so that all weeks, including 4-day weeks, contain all meal pattern requirements. Specifically, what will you do to the menu so that ½ cup beans/peas are offered on the menu for a 4-day week? Corrective action received, no further action required.

3. Resource Management: Risk Assessment and Comprehensive Review of Nonprofit School Food Service Account, Paid Lunch Equity, Revenue from Nonprogram Foods, Indirect Costs

Comments/Technical Assistance/Compliance Reminders:

Annual Food Service Financial Report:

- All revenues including reimbursements and student payments, and expenses including food, labor, equipment, purchased services, and other need to be entered into the program to which they belong. The new 16-17 Annual Financial Report instructions are located on our website at:

<http://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/annual-financial-report-instructions-new-1617.doc>

- The ending balance, on June 30, can never be a negative balance. A transfer must be made from the non-federal funds to bring the ending balance to \$0.00.
- The school food service fund may not have an ending fund balance in excess of 3 month operating expenses, as this is considered "Excess Cash Balance."

Nonprogram Foods Revenue Rule SP-20-2016 <http://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/sp-20-2016.pdf>

- All nonprogram food costs including food, labor, equipment, purchased services, and other 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>.
- SFAs must annually be provided information on food costs and revenues from Food Service Management Companies (FSMC). The information must include food cost for reimbursable meals, food cost for non-program food, revenue from nonprogram food, and total revenue to determine SFA compliance with nonprogram food revenue requirements.

Allowable Expenditures

- The nonprofit school food service account is to be used only for the operation of the school meal program including food, supplies, equipment and personnel. .
- Allowable costs are defined in 2 CFR 200 Subpart E and should be necessary, reasonable and allocable. More information on allowable costs can be found within the Indirect Costs guidance <http://dpi.wi.gov/school-nutrition/national-school-lunch-program/financial>.
- DPI does not allow the annual assigned indirect cost rate to be applied to Fund 50 (Foodservice account within WUFAR). For both public and private schools in Wisconsin, any costs assessed to foodservice must be based on documented and justifiable costs for each school building as they pertain to your school situation rather than on the indirect cost rate.
- **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.

Unpaid Meal Charges Policy

- All School Food Authorities (SFA) operating federal school meal programs must have a written and clearly communicated policy to address unpaid meal charges in place by July 1, 2017.
- SP57-2016 Unpaid Meal Charges guidance Q & A may be found at <http://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/sp-57-2016.pdf>.
- The policy must explain how the SFA will handle situations where children eligible to receive reduced price or paid meals do not have money in their account or in hand to cover the cost of their meal at the time of service.
- The policy should be implemented and enforced SFA-wide.
- The SFA has discretion to vary policy based on student grade level.

Findings and Corrective Action Needed:

- Finding #1:** The only revenues recorded at the SFA level were reimbursements but all revenues including paid meal and a la carte sales and expenditures must be included on each individual SFA Food Service Annual Financial report and your DPI Fund 50 PI 1505.
Corrective Action Needed: Please go into your 2015-16 Annual Financial Report and amend the report to correct the expenses and revenues. Let me know when this is complete, so I can go in and verify it. After this is complete, please resubmit your PI 1505 to match this when the portal opens.
- Finding #2:** Money is transferred from the Consortium account every two weeks into Taher's account without invoice validation. Because this is a Cost Reimbursable account, Taher must submit a monthly

invoice broken out by individual expenses, not just Purchased Services to the Consortium, so that the Consortium can verify that all expenses being charged to food service are allowable expenses
Corrective Action Needed: Please submit an invoice for the month of November with all costs broken out for the consortium.

4. General Program Compliance: Civil Rights, On-site Monitoring, Local School Wellness Policy and School Meal Environment, Smart Snacks in Schools, Professional Standards, Water, Food Safety, Storage and Buy American, Reporting and Recordkeeping, SBP and SFSP Outreach

Comments/Technical Assistance/Compliance Reminders:

Civil Rights

- The Civil Rights Self-Evaluation Compliance form is required to be completed by October 31 annually <http://dpi.wi.gov/sites/default/files/imce/forms/doc/f1441.doc>.
- All SFAs should have written procedures 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 https://www.ocio.usda.gov/sites/default/files/docs/2012/Complain_combined_6_8_12.pdf
- All verbal or written civil rights complaints regarding the school nutrition programs that are filed with the district must be forwarded to the Civil Rights Division of USDA Food and Nutrition Service within 3 days. You will want to make sure that this is included in the district procedures to ensure compliance.

On-site Monitoring

- 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 by February 1.
- The Administrative Review Final Rule updated 7 CFR Part 220.11(d)(1) establishing the requirement to conduct onsite monitoring of the School Breakfast Program beginning in school year 2016-17. The annual requirement is to annually review 50% of schools approved to participate in the SBP within the jurisdiction of the SFA, with each school in SBP being reviewed once every two years. For more information see USDA memo SP 56-2016 <http://www.fns.usda.gov/sites/default/files/cn/SP56-2016os.pdf>.
- The onsite monitoring forms have been updated to include the general areas of review and a new SBP program onsite review form found on our website at: <http://dpi.wi.gov/school-nutrition/national-school-lunch-program/administrative-review> under the SFA onsite monitoring section.

Local Wellness Policy and School Meal Environment

- Under the Healthy Hunger-free Kids Act of 2010, all School Food Authorities are required to have a written Local Wellness Policy (LWP) and have an active Wellness Committee. Information on school wellness policies may be found on our website at <http://dpi.wi.gov/school-nutrition/wellness-policy>.
 - LWPs should include language related to nutrition education, nutrition promotion, and nutrition guidelines available for all foods on campus, physical education, and physical activity.
 - SFA must inform the public about the content of the local school wellness policy (LWP) and retain documentation regarding the notification.
 - SFA must review and update local school wellness policy (LWP) on a periodic basis (recommended annually) and retain documentation demonstrating how this requirement is met.
 - SFAs must permit parents, students, physical education teachers, school health professionals, school administrators, school board, representatives of the SFA, and the general public to be involved in the development, implementation, periodic review, and update of the local school wellness policy (LWP). SFA wellness committees should include a diverse team of committed school and community stakeholders. SFAs are required to actively seek members for the wellness committee that represent each of the above categories and retain documentation that all have been notified of participation availability.

- The SFA must conduct an assessment of the implementation of local school wellness policy (LWP) every 3 years. SFAs are required to retain a copy of the assessment on file. The assessment should include the extent to which SFAs are in compliance with their LWP; the progress made toward attaining the goals of the LWP; and the extent to which the SFA's LWP compares to a model policy. *Implementation-Monitoring Plan* template has been developed to assist SFAs to assess their LWP progress. This is found on page 43 of the *Wisconsin Wellness: Putting Policy into Practice - School Wellness Policy Toolkit* (http://fns.dpi.wi.gov/fns_wellnessplcy2).
- SFA is required to inform and update the public (including parents, students, and others in the community) about the assessment of the implementation of (LWP). SFAs are required to retain a copy of the assessment and documentation regarding the public notification.

Smart Snacks in Schools

- 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>.
- Second meals are no longer permissible to be sold because a whole meal would not meet the Smart Snacks requirement. Meal items can be sold separately as non-program foods, if they comply with the Smart Snacks requirements.

Professional Standards

- The Professional Standards regulations in 7 CFR 210.30 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** - If hired January 1 or later, only ½ of the training hours are required during the first school year (SY) of employment.

Directors	Managers	Other Staff	Part Time Staff
	(20 hrs or more/week)	(less than 20 hrs/week)	
2016-17 SY	2016-17 SY	2016-17 SY	2016-17 SY
12 hours	10 hours	6 hours	4 hours

Food Safety and Storage

- All schools must have a comprehensive site-specific food safety plan on site which includes all process 1, 2, and 3 items, all standard operating procedures (SOP) for each individual site, all equipment, and food service staff and be reviewed yearly. Updated prototype food safety plan templates and SOPs may be found at our website under <http://dpi.wi.gov/school-nutrition/food-safety#fsp>.
- When using “Time as a Public Health (Temperature) Control”:
 - The internal temperature must be at or below 41 degrees F. at the beginning of this holding period for cold potentially hazardous foods.
 - Up to 6 hours at an internal temperature of 41-70 degrees F. under monitored conditions for cold potentially hazardous foods. Provisions must be made to discard product if the 6 hour time limit is exceeded, the temperature of the cold potentially hazardous food rises above 70 degrees F., or the food is removed from service.
 - The maximum time is 4 hours for heated potentially hazardous foods. Provisions must be made to discard product if the 4 hour time limit is exceeded, the temperature of the heated potentially hazardous food falls to 70 degrees 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 Temperature Control for Safety (TCS) food is held outside of mechanical refrigeration during service, including TCS foods on garden bars, all left over TCS foods must be discarded.

Must be kept above 135 on hot line with mechanical heat	Must be kept under 41 degrees with mechanical refrigeration
Animal protein – eggs, meat, chicken, fish, shellfish, etc	Milk and cheese, including house made dressing made with milk
Tofu and soy products –texturized vegetable protein, hot edamame	Hard boiled eggs
Baked potatoes	Tofu, edamame, soy
Heat-treated plant food, such as cooked rice, beans, vegetables	Sliced melons, cut leafy greens, cut tomatoes
Anything with cheese	Untreated garlic-and-oil mixtures
	Sprouts

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.

SBP and SFSP Outreach

- It is necessary to inform the community about access to Summer Food Service feeding sites in your area even if your school does not provide summer meals. This information is located at <http://dpi.wi.gov/community-nutrition/sfsp/outreach> and may be posted as a flyer or a phone number list in your spring newsletter.

Findings and Corrective Action Needed:

- Finding #1:** The Civil Rights Self-Evaluation Compliance form was not completed by October 31 <http://dpi.wi.gov/sites/default/files/imce/forms/doc/f1441.doc>.
Corrective Action Needed: Please submit a copy of the form when it is completed.
- Finding #2:** The Food Safety Plan does not contain site specific SOPs
Corrective Action Required: Please review your Food Safety Plan and make site specific updates to the plan and submit when complete. An updated prototype may be found on our website. <http://dpi.wi.gov/school-nutrition/food-safety#fsp>

As discussed at the exit conference, it is understood that prompt corrective action is required for the findings identified above. Part 210.08 of federal regulations requires fiscal action to be calculated for critical violations to reclaim of 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. Section 207 of the Healthy Hunger Free Kids Act amended section 22 of the NSLA (42 U.S.C.1769c) to require State agencies to report the final results of the administrative review to the public in an accessible, easily understood manner in accordance with guidelines promulgated by the Secretary. The final rule at 7 CFR 210.18(m) requires the 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. A summary of this review will be made publicly available on the SNT 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.