

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

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**School Food Authority: St. Paul Lutheran School**

**Agency Code: 447801**

**School(s) Reviewed: Review Date(s): 2/27-28/19**

**Date of Exit Conference: 2/28/19**

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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, meal benefit determination process, procurement, and many other topics. More information along with other upcoming trainings and webinars can be found on the Wisconsin DPI [School Nutrition Training](http://dpi.wi.gov/school-nutrition/training) webpage ([dpi.wi.gov/school-nutrition/training](http://dpi.wi.gov/school-nutrition/training)).
- SFA staff are encouraged to pursue GOALS Certification. GOALS stands for Goal Oriented Achievement Learning Skills. This is a certificate endorsed by the DPI and is obtained by completing training in nutrition, program administration and operations, and communications and marketing. For more information go to the Wisconsin DPI [School Nutrition Training](http://dpi.wi.gov/school-nutrition/training/goal-oriented-achievement-learning-skills) webpage ([dpi.wi.gov/school-nutrition/training/goal-oriented-achievement-learning-skills](http://dpi.wi.gov/school-nutrition/training/goal-oriented-achievement-learning-skills)).
- The US Department of Agriculture has a toolkit of resources to assist schools in meeting the nutrition standards on their [Healthier School Day: The School Day Just Got Healthier](http://www.fns.usda.gov/healthierschoolday) webpage. The topics covered include Smart Snacks, offering fruits and vegetables, reducing sodium, and serving whole grain-rich products (<http://www.fns.usda.gov/healthierschoolday>).
- [The Smarter Lunchrooms Movement](http://smarterlunchrooms.org) encourages schools to implement low-cost and no-cost lunchroom solutions to help students' select healthier meal options (<http://smarterlunchrooms.org>). Smarter Lunchroom techniques are easy to begin implementing and do help encourage student consumption of fruits, vegetables, legumes, non-flavored milk, and other healthful choices. These strategies are effective and research-based. Consider trying the Smarter Lunchroom techniques for [increasing consumption of white milk](https://www.smarterlunchrooms.org/scorecard-tools/smarter-lunchrooms-strategies#Milk) (<https://www.smarterlunchrooms.org/scorecard-tools/smarter-lunchrooms-strategies#Milk>).

## Appreciation/Commendations/Noteworthy Initiatives:

Thank you to the staff at St. Paul Lutheran School 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.

## REVIEW AREAS

### 1. MEAL ACCESS AND REIMBURSEMENT

#### Certification and Benefit Issuance

##### Free and Reduced Price Meal Applications

- Applications must be reviewed in a timely manner. An eligibility determination must be made, the family notified of its status, and the status implemented within 10 operating days of the receipt of the application.
- Children are eligible for free or reduced price meal benefits on the date their eligibility is determined by the Determining Official.
- All free/reduced applications and the direct certification runs were available for review. All applications have been approved and students are receiving the benefits they have been determined eligible for.
- When an application only has one frequency of payment indicated for all of their reported incomes on the application, the income should not be converted to annual, but using the [Income Eligibility Guidelines](#) one would look at the amount of their income under the column indicating that frequency (i.e., weekly, twice monthly, every two weeks, monthly, annually) (<https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/income-eligibility-guidelines-1718.pdf>).
- 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.

##### Effective Date of Eligibility

- 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](mailto:karrie.isaacson@dpi.wi.gov) for more information and approval.

##### 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 the application to be considered complete.

### 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/email. The determining official should document the details of the conversation plus 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.

### 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.
- Thank you for using the DPI prototype letters with the current non-discrimination statement.

### 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.
- SFAs must make reasonable efforts to provide household letters and application forms to families in the appropriate languages.
- To assist SFAs in reaching households with limited English proficiency, the SNT provides the Wisconsinized version of the USDA Free and Reduced Price Meal application materials in English, Spanish, and Hmong.
- 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.

### Other Source Categorical

- If a household submits an application that indicates Other Source Categorical Eligibility, such as homeless, migrant, or runaway, the SFA must confirm the children's status by an appropriate program official either through direct contact with the agency or by a list of names provided by the agency, before meal benefits can be provided. Once confirmed, this eligibility is only available to the designated child and is not extended to other members of the household.
- Applications that indicate a child is a foster child are categorically eligible for free meals. The child's status for free meals does not require confirmation of eligibility prior to receiving benefits. This benefit is not extended to other household members.

### 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.

- A child that transfers within the same LEA from a CEP to a non-CEP school must be given free reimbursable meals for up to 30 operating days or until a new eligibility determination is made, whichever comes first.
- 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.

### Direct Certification

- As a reminder, you are required to run direct certification a minimum of three times a year: at or near the beginning of the school year, three months after the initial run and six months after the initial run.
- The effective eligibility date for a DC eligible student is the date of the original output file.
- 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.

### Commendations/Comments/Technical Assistance/Compliance Reminders

#### Findings and Corrective Action Needed: Certification and Benefit Issuance

All (13) applications were reviewed and 1 error was found. The application had a Free benefit listed, when in fact it should have been Reduced.

**□ Finding #1:** The applications reviewed had the incomes annualized that were listed. They should only be annualized when the income frequencies are different. If there are two incomes listed, and each are weekly, then they are to be added together and checked against the eligibility guidelines for determination. If there are two incomes listed and they are different frequency, such as monthly, and the other is bi-weekly, then they should be annualized and determined. The error was in annualizing the income, when the frequencies were the same and it should not have been annualized. There were several other factors in determining this application, and they were discussed with the SFA. The app was re-determined to show the Reduced benefit. An Adverse Action letter was needed to notify the parent of the change in benefits.

**Corrective Action Needed #1:** Watch the [Processing Applications webcast](https://media.dpi.wi.gov/school-nutrition/processing-applications-direct-certification/story_html5.html) (https://media.dpi.wi.gov/school-nutrition/processing-applications-direct-certification/story\_html5.html). This will help with determining applications, knowing what a complete application looks like, and also the school's role in filling in the back portion of the application, and finally determining the application's eligibility status. Submit a signed statement that you have watched and understand the process.

### Verification

### Commendations/Comments/Technical Assistance/Compliance Reminders

- When applications are chosen for verification, the person designated as the Confirming Official must review the application(s) to ensure the initial determination is correct prior to contacting the family. There is a place for the Confirming Official to sign and date on the back of the application.
- The LEA has a regulatory obligation to verify “for cause” all approved applications that may be questionable. For more information, refer to the current Eligibility Manual.
- When a benefit eligibility status increases, the change must take place within 3 days. When a benefit eligibility decreases, the change cannot take place before 10 calendar days and a notice of adverse action is sent in writing with appeal rights procedures.

Verification was done correctly, and the VCR report submitted on time. Nice job!

### Meal Counting and Claiming

#### Commendations/Comments/Technical Assistance/Compliance Reminders

- Meals may only be charged to a student at the time of receipt of a reimbursable meal to assure proper benefits issuance.
- When entering the claim it is necessary to use the edit check to calculate your reimbursable meals by site for claim submission.
- 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 (https://dpi.wi.gov/school-nutrition/national-school-lunch-program/menu-planning).
- The meal counting and claim for the Review Month was conducted perfectly.
- 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.
- REMINDER: Meal benefits apply only to the reimbursable meal. The reimbursable meal includes milk as one of the required components, and must be priced as a unit. If the student decides to take only milk, this is not a reimbursable meal and will be charged for the milk as an a la carte item.

The meal counting system must prevent overt identification of students receiving free and reduced price benefits. It was noted that the POS system for marking students for hot lunch was a clipboard with a class roster. The teacher brings the class to the cafeteria and takes the clipboard to mark off the students who are taking hot and cold lunch, or also mark if they are absent, or just taking a milk. It seemed chaotic when the POS was not done consistently between teachers. Some did it while the students were in line in the gym, and some did it after the student took their meal and sat down.

- **Finding:** It was observed that the Point of Service system currently being used is quite chaotic. The DPI consultant observing meal service, felt that the system was not working well.
- **Corrective Action Needed:** In order to correct the inconsistent POS system here at St. Paul, I strongly encourage the staff to be consistent with their roster and mark the students for their meal, etc. in the gym as they enter the cafeteria. This way all the students are in line, and it is less likely for there to be mistakes. After discussing with the Principal, please send a statement as to what was decided, and going forward, what will the POS system look like.

## 2. MEAL PATTERN AND NUTRITIONAL QUALITY

### Commendations

Thank you to all staff at St. Paul Lutheran School for the warm welcome and cooperation during this Administrative Review (AR). The Food Service Director has been a pleasure to work with, always helpful and receptive to suggestions. The nutrition professionals are doing a nice job offering a variety of fruit and vegetables, both fresh and canned to students daily. The nutrition Professionals interacted well with students.

### Comments/Technical Assistance/Compliance Reminders

#### Training Opportunities

Anyone involved with the USDA School Meal Programs is encouraged to attend Wisconsin Department of Public Instruction (DPI) training classes. These are offered in the summer and select other times throughout the year. The classes provide an overview of all areas of the National School Lunch Program (NSLP) and School Breakfast Program (SBP) requirements including verification, free/reduced meal applications, meal pattern, and record keeping requirements. Travel/meal expenses are allowable food service expenses. Information on upcoming trainings can be found on DPI's [Training](#) webpage, under Upcoming Trainings (<https://dpi.wi.gov/school-nutrition/training#up>).

Regular trainings are also offered on the School Nutrition Team webpage on the DPI website as [webcasts](#), webinars, and on-site trainings (<https://dpi.wi.gov/school-nutrition/training/webcasts>),

Members of the School Nutrition Team (SNT) are also available for technical assistance any time throughout the year. A complete list of [DPI SNT staff](#) can be found on our website (<https://dpi.wi.gov/school-nutrition/directory>)

#### Breakfast

Consider participating in the School Breakfast Program (SBP). Participation in SBP will enable the SFA to help students start their school day with good nutrition and provide reimbursement to you for doing so. More information is available on the [School Breakfast Program](#) webpage (<https://dpi.wi.gov/school-nutrition/school-breakfast-program>).

#### Production Records

[Production Records](#) are intended to be useful tools to record information prior to, during, and following production (<https://dpi.wi.gov/sites/default/files/imce/school-nutrition/xls/production-record-lunch-one-grade-group-with-temp.xlsx>). Also, production records are required to document that food meeting the meal pattern was served in the appropriate serving sizes, recording leftovers is also required. Thorough, accurate production records aid the menu planner with forecasting, ordering, menu planning, and reducing food waste.

Be specific on production records about the identity, brand, and description of the items served. Instead of "fruit cup", list both the applesauce cup and peach cup separately. List the specific type of granola bar or cereal bar offered, and list both when two types are offered, rather than just listing "cereal bar" or "granola bar" as these do not indicate exactly what was served. There is a wide variation in formulation of the many products that fall into these categories. Fruit sizes (e.g. case count) should also be recorded. It is helpful to include not just portion size, but also crediting, on the production records. A list of production record requirements ("[Must Haves and Nice to Haves](#)") and sample production record templates can be found on our [Production Records webpage](#)

(<https://dpi.wi.gov/school-nutrition/national-school-lunch-program/menu-planning/production-records>).

### Standardized Recipes

Recipes should be updated to reflect current practices and products. Standardized recipes exist, but many are not accurately reflecting what is happening in the kitchen. For more information on what essential information must be on a standardized recipe, review the [Standardized Recipe Checklist](https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/standardized-recipe-checklist.pdf) (<https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/standardized-recipe-checklist.pdf>). Recipe standardization ensures that each meal is consistently planned to meet the daily and weekly requirements. Continue to work towards recipe standardization and use all resources available to you. Visit our [Standardized Recipes](#) webpage for additional tools and resources or [contact a Public Health Nutritionist](#) for assistance (<https://dpi.wi.gov/school-nutrition/national-school-lunch-program/menu-planning/recipes>; <https://dpi.wi.gov/school-nutrition/directory>).

A few recipes used during the review week lacked pieces of information necessary for standardized recipes.

### Meal Patterns

Rather than serving a K-5 meal pattern and a 6-8 meal pattern, it may be beneficial to simplify to a K-8 meal pattern for all K-8 students. A K-8 meal pattern makes menu planning easier for school nutrition professionals, and Offer versus Serve (OVS) is in place to minimize food waste.

### Dietary Specifications

Meal pattern requirements ([lunch](#) meal pattern can be found here) are developed from evidence-based science and are revised every five years to keep up with new scientific developments in the field of nutrition. The Dietary Guidelines for Americans, on which the nutrition recommendations for the lunch and breakfast meal patterns are based, help guide federal nutrition policy, including policy affecting the school meals programs.

The updated meal pattern mandated by the Healthy, Hunger-Free Kids Act (HHFKA) of 2010 outlined a sodium restriction using three targets to allow for a gradual implementation. The first target was implemented July 1, 2014. Products that can be major contributors of sodium include condiments, regular canned vegetables, deli meats, dairy products, olives, and processed food items. The use of these products should be closely monitored and limited to meet sodium requirements in this school year and upcoming school years. The placement of the salt shaker on the end of the serving line is highly discouraged. Many schools have introduced flavor stations for students to add salt free flavor to foods.

The intent of the National School Lunch Program is to serve students nutritiously balanced meals and teach them healthy habits to last a lifetime. Offering larger than necessary portions to 5<sup>th</sup>-8<sup>th</sup> grade students does not aid in teaching students good nutrition or eating habits. Offering 5<sup>th</sup>-8<sup>th</sup> grade students larger portion sizes could potentially drive up food costs and most likely does not fit into the dietary specifications. WI DPI encourages schools to “keep in mind the best interests of the students and provide our school children with the most healthful and nutritious meals possible.”

### Whole Grain Rich Requirement

All grains offered and credited in school meal programs are required to be whole grain-rich. Foods that meet the whole grain-rich criteria for the school meal programs must contain at least 50 percent whole grain. The remaining 50 percent or less of grains, if any, must be enriched. Grains that are not whole



grain-rich cannot be credited toward the grain component. Replace all enriched grain products with whole grain-rich versions. Furthermore, enriched grain foods cannot count as food items towards the lunch meal pattern.

The terms “wheat” or “made with whole grains” on a product label do not necessarily mean that a product is whole grain-rich. Always check the ingredient list to confirm the first ingredient is a whole grain (and any other grain ingredients in the list are enriched, if not whole), which qualifies the product as whole grain-rich. Alternatively, crediting documentation in the form of a product formulation statement (PFS) may show that the combined weight of multiple whole grain ingredients exceeds the weight of the enriched grain ingredients, making the product whole grain-rich. Note: a recipe that includes 50 percent whole grain and 50 percent enriched grain by weight is considered whole grain-rich. USDA has a very thorough [Whole Grain Resource](https://www.fns.usda.gov/sites/default/files/WholeGrainResource.pdf) that provides tools and tips for identifying whole grain-rich products (<https://www.fns.usda.gov/sites/default/files/WholeGrainResource.pdf>).

### Signage

St. Paul Lutheran School’s cafeteria has fabulous, the food service director has placed many colorful posters on the walls. Additional [Signage](https://dpi.wi.gov/school-nutrition/national-school-lunch-program/menu-planning/signage) is on the DPI website (<https://dpi.wi.gov/school-nutrition/national-school-lunch-program/menu-planning/signage>).

### **Findings and Corrective Action Needed: Meal Pattern and Nutritional Quality**

**❑ Finding:** Salt shaker on the line.

**Corrective Action Needed:** Please submit to the PHN a detailed statement indicating how St. Paul Lutheran School will handle requests for salt on the line and in the cafeteria.

**❑ Finding:** The production record templates currently in use are out of date and missing required information. A list of production record requirements (“[Must Haves and Nice to Haves](#)”) and sample production record templates can be found on our [Production Record webpage](https://dpi.wi.gov/school-nutrition/national-school-lunch-program/menu-planning/production-records) (<https://dpi.wi.gov/school-nutrition/national-school-lunch-program/menu-planning/production-records>).

**Corrective Action Needed:** Please provide the PHN with production records from a week of your choosing, including all required information.

**❑ Finding:** The bread offered for the peanut butter sandwich is not whole grain rich.

**Corrective Action Needed:** Please submit to the PHN documentation for a whole grain rich sliced bread product, including an ingredient list, a product formulation statement, and the nutrition facts label.

**❑ Finding:** Current recipes used on-site are not standardized. [Standardized Recipes](#) are required, please visit the DPI webpage for additional tools and resources (<https://dpi.wi.gov/school-nutrition/national-school-lunch-program/menu-planning/recipes>).

**Corrective Action Needed:** Please provide the PHN with the following recipes standardized to your kitchen.

- Peanut butter sandwich
- Spaghetti sauce recipe offered on Monday, January 7, 2019
- Pasta offered with spaghetti on Monday, January 7, 2019



- Chicken Taco Meat offered on Tuesday, January 8, 2019
- Mashed Potatoes offered on Thursday, January 10, 2019

## BUY AMERICAN

The Buy American provision requires school food authorities (SFAs) to purchase, to the maximum extent practicable, domestic commodity or product. A “Domestic Commodity or Product” is defined as an agricultural commodity or product that is produced or processed in the United States using substantial agricultural commodities that are produced in the United States (products from Guam, American Samoa, Virgin Islands, Puerto Rico, and the Northern Mariana Islands are allowable under this provision as territories of the United States).

“Substantial” means that over 51 percent of the final processed product consists of agricultural commodities that were grown domestically. The Buy American provision (7 CFR Part 210.21(d)) is one of the procurement standards SFAs must comply with when purchasing commercial food products served in the school meals programs.

The following information must be recorded on a Buy American Non-Compliant Product List of your choosing:

Note: In reference to the competitive procurement process, this form may be valid up to the full duration of the contract. DPI allows for a max-term of 5 years with all contracts.

1. Date
2. Name of product
3. Country of origin
4. Reason
  - a. **Cost analysis** – SFA determined the cost of the domestic product, when compared to the non-domestic product, ex. If domestic product costs 20% more than non-domestic product, and no domestic option/alternative is available, then the SFA will purchase non-domestic product.
  - b. **Seasonality**- Product(s) is/are not available domestically during certain times of the year. (SFA is required to record or list the months that the domestic product is not available) ex. blueberries are not available domestically during the months of December – June.
  - c. **Availability** – Product(s) is/are not available to purchase domestically ex. pineapples, bananas, mandarin oranges, and black Pepper/other spices.
  - d. **Substitution** - In the event a domestic product is unavailable due to a distributors’ inability to provide, a substitution of product(s) may occur. (The SFA is required to record the reason the distributor substituted the product) ex. At the time of ordering/shipping domestic products was unavailable/damaged at distributor site and domestic options could not be substituted and as a result non-domestic products was substituted in its place.
  - e. **Distribution**- the SFA’s contracted distributor is unable to source domestic products and as a result, distributor does not carry the domestic product(s). (The SFA is required to record the reason the distributor carries the non-domestic product.) ex. Due to supply, chain constraints, recall of domestic product by processor, SFA contracted distributor was unable to source domestic product leaving only non-domestic option available for order fulfillment.
  - f. **Other** - Please provide a written explanation ex. The SFA received a donation of non-domestic oranges or ex. The SFA did not use School’s Nonprofit Food Service Account to purchase the non-domestic products.

You may record additional information if you find it beneficial. A suggested [Buy American - Non Compliant Product List template](#) can be found on the [Buy American webpage](#) (<https://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/buy-american-noncompliant-list.docx>; <https://dpi.wi.gov/school-nutrition/procurement/buy-american>). For more information on Buy American exceptions, visit the [Buy American Provision Memos](#) webpage (<https://dpi.wi.gov/school-nutrition/procurement/buy-american/provision-memos>).

❑ **Finding:** Monitoring is not happening on site and non-domestic products were found.

**Corrective Action Needed:** Please submit the PHN a detailed statement with a plan to track and record all products purchased that are not domestic. The following products were found on site, please complete a non-compliance form and submit to the PHN as well.

- Mandarin Oranges – product of China
- Tropical Fruit – product of Thailand
- Seedless Cucumbers – product of Mexico
- Grapes – product of Peru

## SMART SNACKS

### Commendations

At the time of the on-site review there were no competitive foods or beverages sold at St. Paul Lutheran School. If any food or beverage sales occur in the future, the items must either be in compliance with the Smart Snacks general and nutritional guidelines, or must qualify as an exempt fundraiser. A staff member at each school should be responsible for documenting compliance of exempt fundraisers and any other competitive food sales. You can find fundraiser tracking tools on our [Smart Snacks](#) webpage (<https://dpi.wi.gov/school-nutrition/national-school-lunch-program/smart-snacks>).

## 3. RESOURCE MANAGEMENT

### Nonprofit School Food Service Account

- How to locate the agency’s Child Nutrition program Report, which provides you with a compilation of meals claimed, your reported revenues and expenditures, amount of federal reimbursement received. The Aids Register shows the amount deducted from reimbursement to pay for shipping, handling and processing costs of USDA Foods. Both resources are accessible from our [Online Services](#) webpage ([dpi.wi.gov/nutrition/online-services](https://dpi.wi.gov/nutrition/online-services)).
- SFAs must limit the net cash resources in order to not exceed three months average expenditures.

### Annual Financial Report (AFR):

- 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, and this will aid the school in calculating its “yearly” reference period for nonprogram food compliance which is highly recommended. The new [16-17 Annual Financial Report instructions](#) are located on our website (<https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/annual-financial-report-instructions.pdf>).
- When a student deposits funds in their lunch account which will be used for meal purchases, the amount received is not treated as revenue until the meal has actually been served to the student. The amount of funds on hand in student accounts is treated as a deposit or liability account in

either the foodservice fund (Fund 50) or the general fund (Fund 10) until the meal is served at which point the deposit account is converted to revenue. This amount should not be recorded as revenue, or part of the fund balance on your Annual Financial Report.

- The ending balance on June 30 from the previous year needs to be the beginning balance on July 1 for the current year.
- 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”.
- These categories of the AFR that should be addressed when tracking revenues and expenditures include:
  - Expenses for paper supplies, chemicals, thermometers, etc., should be reported under “Other”. Only expenses for edible food items and beverages should be reported under “Food”.
  - “Equipment” should reflect major purchases of equipment. Utensils, pans, smaller equipment such as a cart, etc., should be reported under “Other”.
  - Under “Purchases Services” you should be reporting any time you pay someone for services provides such as equipment repair and health inspections.
  - Under “Ala Carte”, you should be reporting the expenses for any food items served to students that are not claimed as part of the reimbursable meal. Revenues and expenses from adult meals would also be included here.
  - When revenues are recorded from the federal reimbursement payments, you want to make sure that you are recording the full reimbursement based on the printed claim form and not what is actually deposited into your account. As you will note on the claim, there may be money deducted from shipping, handling and processing fees for USDA Foods. The amount deducted from your revenue should be reported as a food expenditure.

### **Paid Lunch Equity**

#### **Commendations/Comments/Technical Assistance/Compliance Reminders**

- Thank you for completing the Paid Lunch Equity tool each year and adhering to the pricing requirements. The tool was not required this 18-19 school year if there was a positive balance in Fund 50 per USDA. St. Paul Lutheran School had a positive balance and therefore, did not do the tool, and did not raise meal prices. No further action needed.

### **Revenue from Nonprogram Foods**

#### **Commendations/Comments/Technical Assistance/Compliance Reminders**

- Nonprogram foods include: Adult Meals, A la Carte, Extra Entrees, Extra Milk (for cold lunch or milk break), Vended Meals (meals sold to other agencies), Catered Meals, and Food Service operated Vending Machines.
- All nonprogram food costs 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>).

$$\frac{\textit{Nonprogram food revenue}}{\textit{Total program and nonprogram revenue}} > \frac{\textit{Total nonprogram food costs}}{\textit{Total program and nonprogram food costs}}$$

- SFAs that sell only nonprogram milk and adult meals as nonprogram foods are [exempt](#) from completing the USDA Nonprogram Food Revenue tool (<http://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/exceptions-nonprogram-revenue.pdf>).

#### 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, at a minimum, follow the **minimum** pricing guidelines in Food Nutrition Services Instruction 782-5.
- A [Wisconsin Adult Meal Pricing Worksheet](#) has been developed to assist you in pricing adult meals (<http://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/wisconsin-adult-meal-pricing-guide.doc>).
- Districts need to reassess adult meal prices annually prior to contract submission to ensure student reimbursement are not being used to subsidize adult meals. The current reimbursement rates should be used to determine 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>)

#### Indirect Costs

- 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. This could include items such as utilities, rent, printing and mailing services, administrative oversight, etc.
- Allowable Expenditures assessed to the food service fund must be supported with documentation for things such as gas, electricity, waste removal, fuel, water, etc. for both public and private schools. Examples of supporting documentation for costs assessed to food service fund could include:
  - Rent – consultation with knowledgeable resource person on appropriate charges per facility (i.e., local realty broker who has knowledge of current rates for rent of similar facilities).
  - Utility charges - separately metered or current usage study by the local utility company.
  - Labor expenditures - based on actual amount of time worked specifically for the purpose of school food service times the employee's wages and benefits.
  - Printing/publishing – documentation of actual costs or documentation to support how these costs were prorated from the district’s total costs, based on volume.
  - Waste disposal services, extermination services, and laundry services - documentation of actual costs or documentation to support how these costs were prorated from district’s total.

## Commendations/Comments/Technical Assistance/Compliance Reminders

No indirect costs were found.

### 4. GENERAL PROGRAM COMPLIANCE

#### Civil Rights

## Commendations/Comments/Technical Assistance/Compliance Reminders

#### Nondiscrimination Statement

- When including the [non-discrimination statement](#) on letters, menus, website, and other documents used to convey program information, it is necessary to use the current statement which was updated in October 2015 (<http://dpi.wi.gov/school-nutrition/national-school-lunch-program/civil-rights>).

However, when space is very limited, such as on the printed menus, the abbreviated statement may be used, “**This institution is an equal opportunity provider.**” Both statements should be in the same size font as the other text in the document.

#### And Justice for All Poster

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

#### Civil Rights Training

- Civil rights training must be conducted on a yearly basis for all staff and volunteers who administer any portion of a school nutrition program.
- Civil rights training had been attended by all staff in the schools and documentation was available for review.

#### Civil Rights Self-Compliance Form

The [Civil Rights Self-Evaluation Compliance](#) form is required to be completed by October 31 (<https://dpi.wi.gov/sites/default/files/imce/forms/doc/f1441.doc>).

St. Paul Lutheran School staff watched the Civil Rights power point presentation and documented it for this school year.

#### On-site Monitoring

## Commendations/Comments/Technical Assistance/Compliance Reminders

On-Site Monitoring does not need to be done since St. Pauls is only one site.

#### Local Wellness Policy

#### Content of the Wellness Policy

The final *Local School Wellness Policy Implementation Under the Healthy, Hunger-Free Kids Act of 2010* rule requires the SFA to retain basic records demonstrating compliance with the local school wellness (LWP) requirements. If no LWP has been developed, the SFA must establish a written policy. For assistance in the creation of a LWP, SFAs are encouraged to utilize the [Wisconsin Wellness: Putting Policy into Practice - School Wellness Policy Toolkit](#) (<http://dpi.wi.gov/school-nutrition/wellness-policy/toolkit>). At a minimum the wellness policy must include:

- Nutrition education (Recommended goals related to nutrition education include integrating into other core subjects or offering as a stand-alone course for all grade levels.)

- Nutrition promotion (At a minimum SFAs must review smarter lunchroom tools and strategies. Additional promotional activities include contests, surveys, food demonstrations, taste testing, and farm to school programming.)
- Physical activity (Recommended that SFAs offer time for students to meet the 60 minute goal, this could include recess, classroom physical activity breaks, and opportunities for physical activity before and after school.)
- Guidelines for all foods and beverages sold on the school campus during the school day (The LWP must contain guidelines for Federal school meal requirements and competitive food standards [Smart Snacks]).
- Guidelines for all foods and beverages provided on the school campus during the school day (SFAs must develop standards for foods provided to students, this includes classroom parties, schools celebrations, food offered as rewards/incentives.)
- Guidelines for food and beverage marketing (At a minimum, SFAs must restrict marketing to food and beverages that meet competitive food standards on the school campus during the school day.)
- Public involvement and committee leadership (SFAs must invite and allow for a diverse group of stakeholders to participate in the development, implantation, review, and updating of the LWP. SFAs must also identify the official responsible for oversight of the LWP to ensure school compliance.)
- Implementation, assessment and update of policy (At a minimum, SFAs must notify the public about the content, implementation of, and updates to the LWP. SFAs must complete a triennial assessment to evaluate compliance with the LWP, how the LWP compares to model wellness policies, and progress made in attaining the goals of the LWP).

Please refer to the USDA [summary of the requirements](http://www.fns.usda.gov/sites/default/files/tn/LWPsummary_finalrule.pdf) for local school wellness policies ([http://www.fns.usda.gov/sites/default/files/tn/LWPsummary\\_finalrule.pdf](http://www.fns.usda.gov/sites/default/files/tn/LWPsummary_finalrule.pdf)). Wisconsin Team Nutrition has several [wellness policy resources](#) available, including a toolkit, a wellness policy builder, and wellness policy report card (<http://dpi.wi.gov/school-nutrition/wellness-policy>).

### **Commendations/Comments/Technical Assistance/Compliance Reminders**

The wellness policy is complete and has all the components necessary.

### **Professional Standards**

#### **Commendations/Comments/Technical Assistance/Compliance Reminders**

- 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.
- 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 [Professional Standards](#) webpage (<http://dpi.wi.gov/school-nutrition/training/professional-standards>).
- **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.

St. Paul School has the correct training hours, and technical assistance was given to use the DPI tracker for documenting those hours. Currently they were using their own system. After it was explained and shown on the DPI website, the director said the DPI tracker would be much easier for her to keep track of training hours.

## **Water**

### **Commendations/Comments/Technical Assistance/Compliance Reminders**

Water is required to be available at no charge to students during the lunch and breakfast meal services. Schools can provide free water in a variety of ways, such as water pitchers and cups on lunch tables, a water fountain, or a faucet that allows students to fill their own bottles or cups.

Water is offered inside the cafeteria at any time during meal service.

## **Food Safety and Buy American**

[A Flash of Food Safety](#) is a video series designed to help school nutrition professionals understand and apply safe food practices ([www.fns.usda.gov/ofs/food-safety-flashes](http://www.fns.usda.gov/ofs/food-safety-flashes)). While you're at it, visit the [Office of Food Safety](http://www.fns.usda.gov/ofs/food-safety) website ([www.fns.usda.gov/ofs/food-safety](http://www.fns.usda.gov/ofs/food-safety)) and explore all of the great food safety resources available to USDA's nutrition assistance program operators. Let's grow food safety!

### **Food Safety Inspections**

- Every school operating USDA School Child Nutrition Programs must have two food safety inspections during each school year: one in the fall, which is an actual food safety inspection; and one in the spring, which is a review of the site's Food Safety Plan.
- Food safety inspection reports must be posted in public view. Posting the food safety inspection report in the same location as the "And Justice For All" poster can be a convenient way to have both items publicly visible.

### **Temperatures**

- All cooling equipment must have internal temperatures taken and recorded daily on temperature logs. Posting them directly on the equipment makes recording convenient and a regular part of daily routines.

### **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 must 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 food service staff. The food safety plan must be reviewed annually. 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>)
- Only SOPs relevant to the programs and procedures for which the site-specific food safety plan is written should be included in the plan.
- The site-specific food safety plan should include SOPs for all programs and procedures utilized at the site.
- The procedures detailed in the SOPs included in the site-specific food safety plan should be followed by all food service staff, student workers, volunteers, and any other people involved in the implementation of Child Nutrition Programs at all times.



- SFAs are required to update food safety programs based on Hazard Analysis Critical Control Point (HACCP) principles to cover any facility where food is stored, prepared, or served for the purposes of the NSLP, SBP, or other FNS programs. This means the food safety program should contain standard operating procedures (SOP) for safe food handling on school buses, in hallways, school courtyards, kiosks, classrooms, or other locations outside the cafeteria.
- Thank you for maintaining a food safety plan which includes all process 1, 2, and 3 items, all applicable standard operating procedures (SOP), all equipment, and food service staff.

### **Food Employee Reporting Agreements**

- All food handlers must have a signed [Food Employee Reporting Agreement](https://datcp.wi.gov/Documents/foodemployeereportingagreementsupplement.pdf) on file (https://datcp.wi.gov/Documents/foodemployeereportingagreementsupplement.pdf).
- All food handlers must sign a new Food Employee Reporting Agreement form if changes are made to the document. While there are no requirements as to how frequently food service employees must sign a Food Employee Reporting Agreement form, it is the best practice for each food service employee to annually review and sign an agreement to reinforce the information contained in the document.

**❑ Finding:** The current annual inspection report was posted out in the cafeteria, but behind the Serv-Safe Certificate. It needs to be posted on its own where the public can view it.

**Corrective Action Needed:** Post the inspection report out in the cafeteria so public can view it at anytime. This was done onsite, no further action needed.

### **Commendations/Comments/Technical Assistance/Compliance Reminders**

The food safety binder at St. Paul school has is a very neat, well organized binder with all the components that should be in there. The director has done a fabulous job of her Food Safety Book! Also the SFA has her Serv-Safe Certificate which is a great accomplishment!

### **Reporting and Recordkeeping**

#### **Commendations/Comments/Technical Assistance/Compliance Reminders**

Records are being kept for 3 years plus the current year.

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

#### **Commendations/Comments/Technical Assistance/Compliance Reminders**

##### **Summer Meals**

A goal of USDA Child Nutrition Programs is to ensure all students have access to healthy and nutritious meals year round. Even though a summer feeding program is not operated at (St. Paul Lutheran school). USDA would like all SFAs to inform families of where their students can receive a free meal in the summer months. SFAs can inform families of summer meals via the following methods:

- Promotion of the [summer meals locator](https://dpi.wi.gov/community-nutrition/sfsp/find-summer-meals-site) on the DPI Summer Meals webpage (https://dpi.wi.gov/community-nutrition/sfsp/find-summer-meals-site)
- Promotion of calling 211 to locate meals in the area
- Promotion of the ability to text 'food' to 877-877 to locate meals in the area
- Promotion of the USDA [Summer Food](http://www.fns.usda.gov/summerfoodrocks) website (http://www.fns.usda.gov/summerfoodrocks)

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>).

For more information on Summer Feeding option contact:

Amy J. Kolano, RD, CD  
Summer Food Service Program Coordinator  
Phone: 608.266.7124

### **Findings and Corrective Action Needed: SFSP and SBP Outreach**

**❑ Finding: The SFA was not aware of the requirement for Summer Outreach. Technical Assistance was given about how to find where meals are served in their area.**

**Corrective Action Needed: Look on the DPI website to find where summer meals are served in the Appleton area, and send out notification to families in a newsletter or summer packet. This was done onsite, no further action needed.**

**The Food Service Director has done a fantastic job in highlighting different ideas for school nutrition by signage in her cafeteria, talking with students, starting a new flavor station instead of salt and pepper, and encouraging students to try new items in her meal program. She has a positive attitude, and her staff is just as positive about School Nutrition. We are very delighted to see that when we come to do a review. The SFA here at St. Paul Lutheran School really has a passion for the students, and she treats them all as if they were her own children. Great job!!**

The Wisconsin Department of Public Instruction has a vision that every student will graduate prepared for college and career. Goals are for students to have the knowledge, skills, and habits that will allow them to succeed in life after high school. Access to quality nutrition plays a major role in developing those life-long habits.

The School Nutrition Team believes that what school nutrition programs do every day plays a very important part in the success of every child being able to graduate. We all know that well-nourished children are ready to learn. Thank you for all you do to ensure your students' success.

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

