

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

School Food Authority: Beloit Turner School District

Agency Code: 53-0422

School(s) Reviewed: Powers Elementary

Review Date(s): 2/8/18

Date of Exit Conference: 2/8/18

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. 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).
- 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).
- 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 Beloit Turner School District for the courtesies extended to us during the on-site review. Staff were available to answer questions and were receptive to recommendations and guidance. Reviewers were impressed with the food service director's eagerness to implement fresh ideas and make changes to improve program compliance and efficiencies. More specifically, we would like to acknowledge efforts to connect nutrition to the classroom. The food service director is a Registered Dietitian Nutritionist (RDN), and has collaborated well with teachers to assist with the Nutrition Education component of the Local Wellness Policy (LWP).

Additionally, the food service website landing page has a helpful Q/A for parents to reference, which highlights the Free and Reduced application process, unpaid meal charges, and more Frequently Asked Questions for transparency. This is a great model for other districts to implement.

REVIEW AREAS

1. MEAL ACCESS AND REIMBURSEMENT

Certification and Benefit Issuance

Technical Assistance/Compliance Reminders

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 with the household. 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.

Transferring Students

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. The transfer of eligibility between LEAs for students attending CEP schools will be required by July 1, 2019.

Note: Wisconsin DPI requires source documentation of the student's previous eligibility.

Independent Review of Applications (IROA)

LEAs that have a 5% or higher error rate during the certification review of the Administrative Review will be required to conduct a second review of applications in the following school year.

Beloit Turner School District had a 1.86% certification error rate and will not be required to conduct a second review of applications.

Disclosure

- The information provided by the family on the free and reduced price application is to be used only for determining eligibility for meal or milk benefits.
- The LEA must seek written consent from the parent or guardian to use the information provided on the application or through direct certification for non-program purposes, such as athletic or testing

fee waivers, registration fee waiver, school fees, etc. Consent must be obtained each school year. Find the [Sharing Information with Other Programs](https://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/sharing-info-other-programs.doc) template on the Free and Reduced Meal Applications and Eligibility webpage (<https://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/sharing-info-other-programs.doc>).

- For anyone receiving eligibility information to approve students for non-food service program benefits after parental consent is received, the *Disclosure Agreement* form should be signed and on file at the district. A template [Disclosure of Free and Reduced Price Information](http://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/disclosure-agreement.docx) form is located on the SNT website (<http://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/disclosure-agreement.docx>).

Public Release

All SFAs are required to distribute a [Public Release](https://dpi.wi.gov/school-nutrition/national-school-lunch-program/free-reduced-applications#apps) before the start of the school year (<https://dpi.wi.gov/school-nutrition/national-school-lunch-program/free-reduced-applications#apps>). The purpose is to inform the public that free and reduced price meals and free milk are available. SFAs must annually distribute the Public Release to:

- Local news media
- Grassroots organizations (local organizations providing services to populations in need)
- Major employers contemplating or experiencing large layoffs
- Local Unemployment Office (as applicable)

SFAs are not required to pay to have the public release published but must maintain documentation of whom it was sent to along with the specific materials distributed.

Findings and Corrective Action Needed: Certification and Benefit Issuance

- ✓ **Finding #1:** The direct certification letter did not contain a complete list of programs that may have qualified the household for benefits. Additionally, the letter did not contain a statement notifying households that students qualifying for reduced meals by Medicaid match may be eligible for free meals by application.

Corrective Action Needed: Provide a copy of the direct certification letter that contains the information described above. **Corrected on-site, no further action required.**

- ✓ **Finding #2:** The non-discrimination statement was either missing or incorrect on the direct certification and application approval/denial letters. Additionally, the non-discrimination statement text shall be no smaller than the text of the communication.

Corrective Action Needed: Update the DC and F/R approval/denial letter templates with the correct non-discrimination statement. **Completed onsite. No further action needed.**

- ✓ **Finding #3:** Five student certification and benefit issuance errors were found and noted on the SFA-1 form provided onsite. Three other student errors were also noted on the SFA-2 form.

Corrective Action Needed: Obtain clarifications and/or send a letter of adverse action. If a letter of adverse action is sent, provide 10 calendar days prior notice for the household to appeal. If the household appeals, continue benefits until the appeal is resolved.

Completed onsite. No further action needed.

- **Finding #4:** The 1718 SY Public Release was not distributed.

Corrective Action Needed: Submit a statement outlining where and when the release will be sent in the 1819 SY. Note: This is an annual requirement.

Verification

Commendations/Comments/Technical Assistance/Compliance Reminders

- When households submit pay stubs as part of the verification process, the gross income amount and frequency of payments must be verified and compared to the income amounts and frequencies listed on the original application. If an income frequency is unclear or not listed on a submitted pay stub, the verifying official must contact the family for clarification before proceeding with the verification process.
- When households submit pay stubs as part of the verification process which include overtime pay, the overtime pay must be included in the verification of income if it is earned on a regular basis. However, periodic overtime pay does not need to be included in the verification of income if it is not earned regularly. The verifying official must contact the family for clarification regarding overtime pay if it is listed on submitted pay stubs during the verification process.

Findings and Corrective Action Needed: Verification

- ✓ **Finding:** The Verification Collection Report contained one error in the results section 5-8 in which one application containing one student's name was incorrectly categorized.

Corrective Action Needed: Please correct and resubmit this report. After submission, please notify the nutrition program consultant via email so it can be electronically confirmed that the correction was made. **Corrected on-site, no further action required.**

Meal Counting and Claiming

Compliance Reminders

All meals claimed for reimbursement must be counted, recorded, consolidated, and reported through a system that *consistently* yields accurate claims. Meals must be claimed at the point of service where it can be determined the student has a reimbursable meal.

Findings and Corrective Action Needed: Meal Counting and Claiming

- ❑ **Finding:** Inaccurate lunch point of sale at Powers Elementary School. Each classroom drops a stack of cards in a box, which hangs outside the meal preparation area. The cards are then entered all at once into the software system at the end of meal service. The current system is based on classroom forecast counts, not who actually went through the lunch line and received a meal (participation). This is not an approved meal accountability system.

Corrective Action Needed: Submit a statement explaining how the point of sale at Powers El will be corrected. The online contract currently lists an "end of the line" point of sale. If this will continue to be the case, students must have access to all meal components and then enter their PIN number, or drop their individual card once their tray has been checked--similar to breakfast service. If other sites operate this type of point of sale, make corrections district-wide.

As a result, a recalculation of lunch counts will be required at Powers El. **Submit 30 consecutive operating days of corrected counts. The most efficient way to submit this would be by running a site edit check report for the chosen timeframe. The corrected counts will be used to adjust lunch claims back to the beginning of the school year and may result in fiscal reclaim.**

2. MEAL PATTERN AND NUTRITIONAL QUALITY

Commendations

Thank you to the staff at Beloit Turner School District for the warm welcome and flexibility with the schedule of this review. Even though newer to the role, the Food Service Director is doing a great job of maintaining thorough, organized documentation, as well as offering students appealing menus. She also shows a strong understanding of program requirements. The food service staff at Powers Elementary is doing a great job of serving a variety of fruits and vegetables to students and presenting them with great visual appeal. Thank you for your dedication to the Child Nutrition Programs!

Comments/Technical Assistance/Compliance Reminders

Training Recommendation

Regular trainings are offered on the Wisconsin DPI webpage through webcasts, webinars, and on-site trainings. Check our [training webpage](https://dpi.wi.gov/school-nutrition/training) often for current and upcoming opportunities (dpi.wi.gov/school-nutrition/training). Additional Offer versus Serve training would be of benefit to the food service staff at Powers Elementary. Please also know that all members on the School Nutrition Team are available for technical assistance any time throughout the year. A complete list of [DPI SNT staff](https://dpi.wi.gov/school-nutrition/directory) can be found on our website (dpi.wi.gov/school-nutrition/directory).

Printed Menu

The printed menu should list all components included with the reimbursable meal. While the menu for December included all components, the menu for February could be improved. For example, the menu listed “Chicken & Gravy with Mashed Potatoes” on the day of lunch observation, along with the general statement that fruits, vegetables, and milk are offered with meals. It was unclear what grain item was being offered on this day based on the menu available.

Breakfast Signage

Signage for breakfast and lunch was posted and filled in with the daily menu. However, breakfast signage did not specify the number of food items that each menu item was planned as. It is up to the menu planner to determine in advance whether items crediting as 2.0 ounce equivalents (oz. eq.) count as one or two food items. For example, the Pancake Wrap served on the day of observation was 2.0 oz. eq., so it could be counted as either one or two food items. The foods students can select in order to have three food items for a reimbursable breakfast must clearly be communicated to them.

Meeting Daily and Weekly Requirements when Offering Multiple Entree Options

The meal pattern requires a minimum amount of each food component per age/grade group to be offered, regardless of what the student chooses to select. Each line needs to meet the daily meal pattern requirements as well as the weekly meal pattern requirements. Because students are only able to select one entree option, each entree option offered is viewed as one “line” and therefore needs to meet the daily as well as the weekly requirements. This guidance can be found in the following documents.

[DPI's Lunch in a Nutshell](#)

Each serving line must meet the daily and weekly requirements, including vegetable subgroups, independently. (<https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/lunch-in-a-nutshell.pdf>).

Memo [SP 10-2012 \(v.9\)](#) Questions & Answers on the Final Rule, “Nutrition Standards in the National School Lunch and School Breakfast Programs”

1. For menu planning purposes, when multiple choice menus are served, how are minimums calculated?

Weekly minimum - example 2: If a grade K-5 school offers a 1 oz. eq. grain item (salad) and a 3 oz. eq. grain item (pizza) every day (and instructs the student to select one option only), the minimum weekly offering is 5 oz. eq. grain (1 oz. eq. x 5 days). This menu would not meet the required weekly minimum for lunch of 8 oz. eq. (pg. 37) (<https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/SP10-2012v9s.pdf>).

2. When multiple serving lines are used in a school, must each line meet the weekly vegetable subgroup requirement?

Yes, in most cafeteria set-ups. As required in Section 210.10(k)(2), each independent line must meet the daily and weekly requirements (including subgroups), in order to ensure that a child is able to take a reimbursable meal every day in any line they may choose. (pg. 37) (<https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/SP10-2012v9s.pdf>).

Ounce Equivalents Exceeding the Daily Requirement

While there are no enforced maximum ounce equivalents (oz. eq.) for grains and meat/meat alternates, it can be difficult to meet the dietary specifications when menu items greatly exceed the required daily and weekly amounts. For example, the Breakfast Sandwich consisting of an English muffin, sausage patty, egg patty, and cheese slice credited as 2 oz. eq. of grain and 2.25 oz. eq. of meat/meat alternate (which may be credited as grains at breakfast). This is well beyond the daily 1 oz. eq. grain breakfast requirement and is a large portion of the 7 oz. eq. grains per week requirement. Consider eliminating one of the meat/meat alternate ingredients in this sandwich to better align with the dietary specifications.

Grade Groups

Some documentation submitted for the week of review included portion and nutrition information broken into K-2, 3-5, and 6-12 grade groups. Students in grades K-5 are one grade group and the same portion sizes should be planned and offered to all students in this grade group. Additionally, while grades 6-12 were not included in this Administrative Review, it should be noted that grades 6-8 and grades 9-12 are two distinct age/grade groups. The meal pattern and dietary specifications differ between these two grade groups, so one planned portion size for these students may not always be appropriate based on their respective meal patterns.

Crediting Vegetables

The Veggie Cups listed on the production records may be credited toward the daily vegetable requirement, but not toward a specific vegetable subgroup. In order to credit toward the vegetable subgroups, the amount of each vegetable in the Veggie Cup should be given either as a volume amount or as a percentage of the overall vegetable amount in the cup. The same would apply to any mixed vegetables or vegetable blends. Consider developing a standardized recipe for the Veggie Cups or include the amount of each vegetable in one cup on the production record.

Whole Grain Rich

Foods that meet the whole grain-rich (WGR) criteria for the school meal programs 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. The lasagna noodles being used are not WGR, due to low student acceptance of the WGR version. If this lasagna recipe remains

on the menu, continue offering a WGR grain with this meal to ensure the daily and weekly grain minimums are met, or consider replacing this menu item.

Prior to the on-site review, The Food Service Director stated that the current lasagna offered would be replaced.

Production Records

Production records are required to document that food meeting the meal pattern was served in the appropriate serving sizes. Continue to work with all staff members to record the planned serving size for each menu item, the number of purchase units prepared, condiment usage, and milk usage by type. 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. There is a wide variation in formulation of the many products served as part of school meals and crediting may vary by brand. Fruit sizes (e.g. case count) should also be recorded. A list of production record requirements (“Must Haves and Nice to Haves”) and sample production record templates can be found on our [Production Records](http://dpi.wi.gov/school-nutrition/national-school-lunch-program/menu-planning/production-records) webpage (<http://dpi.wi.gov/school-nutrition/national-school-lunch-program/menu-planning/production-records>).

Allowable milk types for 4K Students

Only unflavored milk is allowable for students not yet in kindergarten who are being served under the updated CACFP meal pattern. This includes milk offered in the School Breakfast Program, National School Lunch Program, and Special Milk Program. Flavored milk may not be served. Children 2-5 years old and not yet in kindergarten should be served unflavored low-fat (1%) or unflavored fat-free (skim) milk. The Smarter Lunchrooms Movement has strategies to [encourage the consumption of unflavored milk](https://www.smarterlunchrooms.org/scorecard-tools/smarter-lunchrooms-strategies#Milk) (<https://www.smarterlunchrooms.org/scorecard-tools/smarter-lunchrooms-strategies#Milk>).

Findings and Corrective Action Needed: Meal Pattern and Nutritional Quality

- ❑ **Finding #1:** The Kix bowlpak cereal offered at breakfast during the week of review credits as 0.5 ounce equivalent (oz. eq.) grain, less than 1.0 oz. eq. of grain requirement. This resulted in a daily grain shortage at breakfast for all days during the week of review. This cereal variety must be bundled with other grain items so at least 1.0 oz. eq. of grain is offered each day to meet the daily minimum requirement for grain. The Kix bowlpak must also be bundled with another grain in order for the bundle to count as an item for the breakfast meal pattern. An item at breakfast is defined as 1.0 oz. eq. grain, 1.0 oz. eq. meat, ½ cup of fruit and/or vegetable, or 1 cup of milk. Under Offer Versus Serve, four food items must be offered at breakfast, and students must select at least three food items, including ½ cup fruit and/or vegetable to have a reimbursable meal.

Corrective Action Needed: The Kix cereal bowlpak was no longer being offered at the time of on-site review and the FSD provided a verbal confirmation that it will not be served in the future. **No further action needed.**

- ❑ **Finding #2:** The cereal varieties (Chocolate Mini Wheats, Cinnamon Toast Crunch, Multigrain Cheerios, and Trix) offered daily at breakfast all credit as 1.0 oz. eq. grain. While this meets the daily grain requirement at breakfast, it does not satisfy the weekly grain requirement since students may select cereal each day of the week. Additionally, the Kix bowlpak that was offered at breakfast daily during the week only credits as 0.5 oz. eq. grain and does not satisfy the daily or weekly grain requirement. This resulted in a weekly grain shortage at breakfast for the week of

review. When offering multiple options, you must ensure that the minimum amount a student could select over the week meets the weekly requirement. See the links provided above under technical assistance for additional information.

Corrective Action Needed: Submit a written statement explaining how the cereal will be offered at breakfast to meet the weekly grain requirement of 7 oz. eq. per week. Please also submit product labels for any new products offered.

- ❑ **Finding #3:** Production records are missing some required information, including: specific product information for all menu items, planned serving sizes for each menu item, the number of purchase units prepared, condiment usage, and milk usage by type. Review our “Must Haves and Nice to Haves” on our [Production Records](http://dpi.wi.gov/school-nutrition/national-school-lunch-program/menu-planning/production-records) webpage for more information (<http://dpi.wi.gov/school-nutrition/national-school-lunch-program/menu-planning/production-records>).

Corrective Action Needed: Submit three days of completed breakfast and lunch production records from Powers Elementary with all the required information. Please ensure the required information is filled in for all menu items, including those that are handwritten.

3. RESOURCE MANAGEMENT

Nonprofit School Food Service Account

Technical Assistance/Compliance Reminders

Annual Financial Report (AFR)

All revenues (reimbursements and student payments) and expenses (including food, labor, equipment, purchased services, and other) need to be separated by program and by the correct expense category. Proper allocation will also aid the school in calculating a “yearly” reference period for nonprogram food compliance. The [16-17 Annual Financial Report instructions](https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/annual-financial-report-instructions.pdf) are located on the DPI website (<https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/annual-financial-report-instructions.pdf>).

The 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” report any time you pay someone for services provides such as equipment repair and health inspections.
- Under “nonprogram foods”, report 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, a la carte, and caterings would also be included here.
- When revenues are recorded from the federal reimbursement payments, 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 an NSLP food expenditure for private schools and a purchased service for public schools.

Equipment Pre-approval List

If you plan to purchase equipment that has a useful life of more than one year with funds from the nonprofit food service account and the estimated cost exceeds the School Food Authority's (SFA) capitalization threshold or \$5,000 (whichever is less), you will need to factor another step or two into your procurement process. The first step is to review the Preapproved Equipment List. If the equipment purchase is listed, no further action is needed. If the equipment you wish to purchase is not on the Preapproved Equipment List, submit a PI-6206 form requesting approval from the School Nutrition Team (SNT) before purchase.

Unpaid Meal Charge Policy

USDA Policy Memorandum SP 46-2016 requires all SFAs operating federal school meal programs to have a written and clearly communicated policy that addresses unpaid meal charges. The food service director has worked very hard to implement an unpaid meal charge policy that speaks to the needs of the local community while adequately enforcing it to manage bad debts.

Refunds

Funds in student meal accounts are considered a liability until a meal is purchased. When the funds are left "unclaimed", they cannot be used to offset another student's negative account, unless *paid* households have *chosen to donate* those funds to the school food service account. All funds left in any student meal account which cannot be contacted must be turned over to the Wisconsin Department of Revenue (DOR) as unclaimed property. The DOR has rules concerning unclaimed property that must be followed (<https://www.revenue.wi.gov/DOR%20Publications/pb82.pdf>).

For more information see the new [WI Financial Q&A](#)—Unpaid Meal Charges section

(<https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/financial-questions-answers.pdf>).

Findings and Corrective Action Needed: Nonprofit School Food Service Account

❑ **Finding #1:** The 1516 SY and 1617 SY Annual Financial Reports are incorrect.

Corrective Action Needed: Correct both of these reporting years by printing a copy of the submitted report and manually writing in the changes. Submit the updates via email attachment to the DPI accountant jacqueline.jordee@dpi.wi.gov.

- 2015-16 SY- the beginning and ending fund balances are incorrect. The ending balance should be \$95,744.78.
- 2016-17 SY- the total revenues, total expenditures, and ending fund balance are incorrect. The total revenue should be, \$612,974.64, the total expenditures should be, \$707,201.72, and the ending fund balance should be \$1,517.70.

The expenses are also allocated incorrectly by program and by category. A portion of labor from NSLP should be allocated to Breakfast, SMP, WMMP, and nonprogram foods. Expense should also be pulled out of food and correctly reported under purchased services and other—and also by program.

✓ **Finding #2:** The 1718 SY online contract does not accurately reflect student and adult Breakfast per meal charges.

Corrective Action Needed: Update the online contract to reflect, \$1.50, \$1.60, and \$2.60. **Completed. No further action needed.**

Revenue from Nonprogram Foods

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 costs associated with nonprogram foods, including food, labor, equipment, and purchased services must be covered by revenues received from the sale of those foods. Nonprogram foods may not be supported by reimbursable meals or have a nonprogram foods loss absorbed by the food service account. Thus nonprogram foods may never run in the negative unless non-federal funds are transferred into the food service fund to cover the deficit.
- Nonprogram Food costs and revenues must be separated from Program food costs and revenues.
- The USDA Nonprogram Revenue Tool must be completed yearly, at a minimum. The [DPI Nonprogram Food Revenue Tool/Calculator](#) located on our website feeds into the USDA tool and aids in calculating prices of nonprogram foods and meeting the USDA nonprogram food regulation (<http://dpi.wi.gov/sites/default/files/imce/school-nutrition/xls/non-program-food-price-calculator.xlsx>).

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

Resources

- [Nonprogram Foods Revenue Rule SP-20-2016](http://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/sp-20-2016.pdf) (<http://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/sp-20-2016.pdf>)
- [Nonprogram Foods In a "Nutshell"](http://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/nonprogram-foods-in-a-nutshell.pdf) (<http://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/nonprogram-foods-in-a-nutshell.pdf>)

Findings and Corrective Action Needed: Revenue from Nonprogram Foods

✓ **Finding:** The Nonprogram Foods Revenue Tool has not been completed.

Corrective Action Needed: Provide a copy of the completed tool, using at a minimum, a 5-day reference period (https://media.dpi.wi.gov/school-nutrition/nonprogram-food-revenues/story_html5.html). **Completed. No further action required.**

4. GENERAL PROGRAM COMPLIANCE

Civil Rights

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 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 or low balance notices, the abbreviated statement may be used, "**This institution is an equal opportunity provider.**" Either of these statements must be in the same size font as the other text in the document.

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. This would include the Authorized Representative, Determining Official, and Verifying Official.
- The agency is currently using an outside organization's Civil Rights training video. DPI encourages the agency to utilize Wisconsin's Civil Rights trainings in the future to ensure all required topic areas are covered.

Processes for complaints

- Schools must have a process for receiving and processing complaints alleging discrimination within the school meals program.
- 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.
- 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. Please refer to the [USDA Program Discrimination Complaint Form](https://www.ocio.usda.gov/sites/default/files/docs/2012/Complain_combined_6_8_12.pdf) for assistance in filing these complaints (https://www.ocio.usda.gov/sites/default/files/docs/2012/Complain_combined_6_8_12.pdf).

Findings and Corrective Action Needed: Civil Rights

- Finding #1:** The Townview El, Beloit Turner High School, and Beloit Turner Middle School calendar menus do not contain the shortened non-discrimination statement.

Corrective Action Needed: Update these file templates and submit a corrected copy to the consultant.

- Finding #2:** The determining official, verifying official, and authorized representative did not complete the annual USDA Civil Rights training. The staff are considered front-line staff who help administer the program and may interact with program participants.

Corrective Action Needed: Complete Civil Rights Training by watching the [DPI Civil Rights PowerPoint](#). Submit an [attendance roster](#) with signatures and date of completion.

On-site Monitoring

Compliance Reminders

The NLSP onsite monitoring forms have been updated to include the general areas of review. The form can be found on our [Administrative Review](http://dpi.wi.gov/school-nutrition/national-school-lunch-program/administrative-review) webpage under the SFA onsite monitoring section (<http://dpi.wi.gov/school-nutrition/national-school-lunch-program/administrative-review>).

Local Wellness Policy

Comments/Technical Assistance/Compliance Reminders

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 (HHFKA) of 2010. The final rule requires School

Food Authorities (SFAs) to begin developing a revised local school wellness policy during School Year 2016-17 with full compliance of the final rule by June 30, 2017.

Minimum policy components:

- 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).

Assessment of the LWP

- The final *Local School Wellness Policy Implementation Under the Healthy, Hunger-Free Kids Act of 2010* rule requires the SFA to assess the local school wellness policy (LWP) every three years, at a minimum. The first assessment should be completed within three years of the SFA's policy being updated, but no later than June 30, 2020 to be in compliance with this rule. The triennial assessment must evaluate compliance with the LWP, how the LWP compares to model wellness policies, and progress made in attaining the goals of the LWP. SFAs must retain documentation of the results of the triennial assessment and when it took place. To assist SFAs with evaluating compliance with their LWP, a report card has been developed and is available at [School Nutrition Team's Wellness Policy webpage](https://dpi.wi.gov/school-nutrition/wellness-policy) (https://dpi.wi.gov/school-nutrition/wellness-policy). A sample model wellness policy is available at the [USDA Wellness Policy webpage](http://www.fns.usda.gov/tn/implementation-tools-and-resources) (http://www.fns.usda.gov/tn/implementation-tools-and-resources). Public School Districts that participated in the Wisconsin Obesity Prevention's Wellness Policy project, in SY16-17, have received a copy of a report comparing their policy to a model policy (reports were sent in August, 2017). Additional information about interpreting your school's report is available at the [Wisconsin Health Atlas webpage](https://www.wihealthatlas.org/lwp/) (https://www.wihealthatlas.org/lwp/). Schools are encouraged to establish an account with the Rudd Center for Food Policy and Obesity to access the Wellness School Assessment Tool ([WellSAT](#)) for assistance in assessing the LWP.

- SFA must also inform and update the public about the assessment of the implementation of LWP. The notification 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. SFAs are required to retain a copy of the assessment and documentation regarding the public notification. SFAs may use a variety of methods to notify the public about the assessment. This may include mailing flyers, newsletters, emails, website postings, and newspaper articles. It is recommended SFAs include an improvement plan upon the results of the assessment.

Findings and Corrective Action Needed: Local Wellness Policy

❑ **Finding:** SFA LWP meets some but not all requirements as stipulated above.

Corrective Action Required: Please provide a timeline for updating your policy to become compliant with the final rule. The current policy is missing language related to policy leadership, permitting the public to participate, Food and Beverage Marketing, and completion of a triennial assessment.

Smart Snacks

At the time of the on-site review a la carte milk was the only food or beverage sold at Powers Elementary. 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](https://dpi.wi.gov/school-nutrition/national-school-lunch-program/smart-snacks) webpage (<https://dpi.wi.gov/school-nutrition/national-school-lunch-program/smart-snacks>).

Food Safety and Buy American

Technical Assistance/Compliance Reminders

Buy American

- If no country of origin is identified on the label, than the SFA must obtain certification from the distributor or supplier stating: “We certify that (insert product name) was processed in the U.S. and contains over 51% of its agricultural food component, by weight or volume, from the U.S.,” This can be accepted within an email. TA was provided for multiple GFS items that did not identify a country of origin. GFS has a report that documents all country of origin for products without it on the label.
- What is acceptable to determine compliance on a label? Label should indicate if the product is **grown, processed and packed** in the continental U.S. and any U.S. Territories. **If the label indicates that product is distributed or packed in the U.S, but the country of origin is not listed, this product requires the distributor’s certification as mentioned above.**
- 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, including a tool to assist with tracking noncompliant products, can be found on the SNT [Procurement](http://dpi.wi.gov/school-nutrition/procurement/buy-american) webpage (<http://dpi.wi.gov/school-nutrition/procurement/buy-american>).

Findings and Corrective Action Needed: Food Safety and Buy American

- ❑ **Finding #1:** While observing breakfast service at Powers Elementary, it was observed that insulated milk bags were being used. The site's food safety plan did not contain a standard operating procedure (SOP) that corresponds to this practice.

Corrective Action Needed: Add an SOP for milk bag usage to the food safety plan for Powers Elementary. The template on the [DPI Food Safety \(https://dpi.wi.gov/school-nutrition/food-safety#templates\)](https://dpi.wi.gov/school-nutrition/food-safety#templates) webpage may be used as a starting point for developing this SOP. Please provide a copy of the SOP to the nutrition program consultant.

- ✓ **Finding #2:** While observing meal service at Powers Elementary, it was observed that unopened milk cartons were returned to the food service staff by students and re-served at later meals. Milk is a time/temperature control for safety (TCS) food and thus cannot be re-served in child nutrition programs, even if the carton is unopened.

Corrective Action Needed: Discontinue re-service of unopened cartons of milk returned by students.
Corrected on-site after discussion with food service staff.

- ✓ **Finding #3:** The most recent food safety inspection report (fall 2017) is not posted in a publicly visible location at Powers Elementary.

Corrective Action Needed: Post most recent food safety inspection report in location visible to public.
Completed. No further action required.

5. OTHER FEDERAL PROGRAMS REVIEWS

Special Milk Program (SMP)

Findings and Corrective Action Needed:

- ❑ **Finding:** Reviewers observed morning 4K students coming through the breakfast line at Powers El. Half-day students that attend in the morning are being claimed under both the SMP and the School Breakfast Program, which is not allowable. This double claiming from a federal program was also cited on the last audit in 2014 and resulted in fiscal reclaim.

Corrective Action Needed: Send documentation showing the number of milks claimed from September 2014 through January 2018, under the SMP, **for the morning students** that also have access to the school Breakfast Program. This will allow us to limit the amount of fiscal reclaim to only the morning class, as the afternoon classes can still participate in SMP (they do not have access to breakfast or lunch).

Submit a statement outlining how and when the district corrected this issue and how you would like to proceed with the SMP moving forward. The morning 4K classes cannot be claimed under the SMP when they have access to breakfast. An alternative option is to claim them under the Wisconsin School Day Milk Program (WSDMP)—but note this program is not fully funded, so a portion of the milks claimed as free (F/R eligible students) would be absorbed by the food service account. The district may want to consider dropping the SMP if the program cannot be operated within regulations as the state agency has reclaimed a significant portion of reimbursement after the 2014 and 2018 reviews.

Wisconsin School Day Milk Program (WSDMP)

Findings and Corrective Action Needed:

- ❑ **Finding:** The district's paper contract completed in 1999 no longer reflects current practices and administration.

Corrective Action Required: Update the WSDMP contract by submitting a paper contract to loriann.knapton@dpi.wi.gov. Copy the nutrition consultant on the communication.

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

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

