NUTRITION PROGRAMS SIMPLIFIED

Administrative Review Summary and Corrective Actions

SFA Name:	Greshman School District
SFA Code/ ID Number:	582415
Administrative Review Conducted on:	Wednesday, December 6, 2017

The purpose of this spreadsheet is to inform you of the results of the Administrative Review that was conducted on December 6, 2017; an exit conference summarizing the findings took place on the same day.

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

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

This summary includes a comprehensive list of the technical assistance that was provided throughout the review as well as all findings that require a written response from the SFA. All items listed on the red Corrective Action tabs (Menu and Review) require a written response and must be submitted in writing to CN Resource, by **February 5, 2018.** Please complete the responses electronically. If any additional responses are needed, please respond on district letterhead. In addition to responding to the findings please ensure that additional training is provided to all staff to bring all finding areas into compliance. Failure to submit the required materials by the due date may result in the withholding of claims. Should corrective actions not be submitted, a follow-up review may take place to ensure all required corrective actions were completed and implemented system-wide as appropriate.

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

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

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

Administrative Review Technical Assistance Summary

SFA Name:	Greshman School District
SFA Code/ID Number:	582415
Administrative Review Conducted on:	Wednesday, December 6, 2017

Commendations & Suggestions
Outstanding job meeting all of the requirements for breakfast and lunch. All daily and weekly meal component and food quantity requirements were met for the week of menu review.
Thank you for completing the Paid Lunch Equity Tool each year and adhering to the pricing requirements for paid student lunches.
Thank you for being prepared for the review.
All staff members were very kind and accomodating. Meal service ran very smoothly and the kitchen staff all do a great job.

Other areas of Technical Assistance (Does NOT require SFA Response)
During the review, Local Wellness Policies were discussed with the SFA. The SFA is required to allow certain parties - parents, students, representatives of the school food authority, teachers of physical education, school health professions, the school board, school administrators, and the general public - to participate in the development, implementation, periodic review, and update of the Local Wellness Policy. The SFA must reach out to these parties to make them aware of their ability to participate.
During the review, Local Wellness Policies were discussed with the SFA. The SFA is required to perform an assessment of the Local Wellness Policy at a minimum once every three years. The results of the assessment need to be made available to the public. The SFA should use the results of the assessment to determine any changes or updates that need to be made to the wellness policy.
During the review, the benefit issuance document was discussed with the SFA. The SFA was informed that the list should identify how the eligibility for each student was determined. This can be through direct certification, application, etc.

SFA Name: Greshman School District

SFA Code/ID: 582415

Administrative Review Conducted: Wednesday, December 6, 2017

Site(s) Selected for Review: Gresham Elementary School

Date Corrective Action Plan was provided to SFA: 1/5/2018

Due Date for Corrective Action Plan: 2/5/2018

The following pages address the findings that were identified during the Administrative Review. There is an area for a response for each finding.

Please enter the detailed response for each in the spaces provided .

Finding #1: Resource Management
The SFA had an excess of three months average expenditures in its year-end net cash resources, and did not have approval from the State Agency. Additionally, the SFA incorrectly reported financial information on the SY 16-17 Food Service Financial Report.
Technical Assistance
The SFA must not accumulate net cash resources exceeding three months' average expenditures, unless they receive prior approval from the State Agency. During the review it was determined that the SFA had an excess cash balance and did not have prior approval from the State Agency. The ending fund balance was $58,611.68 and three month average expenses were $55,117.83, resulting in an excess cash balance of $3,493.85. Additional technical assistance was given during the review, explaining how to calculate compliance with net cash resource requirements. The SFA should submit a spend-down plan explaining how the net cash resources will be spent down to an appropriate level. The SFA can purchase new equipment, improve food quality, upgrade food service software, implement additional food service training, increase food service wages and benefits where appropriate, etc. in order to improve the food service program. The SFA should ensure that all financial information submitted to the State Agency as part of their annual food service financial report is reported accurately. The SFA reported direct student and adult sales under the “Transfer from Non-Food Service Account – Operating Transfer” and “Transfer from Non-Food Service Account – NonProgram Food Revenue” columns instead of the “School Food Revenue” column. This caused the report to show the SFA made general fund transfers into the food service account when these amounts were earned revenue, not transfers. Additionally, the SFA’s beginning fund balance for SY 16-17 does not match the ending balance per the SY 15-16 report. These numbers should always tie. The SFA needs to revise the previous years’ reports as necessary, to have the ending balance match the beginning balance of the next year.
For detailed regulation see: 210.14(b) Net cash resources.

Required SFA Response	SFA Response	CNR Internal Use	
		Appv.	*Intls.*

1. Submit a spend-down plan explaining how the SFA will lower the nonprofit school food service fund balance to a level at or below 3 months average expenditures. This should include estimated dates and amounts of any planned purchases/costs, as well as an expected timeline for spending down the balance.			
2. Provide a written statement explaining the internal controls that have been put into place to ensure that the food service net cash resource balance will remain under 3-months' average expenses in the future, or prior approval will be received from the State Agency if an excess balance is expected.			
3. Revise the SY 16-17 and previous years financial reports in order to correct the errors found during the review, and resubmit the reports to DPI. Submit copies of the revised reports as part of the corrective action response, along with an explanation of the revisions made.			
4. Provide a written statement that the SFA representative responsible for completing the financial report has reviewed DPI's training on how to complete the report (under "Annual Food Service Financial Report" on DPI's financial website: https://dpi.wi.gov/school-nutrition/national-school-lunch-program/financial).			

Finding #2: Resource Management			
The SFA's adult meal price is not in compliance with FNS Instruction 782-5, Rev. 1.			
Technical Assistance			
The SFA has priced their adult meals below the cost of producing these meals. The SFA also misreported adult meal prices in their DPI contract. Adult meals should be priced at least at the student price plus per-meal reimbursements and the value of commodities received. In the current year, the SFA priced adult lunches at $3.15, but should have charged at least $3.27 ($2.60 student price + $.39 federal reimbursement + $.2325 value of commodities + $.0482 state reimbursement). The SFA reported an adult lunch price of $3.25 to DPI for the current year, which does not match what they are currently charging or what they should be charging. The DPI Adult Meal Memo was sent to the SFA in an email. This memo, along with updated reimbursement rates and the value of commodities can be found on DPI's Financial Management website: https://dpi.wi.gov/school-nutrition/national-school-lunch-program/financial			
For detailed regulation see: FNS Instruction 782-5, Rev. 1			
Required SFA Response	SFA Response	CNR Internal Use	
		Appv.	Intls.

1. Provide the date that the finding was brought into compliance or the planned date of completion. This should include documentation showing the new adult meal price.			
2. Provide the name(s) and title(s) of the SFA representative(s) that will ensure compliance.			
3. Provide a written statement outlining the SFA's adult meal pricing policy. This policy should establish guidelines for an annual reassessment of adult meal prices in line with FNS Instruction 782-5.			
4. Revise the adult meal price in your DPI contract.			

Finding #3: Resource Management			
The SFA sold nonprogram foods, but did not correctly determine compliance with nonprogram food requirements.			
Technical Assistance			
The SFA did not correctly determine compliance with nonprogram food revenue requirements. The SFA completed the USDA NonProgram Food Revenue Tool for SY 16-17, but included total costs instead of only food costs. The "Cost for Reimbursable Meal Food" and "Cost of Nonprogram Food" cells should only include food costs. The SFA will need to work with Shawano SD to determine the raw food costs. It is suggested that the SFA completes the DPI NonProgram Food Revenue Tool for a 5-day reerence period instead of the USDA tool for a full year. Additional technical assistance was provided via email. A copy of the DPI tool and instructions can be found on the DPI financial website under “NonProgram Food Revenue”: https://dpi.wi.gov/school-nutrition/national-school-lunch-program/financial			
For detailed regulation see: 210.14(f) Revenue from nonprogram foods.			
Required SFA Response	SFA Response	CNR Internal Use	
		Appv.	Intls.
1. Watch the Nonprogram Foods Revenue Tool webinar (https://media.dpi.wi.gov/school-nutrition/nonprogram-food-revenues/story_html5.html) and provide a copy of the completed quiz questions.			
2. Submit a revised copy of the USDA tool or a completed copy of the DPI NonProgram Food Revenue Tool. If the tool shows you are out of compliance, include a written statement explaining how nonprogram food prices will be increased to come into compliance.			
3. Provide the name(s) and title(s) of the SFA representative(s) that will ensure compliance.			

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

indicated.

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

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

Administrative Review Team
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