

USDA Child Nutrition Programs Administrative Review Summary Report

School Food Authority: Medford Area School District Agency Code: 60-3409

School(s) Reviewed: Medford Area High School

Review Date(s): March 20 – 22, 2017

Date of Exit Conference: March 22, 2017

State agencies (SA) are required to conduct administrative reviews to assess School Food Authority (SFA)'s administration of the National School Lunch Program (NSLP), School Breakfast Program (SBP), and other school nutrition programs. The objectives of the Administrative Reviews are to:

- Determine whether the SFA meets program regulations,
- Provide technical assistance,
- Secure needed corrective action,
- Assess fiscal action, and when applicable, recover improperly paid funds.

General Program Reminders/Updates:

- The Department of Public Instruction (DPI) School Nutrition Team (SNT) conducts School Nutrition Skills Development Courses (SNSDC) each summer in various locations around the state at no charge. Courses cover many areas of the school nutrition programs including administrative responsibilities, program basics, meal pattern requirements and menu planning, financial management, professional standards, procurement, and many other topics. More information along with other upcoming trainings and webinars can be found on the Wisconsin DPI School Nutrition Training webpage dpi.wi.gov/school-nutrition/training.
- SFA staff are encouraged to pursue GOALS Certification. GOALS stands for Goal Oriented Achievement Learning Skills. This is a certificate endorsed by the DPI and is obtained by completing training in nutrition, program administration and operations, and communications and marketing. For more information go to the Wisconsin DPI School Nutrition Training webpage dpi.wi.gov/school-nutrition/training/goal-oriented-achievement-learning-skills.
- SFAs are required to have a local meal charge policy in place no later than July 1, 2017. More information, resources, and best practices may be found on the Wisconsin DPI School Nutrition Financial Management webpage dpi.wi.gov/school-nutrition/national-school-lunch-program/financial, scroll down to the unpaid meal charges section.

Appreciation/Commendations/Noteworthy Initiatives:

Thank you to the staff at Medford Area School District 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.

The staff is well-trained, professional and interacts well with the customers. A'viands food service management company (FSMC) brings many resources to this district in signage, menu planning and staff development. The relationship between the district and the FSMC is complementary in procedures, offerings and follow-through. Many district individuals have duties to check the financial and operations processes of school nutrition programs.

District and FSMC staff have attended DPI, School Nutrition Association and other trainings for continuing education hours. They display a great attitude toward learning more about the meal programs and sharing that with all staff. The district manager for A'viands was onsite for the Administrative Review to support the director and learn more for their other clients.

The school nutrition department engages students in different promotions. To celebrate March Madness, they created four legume recipes for middle school students to sample and vote on, bracket-style, called "Battle of the Proteins". The competition created excitement and exposure to healthy legumes in a fun way.

We reviewed the Medford Area Senior High School and were impressed with the respectful student body and the building facilities. The staff interacted well with the customers and had a collaboration with administration to execute the meal programs and financial viability of said programs. It was wonderful to see the high school principal act daily as one of the cashiers at a POS station during lunch as a way to meet and connect with students.

REVIEW AREAS

1. MEAL ACCESS AND REIMBURSEMENT

Commendations

- 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. Thank you for completing application determination within a couple of days from receipt. This is important since students are eligible for free or reduced price meal benefits on the date their eligibility is determined by the Determining Official.
- Thank you for following up with families to complete all necessary sections of the application and to receive answers to income questions.
- Applications, Direct Certification (DC) and other benefits are processed through Skyward software and benefits are kept confidential in the software system for the Point of Service (POS). A student enters their PIN into the software system, but their status is not identified to prevent overt identification.
- Cashiers and substitutes are trained annually and as needed to process the POS.
- POS machines are connected in real time to keep student accounts current.
- The Determining Official signed and dated the application as determined. She is very thorough and precise in her duties.
- All free/reduced applications and the direct certification runs were available for review. All applications have been approved and students are receiving the benefits for which they have been determined eligible.

- LEAs must make reasonable efforts to provide household letters and application forms to families in the appropriate languages. Thanks for using translators to assist families in the completion of meal applications.
- If a household submits an application that indicates Other Source Categorical Eligibility, such as homeless, migrant, or runaway, the SFA did a great job in confirming 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.
- Direct Certification matches were completed for the required times and additional runs; this is highly suggested as a way to match more students throughout the school year.
- The Confirming Official signed and dated the back of the applications selected for verification.
- The Verifying Official completed the verification tracking tool and wrote notes throughout the process.

Comments/Technical Assistance/Compliance Reminders

Certification and Benefit Issuance

- Three hundred sixty-seven eligibility determinations were reviewed and two errors were identified. These were corrected before the onsite visit and changed in the POS. The Determining Official had application documents and Direct Certification runs kept in a very organized file.
- It was noted that the Non-discrimination Statement was not in the proper font size or format on benefit approval/denial letters to the household; this was corrected prior to the onsite review.

Applications

- When an application only has one frequency of payment indicated for all of their reported incomes on the application, you should not convert it to annual, but using the Income Eligibility Guidelines (<http://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/income-eligibility-guidelines-1617.doc>) you would look at the amount of their income under the column indicating that frequency (i.e., weekly, twice monthly, every two weeks, monthly, annually).
- 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.

Zero Income

- Effective in SY 2016-2017, any income field left blank is a positive indication of no income and certifies that there is no income to report. When no income is provided for any household members, the application may still be processed as complete.

Household Size Box

- As a reminder, for the household income size box:
 - If the Total Household Members box has been completed, but the number of children and adults listed on the application add up to a different number, the SFA is required to follow up with the household to clarify the correct number of people in the household and ensure all household member have been included on the application before an eligibility determination is made.
 - If the Total Household Members box has not been completed, the SFA is required to follow up with the household to confirm the total number of household members. It

cannot be assumed that the number of people listed on the application is the total number of household members. This box has been added as an edit check to ensure all members of the household are included and can make a difference in the eligibility determination. Per clarification from the USDA Regional office, any application that does not have this box completed is considered an incomplete application.

Incomplete Applications

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

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.
- 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, Hmong and Albanian.
- The FNS website offers the application materials in 49 languages
<http://www.fns.usda.gov/school-meals/applying-free-and-reduced-price-school-meals>.
- The nonprofit food service account may be used to pay for translation services for food service purposes if there is a need to translate materials in a language that is not currently available.

Other Source Categorical

- 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. Free meals for foster children may be offered with a Direct Certification match by "E", the box checked on the paper application or with court documents provided to the school office. This free meal benefit is not extended from foster status to other household members.

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 changing the font size of the current non-discrimination statement on your letters to households.

Transferring Students

- When a child transfers to a new school within the same LEA, the new school must accept the eligibility determination from the child's former school, if the child has an individual eligibility determination.
- 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 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.

Direct Certification

- The effective eligibility date for a DC eligible student is the date of the original output file.
- Please remember that an "E" code on the DC match does not extend benefits to others in the household.

Disclosure and Sharing Benefit Information

- The information provided by the household on the free and reduced price application is to be used only for determining eligibility for meal or milk benefits. At this time, households which qualify for free or reduced price meal benefits are automatically given a waiver for athletic and co-curricular fees.
- 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. Consent must be obtained each school year. A template sharing information form is located on the SNT webpage <http://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/sharing-info-other-programs-1617.doc>.
- For anyone receiving eligibility information to approve students for non-food service program benefits after parental consent is received, the *Disclosure Agreement* form should be signed and on file at the district. A template disclosure form is located on the SNT website <http://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/disclosure-agreement.docx>.

Verification

- Please select your verification sampling size and determine the verification sample method to begin the verification process <https://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/verification-forms.docx>. You may be able to reduce the number of applications to verify by using Alternate Sample #2.
- 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.
- Any applications which are "verified for cause" before the verification period ends should have those applications and results listed in section 5-8 of the verification collection report.

Meal Counting and Claiming

- 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 (AccuClaim) to calculate your reimbursable meals by site for consolidation. Please compare the counts from Accuclaim and the Edit Check forms to be sure you are claiming the correct amount of meals.
- Meals must be offered to all students each day school is in session a full day, so DPI has posted a Field Trip resource page on our website to help schools offer a meal to students found under NSLP, then meal planning to see templates <http://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/field-trip-meals-templates.doc>.
- 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.

Findings and Corrective Action Needed

Certification and Benefit Issuance

- ❑ **Finding #1:** Two reviewed students were receiving free meal benefits as extended from another student in the household identified as homeless (E code) on Direct Certification. That code is not to be extended to other household members.

Corrective Action Needed: Advise the household that the free meal benefit for these 2 students will end after 10 calendar days and convert to paid status for school meals. **COMPLETED 2/23/17**

- ❑ **Finding #2:** At this time, households which qualify for free or reduced price meal benefits are automatically given a waiver for athletic and co-curricular fees. During conversation, it was mentioned that other items may be given to those identified households. It is required that household have the power to accept other benefits outside of the meal programs due to their benefit status and not just offered without consent.

Corrective Action Needed: Please submit an explanation of a revised process to offer benefits outside of the meal programs for households that are approved for free or reduced price meal benefits.

Verification

- ❑ **Finding #3:** The verification selection pool was correct and the sampling method was done accurately, but an extra application was also verified as a buffer. The SFA must only verify the number of applications as indicated in the sampling method.

Corrective Action Needed: Please submit a statement of how this process will be completed by the verifying official in the future.

2. MEAL PATTERN AND NUTRITIONAL QUALITY

Commendations

Thank you to food service staff and staff members at Medford Area Senior High School for their positive attitudes, willingness to assist with the review process, and for their dedication to providing excellent customer service to students. Your efforts make a difference!

Comments/Technical Assistance/Compliance Reminders

Make sure to review the training webcasts at <http://dpi.wi.gov/school-nutrition/training/webcasts>.

There are short webcasts available that provide more information on each meal pattern component and on additional topics like production records and crediting. The Offer versus Serve (OVS) webcast in particular at <http://media.dpi.wi.gov/school-nutrition/offer-versus-serve/story.html> is highly recommended for all food service staff, including all cashiers. In addition to sharing this webcast with staff, consider reviewing OVS principles using demonstration with actual menu items and/or consider creating a crediting cheat sheet for next to the register that helps staff recognize appropriate portion sizes. Staff should also be reminded that potatoes count toward the vegetable component and not the grain component.

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. The second sodium target will take effect beginning July 1, 2017. We have a number of resources pertaining to sodium posted on the NSLP menu planning webpage at <http://dpi.wi.gov/school-nutrition/national-school-lunch-program/menu-planning>. The direct link to a table outlining the restrictions can be found at http://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/cnr_sodium.pdf. More information on the second sodium target can also be found in the USDA guidance memo SP 15-2017 at <https://www.fns.usda.gov/sites/default/files/cn/SP%2015-2017os.pdf>. Schools will be offered some flexibility with the target as described in the memo.

On February 6, the only fruit listed on the production records was bananas. The portion size was listed as 1, crediting as ½ cup fruit. As a reminder, a minimum of 1 cup of fruit must be offered to students in grades 9-12 at lunch. Medford Area Senior High School does typically offer two different ½ cup portions of fruit at lunch. The amount of bananas put out and used was similar to the total amount of ½ cup fruit options put out/used on other days. Per the food service director, students could have taken two bananas if they wanted. If this situation occurs again in the future, clarification on portion size should be documented on production records and signage should be in place that helps students understand the option.

Technical assistance was provided prior to the review that all offered components should be listed on the monthly menus. A statement about milk variety was added to the breakfast and lunch menus.

As a reminder, all food items offered with the reimbursable meal must be recorded on production records. Two slices of bread were offered on the potato bar on March 21 but bread was not recorded on the production record, making it look like a component shortage. Please update your production records accordingly.

Standardized recipes are required for all menu items that have more than one ingredient. All standardized recipes must include detailed information about the specific ingredients, equipment, and procedures used to prepare the recipes. A standardized recipe is a recipe that has been tried, tested, evaluated, and adapted for use by a food service operation. It produces a consistent quality and yield every time when the exact procedures, equipment, and ingredients are used, which is crucial for crediting school food service recipes. Recipes should be standardized in each production kitchen to reflect the products and practices that are used in that kitchen. Recipes must be updated when different products are used. More information can be found at <http://dpi.wi.gov/school-nutrition/national-school-lunch-program/menu-planning/recipes>.

Findings and Corrective Action Needed

❑ **Finding #4:** It was found that the recipes used for the deli subs were incorrect. The portion sizes of the deli meats used were weighed prior to service on March 21 and the recipes that are used moving forward should be rewritten using the updated portion sizes. Remember that recipes also need to reflect actual products used. If commodity sliced cheese is not being used, the recipe should be updated to reflect the actual cheese used.

Corrective Action Needed: Submit updated recipes for the deli subs. Submit one day's worth of production records for lunch that show how the deli sub information has been updated to reflect the recipes.

Commendations - from consultant

- Professional signage was used throughout the serving area, including a "Fruit or Vegetable of the Month" fact sheet on the bulletin board at the high school; March's focus is cauliflower.
- Thank you to all staff ready with answers or to gain knowledge during the onsite review. They worked as a team and were very experienced and knowledgeable.

Comments/Technical Assistance/Compliance Reminders – from consultant

- The menu template should be updated to include the typical Tuesday Potato Bar option at high school, plus the daily sub sandwiches.

3. RESOURCE MANAGEMENT

Commendations

- The SFA is in process of creating an Unpaid Meal Charge policy for Board of Education approval and implementation to be communicated to district families at the start of the next school year.
- The Director of Business Services is knowledgeable about school food service activities and how to procure and manage a food service management company to execute the meal programs.
- The duties of the financial administration is nicely divided at the district office, in cooperation of the FSMC director.

Comments/Technical Assistance/Compliance Reminders

Nonprofit School Food Service Account

- The SFA's Child Nutrition program report provides a compilation of meals claimed, the reported revenues and expenditures, amount of federal reimbursement received and per meal costs for lunch, breakfast or other programs. The Aids Register tracks all program deposits made to the SFA's account and the amount deducted from the reimbursement to pay for shipping, handling and processing costs of USDA Foods. These may be found on our Online Services webpage: <http://dpi.wi.gov/nutrition/online-services>.
- SFAs must limit the net cash resources in order to not exceed three months average expenditures. 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".

Annual Financial Report:

- All revenues including reimbursements and student payments, and expenses including food, labor, equipment, purchased services, and other need to be entered into the program to which they belong. The new 16-17 Annual Financial Report instructions are located on our website at: <http://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/annual-financial-report-instructions-new-1617.doc>
- The ending balance on June 30 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.
- When tracking revenues and expenditures, please keep in mind:
 - 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 “A la 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.

Allowable Costs

- The nonprofit school food service account is to be used for the operation of the school meal program including food, supplies, equipment and personnel. The nonprofit school food service account may not be used to purchase land and/or buildings unless approved by FNS.
- Allowable costs are defined in 2 CFR 200 Subpart E and should be necessary, reasonable and allocable. More information on allowable costs can be found within the Indirect Costs guidance <http://dpi.wi.gov/school-nutrition/national-school-lunch-program/financial>.
- Bad debt is an unallowable expense to the food service program. A transfer must be made from non-federal funds to cover student account write-offs. SP57-2016 Unpaid Meal Charges guidance Q & A may be found at <http://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/sp-57-2016.pdf>.
- 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, by July 1, 2017. For a snap-shot on what the policy must include, see the Unpaid Meal Charges “In a Nutshell” at <http://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/unpaid-meal-charges-nutshell.pdf>. For a more comprehensive overview, see SP 58-2016: Unpaid Meal Charges Guidance: <http://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/sp-58-2016.pdf>, including:
 - Best Practices
 - Local meal charge policy checklist
 - Sample outstanding balance letter
 - Sample robo-call script

Paid Lunch Equity

- The Paid Lunch Equity tool must be completed yearly and prices raised accordingly with a maximum yearly increase of \$0.10 as required by regulation.
- Thank you for completing the Paid Lunch Equity tool each year and adhering to the pricing requirements. The current weighted USDA average for School Year 2016-17 lunch target is

\$2.78; Medford Area School District is currently at \$2.43, so will need to look at annual lunch price increases of at least 10 cents.

Revenue from Non-program Foods

- **Non-program Foods Revenue Rule SP-20-2016**
<http://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/sp-20-2016.pdf>
 - Non-program Foods “In a Nutshell” <http://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/nonprogram-foods-in-a-nutshell.pdf>.
 - Non-program 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 non-program food costs including food, labor, equipment, purchased services, and other must be covered by revenues received from the sale of those foods. Those non-program foods must be kept separate from the program foods. Non-program foods may not be supported by reimbursable meals or have a non-program foods loss absorbed by the food service account. Thus non-program foods may never run in the negative unless non-federal funds are transferred into the food service fund to cover the deficit.
 - The USDA Non-program Revenue Tool must be completed yearly, at a minimum. The DPI Non-program Food Revenue Tool/Calculator located on our website feeds into the USDA tool and aids in calculating prices of non-program foods and meeting the USDA non-program food regulation <http://dpi.wi.gov/sites/default/files/imce/school-nutrition/xls/non-program-food-price-calculator.xlsx>.
 - 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 reimbursements are not being used to subsidize adult meals. The current reimbursement rates (2016-17 SY) may be used to determine 2017-18 SY prices since rates aren’t released until July 1 of each year.

To document non-program food compliance with the Federal regulation, the USDA Non-program Foods Revenue Tool needs to be completed. To do this, the SFA must select a reference period of at least 5 consecutive operating days of a regular school week, and compare the reference period revenue ratio to the food cost ratio to determine if the revenue ratio is equal to or greater than the food cost ratio. SFAs must separate their non-program food costs from their program food costs for the selected period to complete the Non-program Foods Revenue Tool. If the revenue ratio is equal to or greater than the food cost ratio, the SFA is in compliance.

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

Indirect Costs

- DPI does not allow the annual assigned indirect cost rate to be applied to Fund 50 (Foodservice account within WUFAR). 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.

Findings and Corrective Action Needed:

Comprehensive Review- Revenue from Non-program Foods

- ❑ **Finding #5:** The USDA non-program food revenue tool is required to be completed each school year. The school nutrition director is in the process of adding all of the income sources and food expenses into this tool.

Corrective Action Needed: Please submit a completed calculator to the consultant and then use the information in the USDA tool.

4. GENERAL PROGRAM COMPLIANCE

Commendations

- Menus and other meal documents are provided in English and Spanish; the district offers language assistance for families.
- We appreciated that the lunch room area had the food safety inspection and the new “And Justice for All” posters posted on the cafeteria wall so the public can read the information.
- The annual civil rights training was conducted as required. This was one of the topics covered in the beginning of the school year training. Several other school personnel will need to complete this annual training, as specified in a corrective action below.
- The Civil Rights Self-Evaluation Compliance (form PI-1441) is required to be completed by October 31 annually; this was done and maintained on file.
- Information about the school breakfast and lunch programs is included in the back-to-school packet sent to all households prior to the start of school.
- The meal counting system and Point of Service software prevents identification of students receiving meal benefits.
- Water is 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.

- The food service department is doing a wonderful job of checking all products they sell for Smart Snacks compliance.
- Thank you for adhering to the onsite monitoring requirement which includes lunch monitoring at each serving site plus half of the school sites which serve breakfast to be visited each year. Please switch to this new lunch form next year: <https://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/nslp-onsite-monitoring.doc>
- The SFA's Local Wellness Policy is in the process of being updated in cooperation of the wellness committee, then will go to the Board of Education for discussion and adoption. Using the checklist, we evaluated the current policy to find areas that need to be revised.
- Staff training to count toward Professional Standards is tracked in an organized tool for each school nutrition employee.
- Thank you for posting your most current food safety inspection report for the public to access. The SFA has record of past inspections and are receiving two per year, as required.
- All pieces of cooling equipment have the internal temperature taken and recorded daily on a temperature log.
- The building level Food Safety Plan is updated and referenced annually for training. It includes all process 1, 2, and 3 items, all standard operating procedures (SOP) for each individual site, all equipment, and food service staff.
- All food service employees have a signed Employee Reporting Agreement on file.
- Thank you for completing the required USDA and DPI reports and maintaining the paperwork in an organized manner.

Comments/Technical Assistance/Compliance Reminders:

Civil Rights

Nondiscrimination Statement

- When including the nondiscrimination statement on letters, menus, website, and other documents used to convey program information, it is necessary to use the current statement <http://dpi.wi.gov/school-nutrition/national-school-lunch-program/civil-rights>. However, when space is very limited, such as on printed menus, only this abbreviated statement may be used, “**This institution is an equal opportunity provider,**” so that it can be printed in the same size font as the other printing in the document.

Special Dietary Needs

- School food service staff may make food substitutions, at their discretion, for children for whom they do not have a signed medical statement from a licensed medical practitioner. It is highly recommended that the SFA have a completed medical statement on file from a medical authority (which could be the school nurse) to support the request. Accommodations made for students without a signed medical statement from a licensed medical practitioner must meet the USDA meal pattern requirements in order for the meals to be reimbursable. It is recommended that the SFA develop a policy for handling these types of accommodations to ensure that requests are equitable for everyone.
- SFAs must accommodate dietary requests that are supported by a signed medical statement from a licensed medical practitioner. Meals served to a students with special dietary needs who have a signed medical statement from a licensed medical practitioner do not need to meet meal pattern requirements. Additional information on special dietary needs can be found on the DPI School Nutrition Team website: <http://dpi.wi.gov/school-nutrition/national-school-lunch-program/special-dietary-needs>.

- Review the use of appropriate fluid milk substitutions which must be nutritionally equivalent to cow's milk and pre-approved through DPI. Fluid milk substitution rules apply to all federal school nutrition programs, including the National School Lunch Program, School Breakfast, and After School Snack Program, but do not apply to the Wisconsin School Day Milk Program. WSDMP, which allows juice as a milk substitution. Lactose-free milk is currently allowed as part of the reimbursable school meal. SFAs may offer it to children who have lactose intolerance without requiring documentation. If schools offer lactose-free milk, there is no need to offer a fortified milk substitute, or seek pre-approval for use. See SP 07-2010 for more information: https://www.fns.usda.gov/sites/default/files/SP_07_CACFP_04_SFSP_05-2010_os.pdf.
- Juice may not be substituted for fluid milk unless juice is specified as a substitution on a medical statement signed by a licensed medical practitioner. Water is available to all students, lactose free milk may be offered, or schools may choose to provide a fluid milk substitute that meets the nutritional requirements set forth by USDA. If choosing to provide a fluid milk substitute, you must notify our office in writing and provide the nutrition information from the product you will be using. For more information on fluid milk substitutes, please see our website: <http://dpi.wi.gov/school-nutrition/national-school-lunch-program/special-dietary-needs>.

Processes for complaints

- 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. The form to assist in filing these complaints can be found on the DPI SNT website at https://www.ocio.usda.gov/sites/default/files/docs/2012/Complain_combined_6_8_12.pdf
This should be included in the district procedures to ensure compliance.

Local Wellness Policy Summary for Administrative Review

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

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

Content of the Wellness Policy

At a minimum the wellness policy must include:

- Specific goals for nutrition promotion and education, physical activity, and other school-based activities that promote student wellness. LEAs are required to review and consider evidence-based strategies in determining these goals.
- Standards and nutrition guidelines for all foods and beverages sold to students on the school campus during the school day that are consistent with Federal regulations for school meal nutrition standards, and the Smart Snacks in School nutrition standards.

- Standards for all foods and beverages provided, but not sold, to students during the school day.
- Policies for food and beverage marketing that allow marketing and advertising of only those foods and beverages that meet the Smart Snacks in School nutrition standards.
- Description of public involvement, public updates, policy leadership, and evaluation plan.

SFAs must complete an assessment of the policy every three years to determine compliance with the wellness policy, how the wellness policy compares to model policies, and the process made in attaining the goals of the wellness policy. SFAs must make the Triennial Assessment results available to the public. In addition, SFAs must make available to the public the wellness policy and any updates to the wellness policy on an annual basis.

A summary of the requirements can be found at:

<http://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/LWP%20Summary%20-%20Final%20Rule.pdf>. USDA Food and Nutrition Service has information on the local school wellness policy process and wellness policy elements at: <https://healthymeals.nal.usda.gov/school-wellness-resources>. Wisconsin Team Nutrition has several wellness policy resources available including a toolkit, a wellness policy builder, and wellness policy report card at: <http://dpi.wi.gov/school-nutrition/wellness-policy>.

Smart Snacks in Schools

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

Smart Snacks

The Smart Snacks Final Rule, published in the Federal Register on July 29, 2016, finalizes science-based nutrition guidelines for competitive foods sold on the school campus during the school day. All foods and beverages sold to students on the school campus during the school day must adhere to the Smart Snacks regulations, or must qualify for a fundraiser exemption. More information on Smart Snacks regulations can be found at <https://dpi.wi.gov/school-nutrition/national-school-lunch-program/smart-snacks>. Below is a list of compliant and non-compliant sales identified through the review process.

Food Service Cafeteria and Vending Machine Sales

Documentation of compliance was submitted for foods sold through food service in the cafeteria and the vending machine. The products that were evaluated were determined to be compliant with Smart Snacks regulations. Food service has done a great job running products through the Alliance for a Healthier Generation's Smart Snacks Product Calculator, available at <https://foodplanner.healthiergeneration.org/calculator>.

General Food and Beverage Sales Outside of Food Service

Food and beverages that are sold to students in other areas of the school campus must also adhere to Smart Snacks regulations. In addition, the sales need to be tracked and documentation of compliance must be kept on file. It is highly recommended to use the tracking tool at <https://dpi.wi.gov/sites/default/files/imce/school-nutrition/xls/smart-snacks-tracking-tool.xlsx> to keep record of food and beverage sales. All sales occurring in the school can be recorded on one template, or a copy of the template can be provided to each staff member that is responsible for sales so that

they can track sales independently. Either way, someone in the school should be appointed to oversee food and beverage sales that occur outside of food service and should be responsible for making sure products sold are compliant. Below is a list of areas that have been identified. Other areas likely exist and should be evaluated by the person responsible for Smart Snacks compliance.

- **Red Zone:** If the school store is open to students during the school day (defined as the period from the midnight before to 30 minutes after the end of the instructional school day), food and beverage sales must be Smart Snacks compliant. It is unlikely that the candy sold in the store would be compliant. Any food or beverage products sold should be run through the Smart Snacks Product Calculator and documentation of compliance should be kept on file.
- **Big Red Café:** Drip coffee is sold to students in the morning through a classroom-based café business. The portion size is 12 fl oz. Students are allowed up to two creamers and two sugar packets. As discussed via email, accompaniments such as cream and sugar need to be included in the nutritional analysis of the coffee drinks. This can be done by determining the average amount of cream and sugar each student uses, or by planning for a specific amount of individual packets of cream and sugar to go with each beverage. The calories added together for the coffee, cream, and sugar can be plugged into the Smart Snacks Product Calculator to determine compliance. Documentation of compliance should be kept on file.
- **Classroom Snack Sales:** A variety of snack-type foods are sold to students all day out of a classroom. The majority of products reviewed were not Smart Snacks compliant. It is recommended to speak with food service about identifying compliant products. Any items sold should be run through the Smart Snacks Product Calculator and documentation of compliance should be kept on file.
- **Medford FFA/Agriculture Department:** A regular or low-fat cheese stick is sold 8am-3pm in a classroom to students. Both varieties should be run through the Smart Snacks Product Calculator to determine compliance. Keep documentation on file to show compliance and be mindful of food safety procedures, including refrigeration.

Fundraisers

The DPI allows two fundraiser exemptions per student organization per school per school year, not to exceed two consecutive weeks each. An exempt fundraiser may sell foods and beverages that are not allowable under the Smart Snacks rule but this may not occur in the meal service area during meal service times. The Smart Snacks standards represent the minimum standards and the exemption policy represents the maximum exemptions allowed; school food authorities (SFAs) have the discretion to establish additional restrictions on competitive foods and further limit fundraiser exemptions through their Local School Wellness Policy if they are consistent with federal requirements.

All compliant and exempt fundraisers need to be tracked. To track compliant fundraisers, consider using the template at <https://dpi.wi.gov/sites/default/files/imce/school-nutrition/xls/compliant-fundraiser-tracking-tool.xlsx>. For exempt fundraisers, consider using the template at <https://dpi.wi.gov/sites/default/files/imce/school-nutrition/xls/exempt-fundraiser-tracking-tool.xlsx>.

- **International Club:** Candy is sold for one week in March. Even though the candy is not Smart Snacks compliant, this could be considered an exempt fundraiser because it is only occurring for one week during the school year.
- **French Trip Fundraiser:** Candy bars are sold in October, with some of the sales occurring on campus during the school day. The candy bars are sold until sold out, so the duration varies but averages three weeks. This would be considered a non-compliant fundraiser as it is selling

non-compliant products and does not qualify for an exemption based on duration. Moving forward, this fundraiser would be compliant if either Smart Snacks compliant products were sold instead of the candy bars or the candy bars were sold in the school for no more than two consecutive weeks.

Many schools are successfully implementing healthy fundraisers and creative non-food fundraisers. For ideas, check out <https://cspinet.org/sites/default/files/attachment/school-fundraiser-factsheet.pdf> and <https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/healthy-fundraising-ideas-flyer.pdf>.

Professional Standards

- The Professional Standards regulations in 7 CFR 210.30 established hiring standards for new school nutrition program directors, hired on or after July 1, 2015, that manage and operate the National School Lunch and School Breakfast Programs. In addition, the regulations established annual training standards for all school nutrition program directors, managers, and staff which must be tracked.
- The hiring standards for SFA directors are based on the size of their SFA and includes education, school nutrition experience and food safety training requirements
<http://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/professional-standards-hiring-chart-by-district-size.pdf>
- Annual training must be job-specific and intended to help employees perform their duties well. The required annual training hours vary according to the employee’s role in the management and operation of the school nutrition program.
- **Annual Training Requirements for All Staff** - If hired January 1 or later, only ½ of the training hours are required during the first school year (SY) of employment.

Directors	Managers	Other Staff (20 hrs or more/week)	Part Time Staff (less than 20 hrs/week)
2015-16 SY	2015-16 SY	2015-16 SY	2015-16 SY
8 hours	6 hours	4 hours	4 hours
2016-17 SY	2016-17 SY	2016-17 SY	2016-17 SY
12 hours	10 hours	6 hours	4 hours

Food Safety, Storage and Buy American

- The USDA FNS Office of Food Safety is excited to share a new educational resource for school nutrition professionals. *A Flash of Food Safety* is an educational video series designed to help busy school nutrition professionals understand and practically apply safe food practices. The videos, available in English and Spanish, address five food safety topics: *Handwashing: Why to Wash Your Hands*, *Handwashing: How to Wash Your Hands*, *Calibrating a Thermometer: Ice Water Method*, *Calibrating a Thermometer: Boiling Water Method*, and *Active Cooling with a Chill Stick*.

Each “flash” video is 2-4 minutes long and can be accessed online via YouTube. They are easy to view from a desktop, laptop, tablet or smart phone – perfect for onsite training! Individuals can earn 15 minutes (1/4 hour) of continuing education for [Professional Standards](#) when they watch all five videos in the series. A certificate of completion is available through the USDA FNS Office of Food Safety website. To view *A Flash of Food Safety*, please visit www.fns.usda.gov/ofs/food-safety-flashes

Time as Public Health Control

- When using “Time as a Public Health (Temperature) Control”:
 - The internal temperature must be at or below 41 degrees F. at the beginning of this holding period for cold potentially hazardous foods.
 - Up to 6 hours at an internal temperature of 41-70 degrees F. under monitored conditions for cold potentially hazardous foods. Provisions must be made to discard product if the 6 hour time limit is exceeded, the temperature of the cold potentially hazardous food rises above 70 degrees F., or the food is removed from service.
 - The maximum time is 4 hours for heated potentially hazardous foods. Provisions must be made to discard product if the 4 hour time limit is exceeded, the temperature of the heated potentially hazardous food falls to 70 degrees F., or the food is removed from service.
 - **There can be no leftovers and no reuse of the items covered under this plan.** Thus, if any Temperature Control for Safety (TCS) food is held outside of mechanical refrigeration during service, including TCS foods on garden bars, all leftover TCS foods must be discarded.

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

Buy American

- The USDA requires that a SFA purchase, to the maximum extent practicable, domestic commodities or products. Using food products from local sources supports small local farmers and provides healthy choices for children in the school meal programs. Purchasing from these entities also supports the local economy. The Buy American provision is required whether food products are purchased by SFAs or entities that are purchasing on their behalf.

The Buy American provision should be included in solicitations, contracts, and product specifications. A reply offer to comply with Buy American terms in a solicitation ensures contractors are aware of Buy American requirements. Further, bidder assurance of the Buy American provision ensures that the bidder is responsive and responsible to the solicitation.

There are limited exceptions to the Buy American provision which allow for the purchase of products not meeting the “domestic” standard as described above (“non-domestic”) in

circumstances when use of domestic products is truly not practicable. Refer to SP 24-2016 for more information on the Buy American provision and limited exceptions.

More information on this new requirement can be found on the SNT website at <http://dpi.wi.gov/school-nutrition/procurement/buy-american> including a tool to assist with tracking noncompliance products.

School Breakfast Program (SBP) and SFSP Outreach

- At the beginning of the school year, the SFA must notify families of the availability of breakfast and schools should send reminders regarding the availability of the SBP multiple times throughout the school year. Medford Area School District accomplishes this through the back-to-school packet of information and during the school year on menus sent home or posted to the school website.

Breakfast Promotion

- Parents play an important role in School Breakfast Program participation. A video was developed to help show parents the benefits that the School Breakfast Program provides for them and their children. This video along with a brochure can be found on our website: <https://www.youtube.com/watch?v=aHR7eECbKaE>
- Continue to promote participation in the School Breakfast Program, especially at the schools which qualify and receive the additional reimbursement for severe need breakfast status.

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 Medford Area School District, 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](#) on the [DPI Summer Meals website](#)
 - 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 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. You may include information in a newsletter sent home to students or putting up free posters <https://dpi.wi.gov/community-nutrition/sfsp/outreach> . 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
e-mail: amy.kolano@dpi.wi.gov

Findings and Corrective Action Needed

- ❑ **Finding #6:** The Public Release announcing free and reduced meal application availability is to be published after July 1 each year in a local newspaper, at grass root organizations and with any large employers contemplating layoffs. Medford sent theirs in before July 1, but did include the correct income eligibility guidelines.

Corrective Action Needed: Please submit a statement of how this process will be completed in future school years and by title of person.

- ❑ **Finding #7:** All personnel who interface with students in the school nutrition programs are required to receive annual civil rights training and record their attendance. Thank you for training the food service staff with A'viands version and signing the roster form on file.

Corrective Action Needed: Please include the claim preparer, determining official, confirming official, translator to assist families in completing the meal benefit application, office staff who handle the fee waivers and cashiers at the POS to receive annual civil rights training and record their attendance. Submit that roster to the nutrition program consultant. Any staff administering the approved list of names to receive extra benefits outside of the meal programs to sign the disclosure agreement <https://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/disclosure-agreement.docx>.

- ❑ **Finding #8:** Per the Professional Standards rule, all school nutrition related personnel must receive continuing education and track their training hours for the school year based on their duties and number of hours they are scheduled in food service work. The regular food service workers are included on the tracking tool kept in the kitchen documents.

Corrective Action Needed: Please include claim preparer, director of business services, determining official, confirming official, meal benefit translator, and cashiers at the POS for annual training hours. Submit to the nutrition program consultant a process of how these positions will receive training hours.

- ❑ **Finding #9:** Food and beverage sales outside of food service are currently not tracked per the Smart Snacks in Schools rule, although a variety of non-compliant products and sales were identified. Those sales may be items sold in the school store, Red Zone, or non-compliant fundraisers by school groups.

Corrective Action: All foods and beverages sold on the school campus to students during the school day need to be identified and tracked. Utilize the information and tracking tools linked in the above Smart Snacks section of this report. Submit a written statement detailing compliant and non-compliant sales. Include a timeline for bringing non-compliant sales into compliance. Explain in the written statement how compliance will be maintained moving forward. Identify the person or persons that will be responsible for tracking food and beverage sales at Medford Area Senior High School.

5. OTHER FEDERAL PROGRAMS REVIEWS

Commendations

- The Wisconsin School Day Milk Program (WSDMP) is being administered correctly for grades 4K through 2nd grade at the two elementary schools by having the teacher bring students to the cafeteria to select their milk, then marks off the student on a POS sheet. That bar code is scanned

in to the Skyward system by an office person. The Skyward report is kept for each month to use for the annual claim of reimbursement.

Comments/Technical Assistance/Compliance Reminders

Wisconsin School Day Milk Program

- Wisconsin School Day Milk Program allows the distribution of free milk to free and reduced priced students in PreK-5; your SFA chooses to offer to grades 4K through Grade 2.
- Point of Service Counts (POS) for the Wisconsin School Day Program and the Special Milk Program must be recorded by who “did” take milk not by marking who “did not” take one. This practice was completed correctly.
- Juice is an acceptable substitute for children who are allergic to milk or have a documented metabolic disorder or condition that prevents them from consuming milk. Full strength 100% juice in an 8 ounce portion must be offered and may be claimed and may be claimed for these students.
- Per the Agreement in the points the SFA agrees to, number 3 states that schools will serve Wisconsin-produced milk. Please check with your distributor to see if they can verify that and you may want to include that stipulation in your milk bid.

Dr. Tony Evers, State Superintendent of Wisconsin Department of Public Instruction, shares a vision that every student will graduate prepared for college and career in an initiative called “Agenda 2017”. His goals are for students to have the knowledge, skills, and habits that will allow them to succeed in life after high school. Access to quality nutrition plays a major role in developing those life-long habits.

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

For more information on this initiative, please visit the Wisconsin DPI Every Child a Graduate webpage dpi.wi.gov/statesupt/agenda-2017.

