

# USDA Child Nutrition Programs Administrative Review Summary Report

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**School Food Authority:** Cochrane-Fountain City School District

**Agency Code:** 06-1155

**School(s) Reviewed:** Cochrane-Fountain City High School

**Review Date(s):** 3/28-30/17

**Date of Exit Conference:** 3/30/17

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

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

## General Program Reminders/Updates

- The Department of Public Instruction (DPI) School Nutrition Team (SNT) conducts School Nutrition Skills Development Courses (SNSDC) each summer in various locations around the state at no charge. Courses cover many areas of the school nutrition programs including administrative responsibilities, program basics, meal pattern requirements and menu planning, financial management, professional standards, procurement, and many other topics. More information along with other upcoming trainings and webinars can be found on the [DPI SNT webpage](#).
- 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 [DPI SNT GOALS webpage](#).
- 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 [DPI SNT Financial Management webpage](#) under *Unpaid Meal Charges* section.

## Appreciation

Thank you to the staff at Cochrane-Fountain City School District for the courtesies extended to us during the on-site review. Thank you for taking the time to respond to the off-site questions as well as pulling records for the on-site portion of the review, being available for in-person questions and for providing additional information when requested. All were very receptive to recommendations and guidance. It was truly a pleasure visiting the Cochrane-Fountain City School District.

# REVIEW AREAS

## 1. MEAL ACCESS AND REIMBURSEMENT

### **Certification and Benefit Issuance**

161 eligibility determinations were reviewed, 7 errors were identified. Please see the *Finding* and *Corrective Action* below that addresses these errors.

### Applications

Applications are to be processed at face value if the Determining Official (DO) is confident in the clarity of the information provided. The DO should follow up with information on any application that is not clear in order to process the application correctly.

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 benefit status increases to a greater benefit, the change must take place within 3 days. When benefit status decreases to a lower benefit, the change cannot take place before 10 calendar days and a notice of adverse action must be sent in writing with appeal procedures.

### Household 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.

### 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.

### Other Source Categorical

If a household submits an application that indicates Other Source Categorical Eligibility, such as homeless, migrant, or runaway, the SFA must confirm the children's status by an appropriate program official either through direct contact with the agency or by a list of names provided by

the agency, before meal benefits can be provided. Once confirmed, this eligibility is only available to the designated child and is not extended to other members of the household.

Applications that indicate a child is a foster child are categorically eligible for free meals. The child's status for free meals does not require confirmation of eligibility prior to receiving benefits. This benefit is not extended to other household members.

### 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.

### Disclosure

SFAs must seek written consent from the household to use information provided on the meal application or through DC for non-food service 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 [DPI SNT Free and Reduced Meal Applications and Eligibility webpage](#).

Alternatively, a SFA can ask programs requesting benefit information to have households self-disclose by providing a copy of their [Letter to Households of Approval/Denial of Benefit](#) notification letter. This option is encouraged as it reduces administrative recordkeeping for the SFA.

A [Disclosure Agreement](#) form should be signed and on file at the SFA for anyone receiving eligibility information to approve students for non-food service program benefits or with access to the meal benefit information. This form can be found on the [DPI SNT Free and Reduced Meal Applications and Eligibility webpage](#). The SFA is highly encouraged to work with their software system to ensure access to meal benefit information is only available to those with a 'need to know' reason.

### 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 DPI SNT provides the Wisconsin-ized version of the USDA Free and Reduced Price Meal application materials in English, Spanish, Hmong and Albanian on the [DPI SNT Free and Reduced Price Meal Applications and Eligibility webpage](#).

### **Verification**

When applications are chosen for verification, the person designated as the Confirming Official should be reviewing these applications prior to contacting the family to ensure the initial

determination is correct. There is a place for the Confirming Official to sign and date on the back of the application. **Technical assistance** was given.

Three applications were selected for verification. Two applications were incorrectly verified and will require additional follow up with the household. The errors were recorded on the SFA-2 *Other Eligibility Certification and Benefit Issuance Error Worksheet* coded as TRBR, TRAB and TOEU. **Technical assistance** was given.

### **Meal Counting and Claiming**

Breakfast and Lunch were observed on Wednesday, March 29. The February 2017 claims for reimbursement for the National School Lunch Program (NSLP) and School Breakfast Program (SBP) were reviewed and validated. No errors were identified.

### **Findings and Corrective Action Required**

**Finding #1:** Students coded BIAU and CUNI were on the benefit issuance list that received benefits that should not have been. There were no supporting source documentation for those students listed. The errors were recorded on the SFA-1 *Eligibility Certification and Benefit Issuance Error Worksheet*.

**Corrective Action Required:** Please update meal benefits for these students from free to paid. Please contact families and send adverse action letter along with meal application to let them know there is a change of benefits. Please check software for any issues relating to this issue. Fiscal action will be applied for those who were listed but there was no source documentation to support eligibility.

### **Finding #2:**

A) There were a few applications with missing information in the total household member box and SSN box. This is considered an incomplete application. The errors were recorded on the SFA-1 *Eligibility Certification and Benefit Issuance Error Worksheet* with the codes ANCO, MUMI and SWMA.

B) Income calculation was not correct for MUGR.

**Corrective Action Required:** SFA must send an adverse action letter to the household showing a decrease in benefit. Complete the column: Date of Correction on the above mentioned Error Worksheet. Please submit worksheet back to reviewer. Be sure to update the benefit issuance list. **No further action needed, corrected onsite.**

**Finding #3:** Benefits were not properly extended to all students residing in the same household. Application coded BAMI is eligible for free meals due to extension of benefits from direct certification.

**Corrective Action Required:** SFA must send a letter to the household showing an increase in benefit. Complete the column: Date of Correction on the above mentioned Error Worksheet. Please submit worksheet back to reviewer. Be sure to update the benefit issuance list. **Corrected onsite no further action needed.**

**Finding #4:** Though the verification process was conducted there was confusion regarding officials and their roles. Also prior to verification, the required *Confirmation Review* was not completed.

**Corrective Action Required:** The purpose of the confirmation is to ensure that a correct eligibility determination was made prior to sending out the *We Must Check Your Application letter*. The confirmation review requirements are fully discussed on page 85 of the *USDA Eligibility Manual for School Meals* (EM). For corrective action, please review the verification process and submit back to me a statement of understanding regarding the verification process and intent to comply when verification is conducted next school year. Please include in the statement what the role of each of the officials are.

**Finding #5:**

A) Income documentation submitted for the application coded TRBR and TRAB for verification purposes shows that the meal benefits should have been changed to reduce from free to reduced. Net income was calculated instead of gross income.

B) Income documentation was not submitted for other income for application coded TOEU.

**Corrective Action Required:** The errors are recoded on *SFA-2 Other Eligibility Certification and Benefit Issuance Error Worksheet*. SFA must send a letter to the household showing a decrease in benefit. Complete the column: Date of Correction on the above mentioned Error Worksheet. Please submit worksheet back to reviewer. Be sure to update the benefit issuance list.

## 2. MEAL PATTERN AND NUTRITIONAL QUALITY

### Commendations:

Thank you for the warm welcome to Cochrane-Fountain City School District. All staff were pleasant, easy to work with, receptive to feedback and open to learning! Thank you to the Food Service Director for continuously answering questions, both on and offsite, and providing documentation ahead of time. These Child Nutrition Programs can be very challenging, and as a new Food Service Director, you're doing a great job at providing healthy, nutritious meals to students.

The addition of music during lunch service was a wonderful idea, providing a fun, upbeat environment for students (and staff!). Great job to all staff for doing a wonderful job managing both the School Breakfast Program (SBP) and National School Lunch Program (NSLP).

### Technical Assistance:

### **Links to helpful resources:**

- Smart Snacks Calculator: [here](#)
- Smart Snacks "In a Nutshell": [here](#)
- Lunch "In a Nutshell": [here](#)
- Lunch Meal Pattern: [here](#)
- Breakfast Meal Pattern: [here](#)

- Breakfast “In a Nutshell”: [here](#)
- Breakfast OVS Handout: [here](#)
- Signage Resources: [here](#)
- [Food Buying Guide \(FBG\)](#): [here](#)
- Standardized Recipe Templates: [here](#). There is also a recipe crediting tool!
- Production Record Templates: [here](#).
  - o These include Salad Bar, Garden Bar, Breakfast (1 grade group), and Lunch (2 grade groups) templates.

### **Documentation**

As a reminder, a Child Nutrition (CN) label or Product Formulation Statement (PFS) is required for any combination food or Meat/Meat Alternate (M/MA) or other processed food not found in the USDA *Food Buying Guide* (FBG) for Child Nutrition Programs. Please keep updated copies of CN labels on file. It is important that CN labels are taken directly from the box. They can be kept in original format or photocopied as a clear, legible photocopy with the entire label visible. When CN labels are not available for products, those products must have a current, accurate PFS detailing product composition and crediting information in order to be served. All General Mills PFS’s can be found here: [General Mills PFS](#). All Kellogg’s PFS’s can be found here: [Kellogg’s PFS](#). And all USDA Fact Sheets can be found here: [USDA Fact Sheets](#).

### **Production Records**

Make sure production records are being filled out completely. Some menu items during the week of review did not have serving sizes. It is important this information is documented so kitchen staff know how much to serve each student and also ensures meal pattern requirements are being met. There were also items that were not recorded during the week of review, including fresh fruit and garbanzo beans. Everything that is offered as part of a reimbursable meal needs to be recorded on production records. Production Record “Must Haves” can be found: [here](#).

Be specific on production records about the identity, brand, and description of the items served. List the specific type of granola bar or cereal bar offered, and list both when two types are offered, rather than just listing “cereal bar” or “granola bar” as these do not indicate exactly what was served. There is a wide variation in formulation of the many products that fall into these categories. Fruit sizes (like the case count for apples or oranges) should also be recorded on the production record. It is helpful to include not just portion size, but also crediting for items, on the production records.

### **Meal Pattern**

Remember that there is no overlap in lunch meal pattern requirements for grades 7-12. Although the same menu may be served to all grades, there needs to be some differentiation in serving sizes or food items offered to meet the 6-8 and 9-12 meal patterns (and specifically the dietary specifications) separately. You can find details on the meal pattern requirements: [here](#).

It is recommended to simplify serving patterns between grade groupings for both breakfast and lunch. This makes it easier for the menu planner and for all that assist with the lunch program. Currently, there are three different columns being filled out for lunch: K-6, 6-8, and 7-12, which are not proper meal patterns. Consider simplifying to a K-8 and 9-12 meal pattern. Because Cochrane-Fountain is a K-12 building, consider one K-12 menu for breakfast.

Menu Planning Worksheets are a very helpful tool for ensuring that meal pattern requirements are being met at both breakfast and lunch (particularly vegetable subgroup requirements). These can be found electronically on our website: [here](#), under Menu Planning Worksheets.

### **Training**

It is recommended that anyone involved with the school meals program attend DPI training classes. The classes are offered in the summer and select other times throughout the year (more information on training can be found: [here](#)). Numerous webcasts are also available [here](#). Travel/meal expenses are allowable food service expenses for your program. The classes provide an overview of all areas of the USDA requirements for the federal nutrition programs including verification, free/reduced applications, civil rights, USDA Foods, menu planning, production records, and record keeping requirements.

### **Breakfast in the Classroom**

Although Cochrane-Fountain does not follow a breakfast in the classroom breakfast model, one classroom gets food delivered daily. It was unclear if the teacher was trained on Offer versus Serve (OVS), following proper food safety practices, or determining if students took a reimbursable meal. Because all other students come through the line, this practice is strongly discouraged. If this practice continues, OVS training is required to determine reimbursable meals.

### **Fundraiser Tracking**

The Wisconsin Department of Public Instruction (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 afternoon Monster Cookie sales may be considered an exempt fundraiser. All exempt fundraisers need to be documented. Templates, such as the Exempt Fundraiser Tracking Tool, are available on the School Nutrition Team webpage ([here](#)).

### **Standardized Recipes**

Standardized recipes are required for all menu items that have more than one ingredient (e.g., grilled cheese). All standardized recipes must include detailed information about the specific ingredients, equipment, and procedures used to prepare the recipes. The recipes onsite had vague information, like hamburger (what percentage of fat? Is this fresh or frozen? Ground beef or patties?). 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. Instructions for standardizing recipes and recipe templates can be found: [here](#). Please also watch this webcast on standardizing recipes: [here](#). For more recipe ideas, consider our On! Wisconsin breakfast recipes, found: [here](#).

### **Peanut Butter & Bread Slices**

Peanut butter and bread slices are currently being offered on the line in addition to the main entrée. Allowing peanut butter and bread in addition to the main entrée is strongly discouraged as it adds additional calories, fat, saturated fat and sodium, as well as increased food cost. Going forward, please consider discontinuing this practice.

### **Breakfast Signage**

Consider adding additional breakfast signage, showing available items and how to select a reimbursable meal. Perhaps smaller signage in front of food items letting students know what to select and how much they can take of a certain item.

Findings and Corrective Action Needed:

**Finding #1:** There were no beans/peas offered during the week of review. Although garbanzo beans are put out daily on the salad bar, they were not recorded on production records for the week of review.

**Corrective Action Needed:** Please state what you will do to the week of review to ensure a full ½ cup of beans/peas/legumes are offered to students.

**Finding #2:** Production Records were missing information, including fresh fruit during breakfast and lunch (juice was recorded). Although in practice many fruit options are available, these are required to be documented as they are part of a reimbursable meal.

**Corrective Action Needed:** Please send a week of production records showing all items offered as part of a reimbursable meal are recorded. This includes: breakfast – grain (and meat/meat alternate option if applicable), fruit (include both juice and fresh fruit options if applicable), and milk; lunch – grain, meat/meat alternate, vegetables (include garden bar), fruit (can also be on garden bar), and milk.

**Finding #3:** The breakfast meal pattern has requires that at least 1 cup of fruit be offered daily. As a reminder, no more than half (50%) of the fruit offered over the course of a week can be in the form of juice, which applies to both lunch and breakfast. For example, ½ cup fruit pieces (fresh, frozen, or canned in juice/light syrup) could be offered alongside ½ cup 100% juice each day, which would meet the 50% limit. The current offering of ½ cup of fruit daily does not meet the daily (1 cup) and weekly (5 cups) minimums for fruit.

**Corrective Action Needed:** Please state what you will do to the week of review so that a ½ cup fresh, canned, dried, or frozen fruit option is offered in addition to the ½ cup 100% fruit juice. **The Food Service Director will add a ½ cup fresh, canned, dried, or frozen fruit option daily at breakfast, in addition to the ½ cup 100% fruit juice. These will be recorded on daily production records. No further action required.**

**Finding #4:** Anything prepared that has more than one ingredient requires the use of a standardized recipe. There is no standardized recipe on file for the Spicy Chicken Sandwich, Rib Sandwich, Cheeseburger, or Pizza Burgers.

**Corrective Action Required:** Please submit a standardized recipe for the following:

- Spicy chicken sandwich
- Rib sandwich
- Cheeseburger
- Pizza burgers

**Finding #5:** A full 2 oz. eq. Meat/Meat Alternate (M/MA) is required to be offered at lunch for high schoolers. There were daily M/MA shortages during the week of review for high schoolers for the following items:

- Grilled Hot and Cheese Sandwich: 1.5 oz. eq. M/MA
- Sloppy Joe on a Bun: 1.5 oz. eq. M/MA



**Corrective Action Needed:** Please state what you will do to the week of review so that a full 2 oz. eq. M/MA are offered with these entrée items. If recipes are altered, please submit new ones. If items are added, please include labels.

**Finding #6:** A full 2 oz. eq. Grain is required to be offered at lunch for high schoolers. There were daily grain shortages during the week of review for high schoolers for the following items:

- Tyson Chicken Nuggets (6): 2M/MA, 1 G

**Corrective Action Needed:** Please state what you will do to the week of review so that a full 2 oz. eq. grain is offered with this entrée item. If recipes are altered, please submit new ones. If items are added, please include labels.

**Finding #7:** Every grain served and credited as part of a reimbursable meal needs to be whole grain-rich, meaning greater than 50% of the product needs to be whole grain. When determining if an item is whole grain-rich, the first word in the ingredient list needs to say *whole* or have a whole grain listed first. The Frosted Flakes and Honey Nut Cheerio Cereal Bar were not whole grain-rich.

**Corrective Action Required:** Please find new, whole grain-rich versions of the following products and submit nutrition facts labels and ingredient lists or submit a plan of action for these products:

- Honey Nut Cheerios Cereal Bar
- Frosted Flakes

**Finding #8:** There was some confusion about Offer Versus Serve (OVS) requirements and the breakfast meal pattern. It is important staff understand the requirements to determine reimbursable meals.

**Corrective Action Required:** Have all staff responsible for determining reimbursable meals attend a training on Breakfast OVS and the Breakfast Meal Pattern. The following webcasts may be used:

- Breakfast Webcast (OVS): [here](#)
- Breakfast Webcast (Meal Pattern): [here](#)

**Finding #9:** There was no Product Formulation Statement (PFS) available for the Tyson, Battered Chicken Breast Nuggets. Because there were many other ingredients listed such as fillers and additives, this product cannot be credited using the Food Buying Guide (FBG) and requires further documentation.

**Corrective Action Required:** Please submit a PFS from the manufacturer for the Tyson, Battered Chicken Breast Nuggets.

**Finding #10:** The Smart Snacks Final Rule, published in the Federal Register on July 29, 2016, finalized science-based nutrition guidelines for competitive foods sold on the school campus during the school day that were established in the Interim Final Rule (July 1, 2014). Foods and beverages sold in schools must meet both the general standards and nutrient standards if they do not qualify for an exemption.

There was one vending machine with non-compliant beverages, as well as beverages suitable for the high schoolers, but not the middle or elementary students. As these were not turned off during the school day, consider adding signage explaining what beverages are for specific grade groups.

Smart Snack Beverage Guidelines are below:

	Elementary	Middle School	High School
Water (plain), <i>flat or carbonated</i>	All sizes	All sizes	All sizes
Low-fat milk (unflavored)	≤8 fl oz	≤12 fl oz	≤12 fl oz
Fat-free milk (flavored or unflavored)	≤8 fl oz	≤12 fl oz	≤12 fl oz
100% juice, <i>can be diluted with water; flat or carbonated</i>	≤8 fl oz	≤12 fl oz	≤12 fl oz
No-calorie beverages (<5 kcal/8 fluid oz; ≤10 kcal/20 fluid oz), <i>flat or carbonated</i>	Not allowable	Not allowable	≤20 fl oz
Low-calorie beverages (≤5 kcal/fluid oz), <i>flat or carbonated</i>	Not allowable	Not allowable	≤12 fl oz
Caffeine	Not allowable	Not allowable	Allowable with no restriction

We recommend using the Smart Snacks Product Calculator, found: [here](#), to assess product compliance. Simply answer a series of questions to see if the general and nutrition standards are met, then save and print the results for your records.

**Corrective Action Needed:** Please submit a statement describing changes the SFA will make to the beverages sold in vending machines during the school day to comply with Smart Snacks regulations or update the current Wellness Policy.

### 3. RESOURCE MANAGEMENT

#### Nonprofit School Food Service Account

The SFA flagged for a comprehensive resource management review in the *Maintenance of the Nonprofit School Food Service Account* section as it showed a general fund transfer.

Access to the SFA’s Child Nutrition Report, which provides a compilation of meals claimed, reported revenues and expenditures, amount of federal reimbursement received and per meal costs for lunch and breakfast, is described in the document [Viewing the Child Nutrition Report](#). The DPI Aids Register is also available to track all program deposits made to the SFA’s account as well as the amount deducted from reimbursement to pay for shipping, handling and processing costs of USDA Foods. The Aids Register is available on the DPI SNT [Financial Management webpage](#). Both resources are also accessible from the [Online Services webpage](#).

## Annual Financial Report

In SY 16-17, 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. Please note there are additional categories than in previous years:

- **NSL** - schools participating in the National School Lunch Program.
- **SB, SBSEVERE** - both regular School Breakfast and Severe Need Breakfast.
- **SK-NSL, SK-NSLAE** - both After School Snacks and Area Eligible Afterschool Snacks.
- **SMP** - Special Milk Program.
- **Grants** - all grant awards and expenditures.
- **WSDMP** - Wisconsin School Day Milk Program.
- **EN** - Elderly Nutrition.
- **Nonprogram Foods** - all Nonprogram Foods (including: a la carte items, adult meals, milk only, extra entrees, vended meals sold under a joint agreement, catered meals, vending machines, etc.)
- **CACFP** - daycare and supper meals claimed under Child and Adult Care Food Program.
- **SFSP** - meals claimed in Summer Food Service Program.

The [new SY 16-17 Annual Financial Report instructions](#) are located on [DPI SNT Financial Management webpage](#).

USDA Policy Memorandum SP 46-2016 requires all SFAs operating federal school meal programs, by July 1, 2017, to have a written and clearly communicated policy that addresses unpaid meal charges. For a snap-shot on what the policy must include, see the [Unpaid Meal Charges In a “Nutshell”](#). For a more comprehensive overview, see [SP 58-2016: Unpaid Meal Charges Guidance](#). In addition, 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, as noted in [SP57-2016 Unpaid Meal Charges Guidance](#). The current district’s policy was reviewed and commended for having a well communicated procedure to households.

### **Paid Lunch Equity (PLE)**

The SFA is in compliance with PLE.

### **Revenue from Nonprogram Foods**

The SFA flagged for a comprehensive resource management review in the *Revenue from Nonprogram Foods* section as it sells nonprogram foods.

Nonprogram foods include:

- Adult Meals
- Extra Entrees
- Extra Milk (for cold lunch or milk break),
- Internal Catered Meals (Afterschool Snack Lunches)
- Fundraisers

All nonprogram food costs including food, labor, equipment, purchased services, and other must be covered by revenues received from the sale of those foods. Nonprogram foods may not be supported by reimbursable meals nor be absorbed by the food service account. Nonprogram food costs and revenues must be separated from program food costs and revenues. In regards to adult meals, 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, which are outlined in the [Wisconsin Adult Meal Pricing Worksheet](#). SFAs must reassess adult meal prices annually prior to contract submission to ensure student reimbursement is not being used to subsidize adult meals.

At a minimum, the [USDA Nonprogram Food Revenue Tool](#) must be completed yearly. The [DPI Nonprogram Food Revenue Tool/Calculator](#) aids in calculating prices of nonprogram foods and feeds into the USDA Nonprogram Food Revenue Tool to determine compliance with USDA nonprogram food regulations.

To complete the USDA Nonprogram Food Revenue Tool, 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 for the entire SFA to determine if the revenue ratio is equal to or greater than the food cost ratio (see Figure 1 below). Rather than separating all costs for the entire year (although recommended), SFAs must separate their non-program food costs from their program food costs for the selected period to complete the Tool. If the revenue ratio is equal to or greater than the food cost ratio, the SFA is in compliance.

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

Figure 1 - Nonprogram Foods Revenue and Costs Ratio

Nonprogram food revenue is the dollar amount of nonprogram food sales sold through the nonprofit school food service account including la carte sales, adult meals, vending machines, extra/cold lunch milks, etc. Total program and nonprogram revenue includes the dollar amount from program and nonprogram food sales.

If using the DPI Nonprogram Food Revenue Tool/Calculator to complete the USDA Nonprogram Food Revenue Tool (recommended), to determine nonprogram food cost data, gather an itemization of all nonprogram foods offered during the selected reference period and enter the per item raw food cost of each nonprogram food and the number of servings/items sold in the selected reference period.

For total program and nonprogram food costs, include all program and nonprogram food costs. Program food costs data should be available using production records, invoices, etc.

The [Nonprogram Foods Revenue Rule SP 20-2016](#) and the [Nonprogram Foods In a ‘Nutshell’](#) can provide additional guidance and clarification on nonprogram foods.

The SFA flagged for a *Comprehensive Review* for nonprogram foods as it sells nonprogram foods. The USDA Nonprogram Food Revenue Tool was not completed by the SFA. Please see the *Finding* and *Corrective Action* below that addresses this issue.

### **Findings and Corrective Action Required**

**Finding #6:** The USDA Nonprogram Food Revenue Tool was not completed by the SFA. Technical assistance was provided during the on-site to the Food Service Director.

**Corrective Action Required:** Please submit a completed USDA Nonprogram Food Revenue Tool. If the Tool comes out in the red, requiring *Additional Revenue to Comply*, please submit a plan going forward for how the SFA will comply with the shortfall (i.e. raise nonprogram food prices and/or contribute non-federal funds to meet the required ratio. Corrected onsite, no further action needed.

#### 4. GENERAL PROGRAM COMPLIANCE

##### **Civil Rights**

###### Non-discrimination Statement

The SFA uses template letters from DPI which contains the required information for approval and denial of benefits. As a reminder, if the SFA develops or uses template letters from their software system, the documents should contain all of the information included on the DPI template letters including the full USDA Non-discrimination statement, which is available on the DPI SNT [Civil Rights webpage](#). When space is limited, such as on printed menus, the abbreviated statement may be used, “**This institution is an equal opportunity provider.**” Both statements should be in the same size font as the other text in the document.

###### Public Release

All School Food Authorities (SFAs) are required to distribute a *Public Release* before the start of the school year. SFAs should send the public release to media and grassroots organizations. In addition, SFAs should send the release to major employers contemplating or experiencing large layoffs and local unemployment offices, as applicable. SFAs are not required to pay to have it published but must maintain documentation of whom the release was sent to along with the specific materials distributed. **Technical assistance** was provided as to the time frame to distribute the public release.

###### And Justice for All Poster

“And Justice for All” posters need to be posted for public view. Poster is available to download from the USDA website for temporary use: <https://www.fns.usda.gov/cr/and-justice-all-posters>. To order posters for permanent use contact the SNT's Operations Program Associate at 608-267-9228.

###### Civil Rights Training

Civil rights training must be conducted on a yearly basis for all staff and volunteers who administer any portion of a school nutrition program. Civil rights training must be attended by all staff in the schools and documented.

###### Civil Rights Self-Compliance Form

The Civil Rights Self-Evaluation Compliance form is required to be completed by October 31 annually.

###### Special Dietary Needs

All food substitutions made outside of the meal pattern requirements must be supported by a signed medical statement from a licensed medical practitioner. SFAs may use the [template Dietary Request Form](#) posted on the [DPI SNT Special Dietary Needs webpage](#). This template is

also available in Spanish and Hmong. SFAs must accommodate dietary requests that are supported by a signed medical statement from a licensed medical practitioner.

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 still have a completed Dietary Request Form on file from a medical authority, such as a school nurse, to support the request. These types of accommodations must be made according to the USDA's meal pattern requirements in order for the meals to be claimed for reimbursement. It is recommended that the SFA develop a policy for handling these types of accommodations to ensure that requests are being handled equitably.

#### Processes for complaints

Schools must have a process for receiving and processing complaints alleging discrimination within USDA Child Nutrition Programs. All verbal or written civil rights complaints regarding the school nutrition programs that are filed with the SFA must be forwarded to the Civil Rights Division of USDA Food and Nutrition Service within 3 days. A SFA may always attempt to resolve a situation that is occurring in real time. However, if an individual states that they wish to file a civil rights complaint, the SFA must provide them with the information necessary to do so and not impede an individual's right to file. The [USDA Program Discrimination Complaint Form](#) is available to assist in filing these complaints and can be found on the [DPI SNT Civil Rights webpage](#).

#### **Local Wellness Policy (LWP)**

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 and full compliance with 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.

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. SFAs 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 (triennial assessment) to determine compliance with the policy, how the policy compares to model policies, and process made in attaining the goals of the wellness policy. SFAs must make the triennial assessment, as well as the wellness policy and any updates to the policy, available to the public.

A summary of the requirements can be found at:

[http://www.fns.usda.gov/sites/default/files/tn/LWPsummary\\_finalrule.pdf](http://www.fns.usda.gov/sites/default/files/tn/LWPsummary_finalrule.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>.

The SFA’s Local Wellness Policy (LWP) was reviewed and the SFA is reminded of the following:

- SFAs are required to identify an individual responsible for oversight of the LWP and include public involvement.
- Food and beverage marketing guidelines should be included in the LWP.
- The LWP should contain language regarding Smart Snack Standards and foods provided but not sold (e.g., class parties, class snacks, rewards/incentives).
- SFAs must include, at minimum, one goal for Nutrition Promotion and Nutrition Education in the LWP. SFAs must explore the use of evidenced based strategies when identifying goals. Specifically, SFAs must review and consider using “Smarter Lunchroom” tools and strategies.
- The policy must include language regarding completion of a triennial assessment to ensure the SFA is in compliance with their policy.

### **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. 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.

It is recommended that the SFA provides yearly and on-going training throughout the school year. Documentation is well organized and all staff have met or are on track to meet continuing education requirements for SY 2016-2017. As discussed onsite, newly hired staff and confirming official should obtain and maintain documentation of continuing education.

As a reminder, training requirements for all staff are as follows:

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

If hired January 1 or later, only ½ of the training hours are required during the first school year (SY) of employment.

### **Water**

Water fountains are accessible in the cafeteria for students to use.

### **Food Safety and Storage**

#### Food Safety Inspections

Every school operating USDA School Child Nutrition programs, must have two food safety inspections during each school year, one in the fall of the school year, which is an actual Food Safety Inspection, and one in the spring which is a review of the site’s Food Safety Plan. Food safety inspection reports need to be posted in public view.

#### Food Safety Plan and Temperature Logs

A food safety plan was available for review. Temperature logs were being maintained and signed Employee Reporting Agreements were up-to-date and available for review.

#### Storage

The on-site storage areas were reviewed, including freezers, refrigerators, dry good storage rooms and other areas. Storage rooms and freezers were orderly and clean.

### **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 school meal programs as well as 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.

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.

SFAs must monitor contractor performance to ensure contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders. This is accomplished by ensuring the product label designates the United States, or its territories, as the country of origin. Therefore, SFAs must ensure that products delivered comply with any Buy American



contract provisions by reviewing products and/or delivery invoices/receipts to identify the country of origin is the United States or its territories. SFAs also need to conduct a periodic review of storage facilities, freezers, refrigerators, dry storage, and warehouses to ensure products comply with the Buy American provision, unless a limited exception has been approved.

The following items were found to be non-compliant during the on-site review:

- Mandarin Oranges – China
- Black Olives - Spain

The SFA should work with its distributor to see if this product is available domestically. If not, documentation requested in the [Non-compliant Product List](#) should be obtained. Please note, the use of this form is the exception, not the rule. More information on this new requirement can be found on the [DPI SNT Procurement webpage](#). The SFA is encouraged to ask questions on this regulation during their Procurement Review.

### **Reporting and Recordkeeping**

Thank you for completing the required USDA and DPI reports and maintaining the paperwork in an organized manner. The SFA is meeting record retention requirements for USDA Child Nutrition Programs.

### **Smart Snacks in Schools**

Smart Snack regulations went into effect on July 1, 2014 apply to all food and beverage items sold to students during the school day, with the school day being designated as midnight the night before until 30 minutes after the end of the school day. This includes foods sold through fundraisers with intended consumption during the school day (i.e. frozen pizza fundraisers would not be included as consumption is intended outside of the school day).

Since Smart Snack regulations apply to the entire school, it is important that all involved with the sale of food and beverage items, not just the food service department, be involved in monitoring and complying with the regulations. Involvement of school administration is highly recommended and encouraged. It is important to remember that the goal of Smart Snacks is not to regulate what student can and can't have but is in place to build healthy school environments and teach valuable life nutrition skills to all students. Technical assistance was provided onsite.

The DPI SNT has developed several resources to assist schools and districts in meeting these regulations including a [Compliant Fundraiser Tracking Tool](#), an [Exempt Fundraiser Tracking Tool](#), a [Smart Snacks Tracking Tool](#), a [Smart Snacks in a Nutshell handout](#), and a [Smart Snacks – Strategies for Success handout](#). Please visit the [DPI SNT Smart Snacks website](#) for more information.

### **Findings and Corrective Action Required**

**Finding #7:** The Public Release document must be shared with at least one news media outlet and at least one local grassroots organization before the start of school.

**Corrective Action Required:** Please submit a statement of when the public release will be sent out in the future and to whom the SFA plans to send it to.

**Finding #8:** The “And Justice For All” poster must be posted in public view.

**Corrective Action Required:** Please submit a statement to where the poster will be posted.

**Finding #9:** 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 is the link for the training:  
<https://dpi.wi.gov/school-nutrition/national-school-lunch-program/civil-rights>.

**Corrective Action Required:** Please complete the training with all staff, document and provide a statement on how you plan to conduct this in the future.

**Finding #10:** The Civil Rights Self-Evaluation Compliance form (PI-1441) is required to be completed by October 31 annually. This is the link for the form:  
<http://dpi.wi.gov/sites/default/files/imce/forms/doc/f1441.doc>

**Corrective Action Required:** Please complete this form and submit it to the nutrition program consultant, along with a statement of how this requirement will be accomplished in the future.

**Finding #11:** The two most recent food safety inspection reports need to be posted in public view.

**Corrective Action Required:** Please submit a statement to where the inspection reports will be posted. **Corrected on-site no further action needed.**

### **School Breakfast Program (SBP) Outreach**

The SFA participates and meets promotion requirements for the School Breakfast Program (SBP). Parents play an important role in School Breakfast Program participation. A [video](#) was developed to show parents the benefits that the School Breakfast Program provides for them and their children. National School Breakfast Week is in the spring each year. This is a great time to promote your breakfast program, try new recipes, incorporate activities, etc. to increase participation.

### **Summer Food Service Program (SFSP) Outreach**

As part of the National School Lunch Program (NSLP), it is requirement to complete SFSP outreach. The purpose is to inform students and families of the free feeding site(s) they may have access to in the summer while school is out of session. Options for outreach include informing families via email and/or newsletter about the availability of free summer meals via the [Summer Meals Map](#), the option to call 2-1-1 to connect with local health and humans services, the option to text ‘food’ to 877-877, and/or [posting free SFSP posters](#) in the SFA. For more information on Summer Food Service Program, please contact:

Amy J. Kolano, RD, CD  
Summer Food Service Program Coordinator  
Phone: 608.266.7124  
E-mail: [amy.kolano@dpi.wi.gov](mailto:amy.kolano@dpi.wi.gov)

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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](http://dpi.wi.gov/statesupt/agenda-2017).

