

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

School Food Authority: Spooner Area School District

Agency Code: 65-5474

School(s) Reviewed: Spooner Elementary

Review Date(s): March 20-21, 2019

Date of Exit Conference: 3/21/19

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

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

General Program Reminders/Updates:

- The Department of Public Instruction (DPI) School Nutrition Team (SNT) conducts School Nutrition Skills Development Courses (SNSDC) each summer in various locations around the state. Courses cover many areas of the school nutrition programs including administrative responsibilities, program basics, meal pattern requirements and menu planning, financial management, meal benefit determination process, 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](http://dpi.wi.gov/school-nutrition/training) webpage (dpi.wi.gov/school-nutrition/training).

The 2019 School Nutrition Skills Development Courses (SNSDC) dates and locations are:

- Appleton (Fox Valley Technical College): July 16-18, 2019
- Milwaukee (Alverno College): July 23-25, 2019
- Rice Lake (Wisconsin Indianhead Technical College): July 30-August 1, 2019
- Middleton (Kromrey Middle School): August 6-8, 2019
- Wausau (Northcentral Technical College): August 13-15, 2019

Registration and class schedules will be posted to the website in early May. Please visit the [Training](https://dpi.wi.gov/school-nutrition/training#up) webpage for more information (https://dpi.wi.gov/school-nutrition/training#up).

- 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, or communications and marketing. For more information go to the Wisconsin DPI [School Nutrition Training](http://dpi.wi.gov/school-nutrition/training/goal-oriented-achievement-learning-skills) webpage (dpi.wi.gov/school-nutrition/training/goal-oriented-achievement-learning-skills).

Appreciation/Commendations/Noteworthy Initiatives:

Thank you to the Food Service Director, Superintendent, Bookkeeper, food service staff and district staff for the courtesies extended to us during the on-site review. Thank you for being available to answer questions and provide additional information. Everyone was very friendly, helpful, and receptive to recommendations and guidance. In addition, thank you for taking the time to respond to the off-site questions in SNACS as well as pulling records for the on-site portion of the review. The DPI review team appreciates the eagerness of the staff for their willingness to make changes to meet School Nutrition Program regulations.

REVIEW AREAS

1. MEAL ACCESS AND REIMBURSEMENT

Certification and Benefit Issuance

Commendations/Comments/Technical Assistance (TA)/Compliance Reminders

The total number of eligibility determinations reviewed was 303. Of those determinations, there were 0 errors.

Transferring Students

- When a child transfers in to the school midyear, the Determining Official (DO) can request documentation to support the child's benefit status from the former school or the household can provide it.
- Appropriate documentation would be a copy of the approved application or a copy of the Direct Certification output match file which shows the DC code he/she matched to.
- If you receive a copy of the approved application determined at the prior school, the Determining Official must re-determine the application, sign, and date it. A notification of eligibility letter must go out to the household notifying the benefit and start date of eligibility.
- The start date of eligibility is the date the DO re-determined the application.

Disclosure and Sharing Free/Reduced Eligibility Information

- The information provided by the family on the free and reduced price application is to be used only for determining eligibility for meal or milk benefits.
- The LEA must seek written consent from the parent or guardian to use the information provided on the application or through direct certification for non-program purposes, such as athletic or testing fee waivers, registration fee waiver, school fees, etc. Consent must be obtained each school year. Find the [Sharing Information with Other Programs](#) template on the Free and Reduced Meal Applications and Eligibility webpage (<https://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/sharing-info-other-programs.doc>).
- For anyone receiving eligibility information to approve students for non-food service program benefits after parental consent is received, the *Disclosure Agreement* form should be signed and on file at the district. A template [Disclosure of Free and Reduced Price Information](#) form is located on the SNT website (<http://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/disclosure-agreement.docx>).
- The household can "self-disclose" by bringing in a copy of their free/reduced approval notice or direct certification approval letter to the designated official operating the outside program. This option removes food service from these types of requests and is preferred. DPI recommends limiting the

number of staff members responsible for collecting this data (e.g., one school secretary who has been trained on confidentiality, rather than each athletic coach).

Verification

Commendations/Comments/Technical Assistance (TA)/Compliance Reminders

- Verification was completed correctly, prior to the November 15 deadline. All DPI tracking and letter templates were used.

Meal Counting and Claiming

Commendations/Comments/Technical Assistance (TA)/Compliance Reminders

- No errors were found on the monthly claim for reimbursement of the NSLP or SBP.
- While observing breakfast service, it was noted that students do not have much time to eat breakfast. Students start getting breakfast at 7:45am. They typically have until 8:05 or 8:10am to eat their breakfast. However, there are still students in line or show up later at 7:55am to get breakfast. Many students were still seen eating breakfast at 8am. Consider lengthening breakfast service, or change when breakfast service is, perhaps a built in mid-morning breakfast.
- While observing lunch service, it was noted that the teacher marks off the 4K students that will be participating in the lunch program that day, on a roster checklist. The checklist is left in a bin hanging on the wall next to the kitchen door. The cashier will then enter those students into the food service software after lunch service, so they are charged for their meal. The point of sale was at the end of the line and the cashier had no way to verify which students on the roster checklist took a meal. This is unallowable. All students participating in the lunch program must be checked off as they take the reimbursable meal. Technical assistance was provided on site to change this process. Either the cashier needs to check students off on the roster sheet to enter them into the software, or the students should enter their pin number into the system at the end of the line.

Visiting Students

- School age students visiting for lunch, may take a reimbursable meal, be charged the student lunch price, and be claimed in the paid category. Keep documentation to support they took a reimbursable meal.
- If you prefer to charge the visiting student for the meal and not claim them, they do not have to take a reimbursable meal, but must be charged the adult meal price or at least charged enough to cover all costs for their items.

Findings and Corrective Action Needed: Meal Counting and Claiming

- Finding #1:** Field trip meals are not being checked off as the student takes the meal.

Corrective Action Required: Update procedures for the teachers distributing field trip meals. Have the teachers use a roster checklist and check off students as they take a reimbursable meal. The teacher should send a copy of the roster checklist back to the food service department to be entered into the software system. **Submit a statement of what the new procedure will be to track and enter field trip meals.**

- Finding #2:** The 4K students are marked off prior to receiving a reimbursable meal at lunch.

Corrective Action Required: Discontinue this practice. Check students off at the end of the line using a roster checklist or have the students type their pin number on the key pad. **Submit a statement as to what you choose to implement and implement this procedure immediately.**

2. MEAL PATTERN AND NUTRITIONAL QUALITY

Commendations and Appreciations

Thank you to all staff at Spooner School District and Spooner Elementary for the warm welcomes and cooperation during this Administrative Review (AR). All staff were friendly, easy to work with, and exemplified organization and hard work. Students were pleasant and well behaved. One elementary student even showed me where he was sitting in case I wanted to eat lunch with him. The schools, kitchens, and serving areas were very clean and well kept.

Thank you to the food service director for sending documentation prior to the onsite visit and being timely and responsive with communication. They are doing a great job menu planning a variety of options at breakfast and lunch and have a great understanding of meal pattern regulations. The food service director goes beyond by filling out weekly menu planning worksheets to ensure meal pattern requirements are met. Thank you for serving healthy meals to the students of Spooner School District!

Technical Assistance and Program Requirement Reminders

Child and Adult Care Food Program (CACFP)

Children who are not yet in kindergarten must be served the CACFP meal pattern if not co-mingled with other students. During on-site observation, preschool students were served the K-12 breakfast menu and K-5 lunch menu, but were not served at the same time and in the same place as the K-5 students. Therefore, the Pre-K students at Spooner Elementary must follow the CACFP meal pattern at breakfast and lunch.

Offer versus Serve (OVS) (CACFP)

OVS is not an appropriate service style for these students. It may interfere with the nutrition goals of the updated CACFP meal pattern, as well as the goal of introducing new foods to children while they are still developing preferences. These students must be served all the required components in at least the minimum amounts. For more information, please visit the [Infants and Preschool in NSLP and SBP](https://dpi.wi.gov/school-nutrition/national-school-lunch-program/infants-and-preschool) webpage (<https://dpi.wi.gov/school-nutrition/national-school-lunch-program/infants-and-preschool>).

Grain-based desserts (CACFP)

Grain-based desserts are not creditable toward the grains component under the updated CACFP meal pattern. Grain-based desserts include cookies, sweet piecrusts, doughnuts, granola bars, cereal bars, toaster pastries, cakes, and brownies. The Cinnamon Roll served during the week of review is not creditable in the CACFP meal pattern for Pre-K students.

Milk types (CACFP)

Only unflavored milk is allowable under the updated CACFP meal pattern. Flavored milk (e.g. chocolate) may not be served.

Sugar (CACFP)

Cereal can be a source of added sugar. The CACFP meal pattern requires cereal to contain no more than 6 grams of total sugars per dry ounce. The following cereals are non-compliant in the CACFP meal pattern:

- Trix Cereal and Chocolate Frosted Flakes

Yogurt can also be an added source of sugar. The CACFP meal pattern requires yogurt to contain no more than 23 grams of total sugar per 6 ounces. All yogurts served at Spooner Elementary are compliant.

Planned Menu and OVS

Make sure to consistently communicate with staff how the planned menu is intended. At breakfast, students must select three food items, one of which is ½ cup fruit and/or vegetable or a combination. At lunch, students must select three, full, and different components, one of which is ½ cup fruit and/or vegetable or a combination. On the days of onsite review at breakfast and lunch, students were made to select more than required for a reimbursable meal.

- At breakfast during the day of onsite review, an entree choice was French toast sticks (4.0 each = 2.25 oz eq grain [2.0 items]) and a sausage patty (1.0 each = 1.0 oz eq M/MA [1.0 item]). Some students selected the French toast sticks and were also made to select a sausage patty, too. Based on intent of the menu, a student could select the French toast sticks or the sausage patty, just so long as their tray going through the POS contained at least three items, one of which is ½ cup fruit and/or vegetable or a combination.
- At lunch during the day of onsite, there was confusion with the tomato soup (1 cup = ¼ cup vegetable). One student had a sandwich (2.0 ounce equivalent [oz eq] meat/meat alternate [M/MA], 2.0 oz eq grain), strawberry cup (½ cup fruit), and tomato soup (¼ cup vegetable), but were made to select a milk. Another student had a sandwich, strawberries, and soup, but were made to select more fruit. It is important staff at the point of service (POS) understand how each menu item credits and how to determine a reimbursable meal.

Breakfast

Through discussion with the food service director, students at Spooner Elementary do not have enough time to select and consume a school breakfast. Consider redesigning the breakfast program by increasing the time students have to eat and/or implementing a different breakfast model. Breakfast models may include Breakfast in the Classroom (BIC), breakfast after the bell, breakfast cart in the hallway with grab n' go style items, etc. For breakfast service models visit DPI's [School Breakfast Program](https://dpi.wi.gov/school-nutrition/school-breakfast-program/resources) webpage (<https://dpi.wi.gov/school-nutrition/school-breakfast-program/resources>).

Crediting

The [USDA Food Buying Guide for Child Nutrition Programs](https://www.fns.usda.gov/tn/food-buying-guide-for-child-nutrition-programs) contains yield and crediting information for foods with a standard of identity (in large part, unprocessed foods) (<https://www.fns.usda.gov/tn/food-buying-guide-for-child-nutrition-programs>). Fruits, vegetables, and unprocessed grains, meat/meat alternates, and dairy can be credited using the FBG. The tomato soup served during the week of review and day of onsite was incorrectly credited. According to the FBG, 1.0 cup of reconstituted tomato soup credits ¼ cup of additional vegetable. Additional is not a vegetable subgroup, but a “catch all” for the week. The mixed vegetables used during the week of review contain a starchy vegetable and therefore must also credit as additional vegetable. Anytime a vegetable blend with unknown amounts of each contains a starchy vegetable, it must be considered additional.

Production Record

Production records are intended to be useful tools to record information prior to production, during production, and following production. During the week of review, the total planned number of meals were not documented. Production record requirements and templates for breakfast and lunch can be found on

our [Production Records](https://dpi.wi.gov/school-nutrition/national-school-lunch-program/menu-planning/production-records) webpage (<https://dpi.wi.gov/school-nutrition/national-school-lunch-program/menu-planning/production-records>).

Trans Fat

Foods and ingredients used to prepare school meals must contain zero grams of Trans fat per serving (less than 0.5 grams per serving) according to each product's nutrition facts label or manufacturer's specifications. If it is likely that a product's Trans fat is naturally occurring (for example, in some meat and dairy products), the SFA must request documentation from the manufacturer that reports the source of the Trans fat prior to using the product. If a label does not specify the Trans fat content of a product, the SFA must request additional information prior to serving the product. All products containing synthetic Trans fats must be discontinued immediately.

Findings and Corrective Action Needed: Meal Pattern and Nutritional Quality

- ❑ **Finding #1:** OVS is not fully understood by the POS at breakfast and lunch. Students were made to select more than required under OVS. Per the food service director, Pre-K students and kindergarten students at Spooner Elementary do not utilize OVS and therefore must select one of everything planned. On the day of review, this was not happening. However, upon observation, Pre-K students are not co-mingled and therefore must follow CACFP, which disallows OVS.

Corrective Action Required #1:

- Require POS staff to view the thirty-minute [Offer versus Serve - Meal or No Meal](https://media.dpi.wi.gov/school-nutrition/offer-versus-serve-meal-or-no-meal/story_html5.html) webcast and submit a quiz confirmation email (https://media.dpi.wi.gov/school-nutrition/offer-versus-serve-meal-or-no-meal/story_html5.html).
- Submit a statement explaining what will be done to the meal service so that Pre-K students following the CACFP meal pattern will not utilize OVS and will be served one of every menu item planned.
- Submit a statement explaining if kindergarten students will or will not utilize OVS. If not utilizing OVS, and therefore students must take one of everything planned, explain how this will be enforced by teachers and POS staff.

- ❑ **Finding #2:** Chocolate milk is an unallowable milk type under the CACFP meal pattern.

Corrective Action Required #2: Submit a statement explaining what will be done to the breakfast and lunch programs so that no chocolate milk is served to Pre-K students following the CACFP meal pattern.

- ❑ **Finding #3:** Trans Fat is an unallowable dietary specification in foods served in school meals. The margarine used during the week of review contained 2.5g Trans Fat.

Corrective Action Required #3: Submit a nutrition facts label for a new margarine that contains 0g trans fat. **A new label for a trans fat-free butter spray was submitted and recipe updated in which the Trans Fat was found. Corrective action complete, no further action required.**

- ❑ **Finding #4:** The meal pattern requirements for the lunch week of review were not met. The following shortages occurred:

- Daily vegetable shortage:
 - Wednesday, February 6, 2019 - tomato soup ($\frac{1}{2}$ cup = $\frac{1}{8}$ cup additional vegetable) and green beans ($\frac{1}{2}$ cup) totaled $\frac{5}{8}$ cup for the day. A total of $\frac{3}{4}$ cup vegetable is required daily for K-8.
- Weekly red/orange vegetable shortage:
 - Only $\frac{1}{4}$ cup red/orange vegetable were offered during the week. Salsa ($\frac{1}{4}$ cup) was offered on Monday, February 4, 2019. A total of $\frac{3}{4}$ c must be offered over the course of the week of K-8.
- Weekly grain shortage with the following offerings:
 - Monday: Jamwich w/ Cheese (1.0 oz eq grain)
 - Tuesday: either option (2.0 oz eq grain)
 - Wednesday: Jamwich w/ Cheese (1.0 oz eq grain)
 - Thursday: either option (1.0 oz eq grain)
 - Friday: either option (2.0 oz eq grain)
 - Total: 7.0 oz eq grain (8.0 oz eq grain required for K-8)

Repeat violations of a daily vegetable shortage and weekly grain shortage during subsequent ARs may result in fiscal action and will be assessed district-wide on like menus.

Corrective Action Required #4: Submit a statement explaining how the daily vegetable shortage, weekly red/orange vegetable shortage, and weekly grain shortage will be fixed during the week of review. Include any necessary serving sizes, nutrition facts labels, ingredients lists, and/or crediting documentation.

- Finding #5:** Production records do not contain the total planned number of meals at breakfast and at lunch. Production records must also differentiate the appropriate serving sizes per meal pattern (e.g. Pre-K serving sizes [CACFP] and K-5 serving sizes).

Corrective Action Required #5: Submit a template of a breakfast production record and a template of a lunch production record showing a spot for the recording of total planned number of meals. On these templates, please also have separate columns for the planned serving sizes for Pre-K (CACFP meal pattern) and the planned serving sizes for K-5.

3. RESOURCE MANAGEMENT

Nonprofit School Food Service Account

Commendations/Comments/Technical Assistance (TA)/Compliance Reminders

Technical assistance regarding how to cut costs for the Nonprofit School Food Service Account was provided on-site. The program has been operating at a loss for the past few years. The following advice was proposed:

1. Discontinue providing free breakfast to all students (Universal Free Breakfast).
2. Change the breakfast model for the Elementary School and High School to mid-morning breakfast. Breakfast participation is excellent at the Middle School since implementing the mid-morning breakfast model. However, breakfast participation at the Elementary and High schools is very poor. Implementing the mid-morning breakfast model at the other schools would increase breakfast participation greatly, thus increasing revenue and reimbursement within the School Breakfast Program. All three of these schools qualify for Severe Need Breakfast reimbursement at \$1.84 for a Reduced eligible student breakfast and \$2.14 for a free eligible student breakfast. This is \$0.35 more than a school that would not qualify for Severe Need Breakfast. Even more reason to change the breakfast model to mid-morning and increase participation.
3. Increase a la carte food and beverage prices.
4. Determine if you are making money or losing money from the WI School Day Milk Program. The way the program works is that you receive ~50% reimbursement of the cost of the milk served to the free and reduced eligible students only. You are not getting reimbursed for the entire cost of the free and reduced eligible student milk served. The paid students must pay for their milk at \$0.40 a carton.

Annual Financial Report (AFR)

- All revenues (reimbursements and student payments) and expenses (including food, labor, equipment, purchased services, and the other category) need to be separated into each program; this will aid the school in calculating its “yearly” reference period for nonprogram food compliance which is highly recommended. The [Annual Financial Report instructions](https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/annual-financial-report-instructions.pdf) are located on the DPI website (<https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/annual-financial-report-instructions.pdf>).
- Refer to the webcast explaining the [Annual Financial Report](https://media.dpi.wi.gov/school-nutrition/annual-food-service-financial-report/story_html5.html) (https://media.dpi.wi.gov/school-nutrition/annual-food-service-financial-report/story_html5.html).
- Any nonprogram foods such as adult meals, catering, extra entrées, a la carte, or milk sold to students that is not being claimed for reimbursement, must be recorded as a Nonprogram Food revenue on the Annual Financial Report. You also need to calculate the expenditures related to these nonprogram foods so it can be documented on the Annual Financial Report.
- These [categories of the AFR](https://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/expenditure-categories-for-food-service-annual-financial-report.doc) that should be addressed when tracking revenues and expenditures include (<https://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/expenditure-categories-for-food-service-annual-financial-report.doc>):
 - 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” (<https://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/expenditure-categories-for-food-service-annual-financial-report.doc>).
 - “Equipment” should reflect major purchases of equipment. Utensils, pans, smaller equipment such as a cart, etc., should be reported under “Other”.
 - Under “Purchased Services” report any time you pay someone for services provides such as equipment repair and health inspections.
 - Under “nonprogram foods”, report the expenses for any food items served to students that are not claimed as part of the reimbursable meal. Revenues and expenses from adult meals, a la carte, extra milk, extra entrees, and caterings would be included here.
 - When revenues are recorded from the federal reimbursement payments, make sure that you are recording the full reimbursement based on the printed claim form and not what is actually deposited into your account. As you will note on the claim, there may be money deducted from shipping, handling and processing fees for USDA Foods. The amount deducted from your

revenue should be reported as an NSLP food expenditure for private schools and a purchased service for public schools.

Allowable Costs

- Bad debt from unpaid student lunch accounts is an unallowable expense to the food service program, specifically Fund 50.
- Best practice is to collect on unpaid meal charges while the student is still enrolled in the district. Once the student is no longer enrolled and you have exhausted all options to collect the money, you must make a transfer to Fund 50 to cover the student's debt.
- Another best practice to control negative meal accounts is to have a good Unpaid Meal Charge Policy in place, clearly communicating the policy with households multiple times each year, and for it to be enforced by Administration.
- A transfer must be made from non-federal funds to cover student account write-offs. [SP23-2017 Unpaid Meal Charges guidance Q & A](#) may be found on our Financial Management webpage (<https://dpi.wi.gov/school-nutrition/national-school-lunch-program/financial>).

Unpaid Meal Charge Policy

- The SFA has a policy in place but is very loose and not being enforced. The following is technical assistance regarding the policy and alternate meals.
- It is advised that the policy includes more detailed information regarding when households will be notified of negative account balances, how often and the mode of how they will be notified. If you choose to serve alternate meals to students that have reached a certain negative account balance that should be included in the policy as well.
- Notify the households of the policy at the beginning of the school year and multiple times throughout the year so they are aware.
- Students that are free eligible may not be denied a meal even if they have a negative account balance. If a Reduced eligible or Paid student brings money in hand to buy a meal that day, and they have a negative account balance, they must be allowed to purchase a meal that day.
- You may decide (highly recommend) to disallow students from purchasing a la carte items if the account is negative, but still allow them to take a reimbursable meal. This would not allow students to take items that do not equal a reimbursable meal. For example, if a student takes a milk and a slice of pizza and they have a negative balance, they can be told that purchase isn't allowable with a negative balance, but if they added a half cup fruit or vegetable to their tray, they could get the reimbursable meal even with a negative account balance.
- You may deny a reduced or paid student a reimbursable meal if they have surpassed the negative amount set in the policy (for example, -\$20.00) and offer them an alternate meal.
- If students are not taking a reimbursable meal, they must be charged the a la carte (nonprogram food) price that covers the cost of those items as you are not getting federal reimbursement for anything but a reimbursable meal. You'll want to make sure whoever is working the point of sale that they know what a reimbursable meal is and to make sure to ask students if they want to take a half cup fruit or vegetable and/or a third component to make a reimbursable meal. The more reimbursable meals you serve, the more money you get in reimbursement for the program.
- If the policy states you will offer an alternate meal to students that surpass the negative amount set forth in the policy, you should state what the alternate meal will be and how the student will be notified they are receiving the alternate meal. You may also want to include where the student will receive the alternate meal. Some districts call the students to the office to discreetly tell the student they will be receiving the alternate meal that day on the lunch service line, or they will call the students to the office to hand them their alternate meal.

- The alternate meal is meant to encourage students to bring money or have their parent/guardian deposit money into their lunch account. You are still feeding the student by offering the alternate meal, but offering a less desirable meal option for them. You may refer to the [Unpaid Meal Charges “In a Nutshell”](#) to see your options regarding alternate meals. Depending on whether you claim, charge, or giveaway the alternate meals, there are rules for each option. (<https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/unpaid-meal-charges-nutshell.pdf>)
- If you decide to offer alternate meals free of charge and do not claim them, be sure to keep track of the number of alternate meals you serve throughout the year. Keep track of the food cost, labor, and other expenses as well. Make a transfer from Fund 10 or another non-federal fund (could be from donations) to Fund 50 to cover the costs of these alternate meals.
- You may have a stricter policy for the older grades than the younger grades, such as cutting the older students off from getting an alternate meal. This is a district decision.
- 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. For a snap-shot on what the policy must include, see the [Unpaid Meal Charges In a “Nutshell”](#) (<http://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/unpaid-meal-charges-nutshell.pdf>). For a more comprehensive overview, see SP 23-2017: [Unpaid Meal Charges Guidance](#) <https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/sp-23-2017.pdf>
 - Best Practices
 - Local meal charge policy checklist
 - Sample outstanding balance letter
 - Sample robo-call script

Refunds

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

Revenue from Nonprogram Foods

Commendations/Comments/Technical Assistance (TA)/Compliance Reminders

- Nonprogram foods include: adult meals, extra entrées, extra milk, a la carte, catering, and the WI School Day Milk Program (WSDMP) paid milk.
- Use the [DPI Nonprogram Food Price Calculator Tool](#) to determine what you should increase the a la carte prices to ensure all costs are being covered (<https://dpi.wi.gov/sites/default/files/imce/school-nutrition/xls/non-program-food-price-calculator.xlsx>).
- All costs associated with nonprogram foods, including food, labor, equipment, and purchased services must be covered by revenues received from the sale of those foods. Nonprogram foods may not be supported by reimbursable meals or have a nonprogram foods loss absorbed by the food service account. Thus nonprogram foods may never run in the negative unless non-federal funds are transferred into the food service fund to cover the deficit.
- Catering events should be billed out to include the raw food cost of each item, labor involved, along with a 5-10% total markup to cover any overhead.

- The USDA Nonprogram Revenue Tool (the formula shown below) must be completed annually, at a minimum, to ensure all costs of Nonprogram foods are being covered. Using the Child Nutrition Report from Online Services, you can retrieve this data and complete this calculation to ensure you are covering all costs of nonprogram foods.

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

Adult Meals

- Adult meals are considered non-program foods. Food service programs must price adult meals above the overall cost of the meals. Since adult meal costs can be difficult to calculate, at a minimum, SFAs must follow the **minimum** pricing guidelines in Food Nutrition Services Instruction 782-5.
- A [Wisconsin Adult Meal Pricing Worksheet](http://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/wisconsin-adult-meal-pricing-guide.doc) has been developed to assist the SFA in pricing adult meals (http://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/wisconsin-adult-meal-pricing-guide.doc).
- The SFA is charging an adequate amount for the adult meals.

Resources

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

Indirect Costs

Commendations/Comments/Technical Assistance (TA)/Compliance Reminders

- DPI does not allow the annual assigned indirect cost rate to be applied to Fund 50 (Foodservice account within WUFAR). For both public and private schools in Wisconsin, any costs assessed to foodservice must be based on documented and justifiable costs for each school building as they pertain to your school situation rather than an indirect cost rate. This may include utilities, rent, printing and mailing services, administrative oversight, etc.
- Allowable Expenditures assessed to the food service fund must be supported with documentation for items such as gas, electricity, waste removal, fuel, water, etc. for the school district. 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 reality 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 the SFA’s total.

Findings and Corrective Action Needed: Resource Management

- ❑ **Finding #1:** The Unpaid Meal Charge Policy must be updated to what the district plans to enforce. Clearly communicate this policy with all households, multiple times throughout the school year.

Corrective Action Required: Update the Unpaid Meal Charge Policy. **Submit a copy to the consultant.**

- ❑ **Finding #2:** A la carte foods and beverages sold are not priced high enough to cover costs.

Corrective Action Required: Complete the DPI Nonprogram Foods tool and increase prices effective at the beginning of the fourth quarter of the school calendar. Submit a statement of when you plan to implement the new prices. **No further action required.**

- ❑ **Finding #3:** Catering events are not being billed to cover all costs incurred.

Corrective Action Required: Submit a statement of how you will bill all catering events to ensure the cost of food, labor and overhead are covered consistently.

- ❑ **Finding #4:** The Annual Financial Report was completed incorrectly for the 17-18 SY. Technical assistance was provided on site.

Corrective Action Required: The Business Manager must watch the webcast explaining the [Annual Financial Report](https://media.dpi.wi.gov/school-nutrition/annual-food-service-financial-report/story_html5.html) (https://media.dpi.wi.gov/school-nutrition/annual-food-service-financial-report/story_html5.html). **Submit a statement this has been completed.**

4. GENERAL PROGRAM COMPLIANCE

Civil Rights

Commendations/Comments/Technical Assistance (TA)/Compliance Reminders

Civil Rights Training

- All staff involved with the National School Lunch Program must complete the Civil Rights training, annually. This is typically done prior to the start of the school year. This was done correctly by the SFA. Great job!

Civil Rights Self-Compliance Form

- The [Civil Rights Self-Evaluation Compliance](https://dpi.wi.gov/sites/default/files/imce/forms/doc/f1441.doc) form is required to be completed by October 31 annually (https://dpi.wi.gov/sites/default/files/imce/forms/doc/f1441.doc). This was done correctly by the SFA. Nice work!

Special Dietary Needs

- The SFA keeps Special Dietary Needs forms on file. The following is Technical Assistance.
- If accommodating students with allergies by having a specific table to sit at, it is advised to not label it “peanut free” or “allergen free”. Instead, label it “allergen aware” or “peanut aware” as you may not be able to guarantee the table(s) are free from any allergens at all times of the day. The school is recognized as “peanut free”. Consider referring to the school as “peanut aware” instead.
- The school(s) should have special procedures for 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 professional. SFAs may use the [prototype Medical](#)

[Statement](#) for Special Dietary Needs posted on the DPI website, which is also available in Spanish and Hmong (<http://dpi.wi.gov/school-nutrition/national-school-lunch-program/special-dietary-needs>). Meals served to students with special dietary needs with the signed medical statement 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>). This [flow chart](#) gives guidance on special dietary needs, as well (<https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/sdn-flowchart.pdf>)

- School food service staff may make food substitutions, at their discretion, to accommodate children without 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. These accommodations made for students 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.
- 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, but an SFA may choose to offer lactose free milk or provide a fluid milk substitute that meets the nutritional requirements set forth by USDA. Nutrition information for a fluid milk substitute the SFA wishes to provide for students, must be approved by the SNT office. For more information on [fluid milk substitutes](#), please see our Special Dietary Needs webpage (<http://dpi.wi.gov/school-nutrition/national-school-lunch-program/special-dietary-needs>).

Findings and Corrective Action Needed: Civil Rights

- ❑ **Finding #1:** The student meal price was visible on the point of sale (POS) screens which is unallowable as this is a form of overt identification. On the contrary, the account balance is allowable to be shown on the POS screen and may be necessary for cashiers to know which students may purchase a la carte items or not.

Corrective Action Required: Remove the eligibility status on all point of sale screens throughout the entire district. Submit a statement to the consultant that this has been completed and that no one looking at the POS screen can determine who is free or reduced eligible. **Corrected on-site. No further action required.**

On-site Monitoring

Commendations/Comments/Technical Assistance (TA)/Compliance Reminders

- Every school year, each SFA with more than one school must perform no less than one on-site review of the meal counting and claiming system and the readily observable general areas of review identified under 7 CFR 210.18(h) in each school operating the NSLP and 50% of schools operating the SBP administered by the SFA; this is due by February 1.
- The onsite monitoring forms have been updated to include the general areas of review and a new SBP program onsite review form found on our [Administrative Review](#) webpage under the SFA onsite monitoring section (<http://dpi.wi.gov/school-nutrition/national-school-lunch-program/administrative-review>).

Local Wellness Policy

Commendations/Comments/Technical Assistance (TA)/Compliance Reminders

Spooner Area School District has a Local Wellness Policy in place that could use an update to include all of the requirements. Technical assistance was provided on-site. Consider using the [Wellness Policy Builder](#) to create a new Local Wellness Policy

(<https://docs.google.com/forms/d/e/1FAIpQLSdNbAMtuMKDdn3O2fPHfdGbeNUdSdG70oLyN0CRD8SteFNmyA/viewform?c=0&w=1>).

The local wellness policy requirement was established by the Child Nutrition and Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) Reauthorization Act of 2004 and further strengthened by the Healthy, Hunger-Free Kids Act (HHFKA) of 2010. The final rule requires School Food Authorities (SFAs) to begin developing a revised local school wellness policy during School Year 2016-17 with full compliance of the final rule by June 30, 2017.

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 the SFA complies with the policy.

Content of the Wellness Policy

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

At a minimum the wellness policy must include:

- Nutrition education (Recommended goals related to nutrition education include integrating into other core subjects or offering as a stand-alone course for all grade levels.)
- Nutrition promotion (At a minimum SFAs must review smarter lunchroom tools and strategies. Additional promotional activities include contests, surveys, food demonstrations, taste testing, and farm to school programming.)
- Physical activity (Recommended that SFAs offer time for students to meet the 60 minute goal, this could include recess, classroom physical activity breaks, and opportunities for physical activity before and after school.)
- Guidelines for all foods and beverages sold on the school campus during the school day (The LWP must contain guidelines for Federal school meal requirements and competitive food standards [Smart Snacks]).
- Guidelines for all foods and beverages provided on the school campus during the school day (SFAs must develop standards for foods provided to students, this includes classroom parties, schools celebrations, food offered as rewards/incentives.)
- Guidelines for food and beverage marketing (At a minimum, SFAs must restrict marketing to food and beverages that meet competitive food standards on the school campus during the school day.)
- Public involvement and committee leadership (SFAs must invite and allow for a diverse group of stakeholders to participate in the development, implantation, review, and updating of the LWP. SFAs must also identify the official responsible for oversight of the LWP to ensure school compliance.)

- Implementation, assessment and update of policy (At a minimum, SFAs must notify the public about the content, implementation of, and updates to the LWP. SFAs must complete a triennial assessment to evaluate compliance with the LWP, how the LWP compares to model wellness policies, and progress made in attaining the goals of the LWP).

Resources:

- Please refer to the USDA [summary of the requirements](http://www.fns.usda.gov/sites/default/files/tn/LWPsummary_finalrule.pdf) for local school wellness policies (http://www.fns.usda.gov/sites/default/files/tn/LWPsummary_finalrule.pdf).
- USDA Food and Nutrition Service has information on the [local school wellness policy](https://healthymeals.nal.usda.gov/school-wellness-resources) process and wellness policy elements (https://healthymeals.nal.usda.gov/school-wellness-resources).
- Wisconsin Team Nutrition has several [wellness policy resources](http://dpi.wi.gov/school-nutrition/wellness-policy) available, including a toolkit, a wellness policy builder, and wellness policy report card (http://dpi.wi.gov/school-nutrition/wellness-policy).

Findings and Corrective Action Needed: Local Wellness Policy

- ☐ **Finding #1:** The Local Wellness Policy does not contain language with specific measurable goals for Nutrition Promotion, Nutrition Education, Physical Activity, and Other School-Based Wellness Activities.

Corrective Action Required: Update the Local Wellness Policy to include everything listed above which is also listed in the [Local Wellness Policy Checklist](https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/local-wellness-policy-checklist.pdf) (https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/local-wellness-policy-checklist.pdf). **Provide a date of when you plan to have the policy updated and compliant with the final rule.** The [Wellness Policy Builder](https://docs.google.com/forms/d/e/1FAIpQLSdNbAMtuMKDdn3O2fPHfdGbeNUdSdG70oLyN0CRD8SteFNmyA/viewform?c=0&w=1) can assist you in creating the Wellness Policy if you decide to create your own instead of adopting a policy (https://docs.google.com/forms/d/e/1FAIpQLSdNbAMtuMKDdn3O2fPHfdGbeNUdSdG70oLyN0CRD8SteFNmyA/viewform?c=0&w=1).

Smart Snacks in Schools

Commendations/Comments/Technical Assistance (TA)/Compliance Reminders

N/A - no food or beverages sales with students during the school day at Spooner Elementary.

Buy American

Commendations/Comments/Technical Assistance (TA)/Compliance Reminders

Great job having documentation onsite with Buy American information for exempt products.

Technical Assistance and Program Requirement Reminders

The USDA requires that a School Food Authority (SFA) purchase, to the maximum extent practicable, domestic commodities or products. Using food products from local sources supports the local economy, farmers, and provides healthy choices for children in the USDA School Meal Programs. The Buy American provision is required whether food products are purchased by SFAs or entities that are purchasing on their behalf.

Labels should indicate if the product is grown, processed, and packaged in the continental U.S. or any U.S. Territory. If the label indicates that the product is distributed by, manufactured by, or packed in, the U.S, but the country of origin is not listed, this product requires additional information from the distributor on where the product is originally from.

More information on this new requirement, including a tool to assist with tracking noncompliant products, can be found on the SNT [Procurement](http://dpi.wi.gov/school-nutrition/procurement/buy-american) webpage (<http://dpi.wi.gov/school-nutrition/procurement/buy-american>).

Professional Standards

Commendations/Comments/Technical Assistance (TA)/Compliance Reminders

The Food Service Director tracks all continuing education for herself and staff, using the DPI Professional Standards Tracking Tool. Well done!

Professional Standards: New Food Service Director Hiring Requirements

- The [hiring standards for SFA directors](http://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/professional-standards-hiring-chart-by-district-size.pdf) are based on the size of the 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>).
- Per SP 38-2016, any School Food Service Director hired after July 1, 2015 that does not meet the minimum education requirements cannot use the nonprofit school food service account to pay their salary; this would be an unallowable cost and the SFA's general fund may be used to pay the salary of a new director who is actively pursuing the minimum education requirements.

Professional Standards: Training Requirements

- Annual training must be job-specific and intended to help employees perform their duties well. The required annual training hours vary according to the employee's role in the management and operation of the school nutrition program.
- Trainings can be provided in a variety of formats (online, in person, webinars) and through various providers (DPI, USDA, in-house, etc.).
- SFAs should clearly document all required training information and maintain that file including the name of staff person, date hired, title/position, brief list of core duties/responsibilities, status (full, part-time, substitute, volunteer, etc.), professional standards position (director, manager or staff). Learning codes are not required, but encouraged. A [template tracking tool](#) is posted to our [Professional Standards](http://dpi.wi.gov/school-nutrition/training/professional-standards) webpage (<http://dpi.wi.gov/school-nutrition/training/professional-standards>).
- USDA allows a flexibility to complete the total training

Annual Training Requirements for All Staff

- Directors: 12 hours
- Managers: 10 hours
- Other Staff (20 hours or more per week): 6 hours
- Part Time Staff (under 20 hours per week): 4 hours
- If hired January 1 or later, only half of the training hours are required during the first school year of employment.

Food Safety and Storage

Technical Assistance

- The procedures detailed in the SOPs included in the site-specific food safety plan should be followed by all food service staff, student workers, volunteers, and any other people involved in the implementation of Child Nutrition Programs at all times.

- Any food that is a TCS food must be kept under refrigeration, on ice, or hot held (depending on the food). If not, it must be discarded after meal service.

Time/Temperature Control for Safety (TCS) Food

Milk and dairy products	Tofu or other soy protein
Shell eggs	Sprouts and seed sprouts
Meat (beef, pork, and lamb)	Sliced melons
Poultry	Cut tomatoes
Fish	Cut leafy greens
Shellfish and crustaceans	Untreated garlic-and-oil mixtures
Baked potatoes	Synthetic ingredients, such as textured soy protein in meat alternatives
Heat-treated plant food, such as cooked rice, beans, and vegetables	

Time as Public Health Control

- When using “Time as a Public Health Control”:
 - The internal temperature must be at or below 41 degrees Fahrenheit (°F) at the beginning of the holding period for cold time/temperature control for safety (TCS) food.
 - TCS food can be held up to 6 hours at an internal temperature between 41°F and 70°F under monitored conditions. Provisions must be made to discard product if the 6 hour time limit is exceeded, the temperature of the cold TCS food rises above 70°F, or the food is removed from service.
 - Hot TCS foods can be held up to 4 hours at an internal temperature greater than 70°F. Provisions must be made to discard product if the 4 hour time limit is exceeded, the temperature of the hot TCS food falls to 70°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 TCS food is held without mechanical refrigeration during service, including TCS foods on garden bars, all leftover TCS food must be discarded.

Reporting and Recordkeeping

Commendations/Comments/Technical Assistance (TA)/Compliance Reminders

- Thank you for completing the required USDA and DPI reports and maintaining the paperwork in an organized manner.
- Be sure to keep all documents pertaining to the School Nutrition Programs for 3 years plus the current school year. You may shred anything from the 14-15 SY and prior.

5. OTHER FEDERAL PROGRAM REVIEWS

Summer Food Service Program (SFSP) Outreach

Spoooner Area School District operates the Summer Food Service Program.

School Breakfast Program

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.

Wisconsin School Day Milk Program (WSDMP)

Commendations/Comments/Technical Assistance (TA)/Compliance Reminders

- Spooner Elementary operates the Wisconsin School Day Milk Program for students in K-4th grade.
- While observing milk service, there was no adult present at the milk cooler where the students take their milk for the WSDMP. Within Spooner Elementary, there are two different milk coolers placed in two different wings of the building. The coolers are located in a closet-type setting with accordion doors left open. The coolers are kept unlocked at all times. Milk cooler temperature logs have not been kept. A student was seen opening up the cooler, leaving it open for the other students, students took one milk each, then either stopped to get something out of their book bag or went directly to their classroom. An adult and student passing by mentioned the cooler did not smell anymore and was recently cleaned. Teachers were seen marking participating students off using the food service software. However, there was still no teacher or adult present at the cooler while students took a milk. At the end of milk service, no one (student or adult) closed the milk cooler. The milk cooler was left standing open. The Food Service Director, who was observing with the DPI review team, closed the cooler.

Findings and Corrective Action Needed: Wisconsin School Day Milk Program

- ❑ **Finding #1:** Daily temperature logs for the two milk coolers utilized for the WSDMP are not kept.

Corrective Action Required: Complete daily temperature logs, beginning immediately, for each month of operation to document milk storage temperatures are monitored in accordance with the Wisconsin State Food Code. **Submit a copy of two weeks' worth of temperature logs for both milk coolers.**

- ❑ **Finding #2:** Students participating in the WSDMP are not being monitored by an adult when taking milk out of the cooler. The cooler is being left open after service, likely causing milk to elevate past the 41 degree threshold. Since teachers have not followed instruction from the Food Service Director included in multiple email communications, a change must be made to ensure the food safety practices are followed and milk is not wasted from spoilage.

Corrective Action Required: Appoint a food service staff employee to be present at the milk coolers for WSDMP service. You may need to change when WSDMP service occurs to meet this demand. Lock coolers when service is not occurring. **Submit a statement in writing of how you will meet this corrective action and when you plan to implement the new procedures.**

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

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

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



With School Nutrition Programs!