

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

School Food Authority: Merton Community School District

Agency Code: 673528

School(s) Reviewed: (20) Merton Intermediate School

Review Date(s): 12/06/18-12/07/18

Date of Exit Conference: 12/07/18

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

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

General Program Reminders/Updates:

- The Department of Public Instruction (DPI) School Nutrition Team (SNT) conducts School Nutrition Skills Development Courses (SNSDC) each summer in various locations around the state 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, meal benefit determination process, procurement, and many other topics. More information along with other upcoming trainings and webinars can be found on the Wisconsin DPI [School Nutrition Training](http://dpi.wi.gov/school-nutrition/training) webpage (dpi.wi.gov/school-nutrition/training).
- SFA staff are encouraged to pursue GOALS Certification. GOALS stands for Goal Oriented Achievement Learning Skills. This is a certificate endorsed by the DPI and is obtained by completing training in nutrition, program administration and operations, and communications and marketing. For more information go to the Wisconsin DPI [School Nutrition Training](http://dpi.wi.gov/school-nutrition/training/goal-oriented-achievement-learning-skills) webpage (dpi.wi.gov/school-nutrition/training/goal-oriented-achievement-learning-skills).
- The US Department of Agriculture has a toolkit of resources to assist schools in meeting the nutrition standards on their [Healthier School Day: The School Day Just Got Healthier](http://www.fns.usda.gov/healthierschoolday) webpage. The topics covered include Smart Snacks, offering fruits and vegetables, reducing sodium, and serving whole grain-rich products (http://www.fns.usda.gov/healthierschoolday).
- [The Smarter Lunchrooms Movement](http://smarterlunchrooms.org) encourages schools to implement low-cost and no-cost lunchroom solutions to help students' select healthier meal options (http://smarterlunchrooms.org). Smarter Lunchroom techniques are easy to begin implementing and do help encourage student consumption of fruits, vegetables, legumes, non-flavored milk, and other healthful choices. These strategies are effective and research-based. Consider trying the Smarter Lunchroom techniques for [increasing consumption of white milk](https://www.smarterlunchrooms.org/scorecard-tools/smarter-lunchrooms-strategies#Milk) (https://www.smarterlunchrooms.org/scorecard-tools/smarter-lunchrooms-strategies#Milk).

Appreciation/Commendations/Noteworthy Initiatives:

Thank you to the staff at Merton Community School District for the courtesies extended to us during the review. All were receptive to recommendations and guidance. Overall, the agency is running an excellent meal program and have very knowledgeable and dedicated staff.

Students are offered fresh, appealing, and nutritious meal options. Meal preparation and service areas are clean and tidy. The dining environment is also an inviting space where students can relax and socialize with their peers.

REVIEW AREAS

1. MEAL ACCESS AND REIMBURSEMENT

Certification and Benefit Issuance

Commendations/Comments/Technical Assistance/Compliance Reminders

52 meal eligibilities were reviewed. No errors were found. Keep up the good work! The agency is running direct certification (DC) according to the required timeframes.

Disclosure

A disclosure agreement form should be signed by any individual, or an organization, that is receiving individual student free and reduced price school meal eligibility information for purposes *other than school meal or milk benefits*. Any individual that is provided with individual student eligibility information for state or federal reporting purposes or local program fee waivers should complete the [Disclosure Agreement for School Staff](https://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/disclosure-agreement-school-staff.docx) (<https://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/disclosure-agreement-school-staff.docx>) and retain a copy on file at the district.

Public Release

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

Verification

Commendations

No errors. Keep up the good work!

Meal Counting and Claiming

Commendations/Comments/Technical Assistance/Compliance Reminders

- The lunch claim is being consolidated correctly.
- Right now the agency is not serving lunch on half-days because school is not in session *through the lunch period*. Providing lunch on half-days is a best practice to ensure all children have access to adequate nutrition, and revenue from State, Federal, and Local sources is not lost. Should the agency ever move the school day through the lunch period, it is a requirement to serve lunch per 7 CFR 210.1(a).
- When offering reimbursable meals on a field trip, they must meet meal pattern and have an accurate point of sale. For example, a student roster list can be packed with lunches and the

teacher could mark off their name when the student receives the meal. The list would then be returned to food service and entered into the software system to be claimed.

2. MEAL PATTERN AND NUTRITIONAL QUALITY

Commendations

Thank you to the Food Service Director and school nutrition professionals at Merton Community School District. We appreciate your time and efforts spent preparing for and participating in the onsite review. It is evident that everyone involved with the school meals programs within the district is dedicated to providing the best possible program for the students. While newer to the role, the Food Service Director is doing a wonderful job, which shows in having no Meal Pattern and Nutritional Quality findings.

The meal service area at Merton Intermediate School is set up well and inviting for students. The numerous daily entrée options are a great way to boost participation and the variety of fruits and vegetables offered encourages consumption. Additionally, the school nutrition professionals at Merton Intermediate School displayed great teamwork and pride in their work. Thank you for all that you do for your students!

Technical Assistance/Compliance Reminders

Crediting Pepperoni

Traditional dried pepperoni (beef/pork) must be CN Labeled in order to be credited toward the meat/meat alternate component. The pepperoni used on the pepperoni pizza was not being credited. However, the meat/meat alternate crediting on the production record for the Mozzarella and Pepperoni Panini offered on the day of review appears to include the pepperoni. This did not result in a meat/meat alternate shortage. The meat/meat alternate crediting on the production record should be updated to reflect the amount of cheese only.

Quantities, Crediting, and Standardized Recipes

- The recipes for the strawberry and blueberry parfaits call for 1 cup of granola. Using Exhibit A, this quantity of granola would credit as 4 ounce equivalents (oz eq) grain. It was stated during the onsite review that the amount of granola has been reduced to ½ cup, crediting as 2 oz eq grain. Your standardized recipe used on site should be updated to reflect this change.
- The volume of vegetables from the other subgroup in the Fiesta Rice recipe is short of the crediting shown on the production record. The volume of onions and peppers equals 0.078 cups per serving, short of the ⅛ cup minimum creditable amount. The volume of tomatoes equals 0.235 cups per serving. The total amount of creditable vegetable per serving was correctly included on the production record as ¼ cup. However, only ⅛ cup may be credited toward the red/orange subgroup and no amount may be credited toward the other vegetable subgroup. The vegetables in the Fiesta Rice are not being used to meet meal pattern requirements and did not result in meal pattern quantity shortages for the week of review.
- There is a discrepancy on the recipe for the Hot Smokey Ham & Cheese Sandwich in the quantities of ham to be used. The recipe calls for 100 slices, weighing 0.5 oz each, to make 25 servings. However, the instructions state to place 3.75 oz ham on the bun for each sandwich. The 100 slices (4 per sandwich) credit as the stated 2 oz eq M/MA, with the cheese slice. The 3.75 oz would exceed the daily meat/meat alternate requirement for K-8 students and add to the dietary specifications and food cost.
- The 2.5" dinner roll is being credited as 1 oz eq grain, but credits as 1.25 oz eq grain using Exhibit A.

Production Records

Production records are required to document that food meeting the meal pattern was served in the appropriate serving sizes. The production records in use are thorough and clear, with little technical assistance needed.

- A few extra fruits and vegetables were written in on the production records submitted for the week of review. Be sure to include the planned serving size with these items so that they may be credited toward the appropriate component and vegetable subgroup. This did not result in fruit or vegetable quantity shortages during the week of review.
- The quantity prepared column should give the total quantity prepared in purchase units, such as bags, boxes, cases, etc.
- Accommodations for students with special dietary needs should be recorded on the production records if offered.

A list of production record requirements (“[Must Haves and Nice to Haves](#)”) and sample production record templates can be found on our [Production Records](#) webpage (<https://dpi.wi.gov/school-nutrition/national-school-lunch-program/menu-planning/production-records>).

Crediting Documentation

SFAs are required to document how foods offered credit towards weekly meal pattern requirements.

- Food manufacturers continuously reformulate products used in schools. It is important to stay current with these changes and be confident that the documentation on file matches the products in stock. These records should be reviewed and updated at least twice per year and as new products are purchased or substituted.
- If a product has a Child Nutrition (CN) label, it is preferable to save it with crediting documentation over other crediting documents. When saving CN labels to document product crediting, the label should be taken directly from the package or a photo of the label may be saved.
- The product formulation statement (PFS) submitted for the ciabatta bread contained errors, but the product was still able to be credited using Exhibit A. An updated PFS was provided, showing that this item credits as 2.25 oz eq grain.

Standardized Measurements

Even items that are not being credited toward the meal pattern must be measured or weighed for service, as they still contribute to the dietary specifications. On the day of onsite lunch observation, the vegetables at the deli were being served without standardized measurement tools. Prior to service, it was stated that the planned serving size for each vegetable is periodically weighed or measured, and that visual is used as a reference for service. Continue using this as a frequent practice or add standardized measuring tools to the deli line.

Signage

Posted signage indicates the offered components in each meal and tells students what they must select in order for their meal to count as reimbursable. The examples of how students may build a reimbursable meal on the posted signage are excellent. However, the language on the signs could be misleading to students. Consider changing the wording to indicate that students must select *at least* ½ cup fruit, vegetable, or combination, along with at least two other full components from: fruits, vegetables, meat/meat alternates, grains, and milk. This signage did not appear to be limiting students from taking multiple fruits or vegetables during onsite lunch observation and staff stated that fruit and vegetable quantities are not limited per student. Signage examples can be found on our [Signage](#) webpage (<https://dpi.wi.gov/school-nutrition/national-school-lunch-program/menu-planning/signage>).

School Breakfast Program

Merton Community School District is running an excellent lunch program! Consider participating in the School Breakfast Program (SBP). Participation in SBP will enable the SFA to help students start their school day with good nutrition and provide reimbursement to you for doing so. More information is available on the [School Breakfast Program](https://dpi.wi.gov/school-nutrition/school-breakfast-program) webpage (<https://dpi.wi.gov/school-nutrition/school-breakfast-program>).

Findings and Corrective Action Needed: Meal Pattern and Nutritional Quality

- ✓ There were no findings or corrective action needed for the Meal Pattern and Nutritional Quality section of this Administrative Review.

3. RESOURCE MANAGEMENT

Nonprofit School Food Service Account

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

Unpaid Meal Charge Policy [SP 23-2017](https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/sp-23-2017.pdf) (<https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/sp-23-2017.pdf>)

- When student meal account funds are left “unclaimed”, they cannot be used to offset another student’s negative account, unless *paid* households have *chosen to donate* those funds to the school food service account. All funds left in any student meal account which cannot be contacted must be turned over to the Wisconsin Department of Revenue (DOR) as unclaimed property. The DOR has rules concerning [unclaimed property](https://www.revenue.wi.gov/DOR%20Publications/pb82.pdf) that must be followed (<https://www.revenue.wi.gov/DOR%20Publications/pb82.pdf>).
- Households may submit, and schools may accept, applications at any point during the school year. Schools must inform families of this, and remind families their child may become eligible for free meals at any time during the school year if the household circumstances change. Schools also are encouraged to reach out to families experiencing an acute financial setback, such as a job loss or long-term illness, which may result in a change in eligibility status and assist in reducing the accrual of unpaid meal charges.
- [Q12](https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/financial-questions-answers.pdf). (<https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/financial-questions-answers.pdf>)

After a student graduates or leaves the district, if there are funds remaining in a student’s meal account, can a SFA establish a dollar amount (e.g., anything under \$10.00) that the SFA will not attempt to refund?

A. No. When *any* student leaves the district or graduates, SFAs must attempt to contact the student’s household to return *any* funds remaining in the account. Currently, there is no approved flexibility to simply set a dollar threshold (e.g., \$10.00), SFAs can transfer remaining funds in a student’s meal account to a sibling in the same household who remains in the district. SNT encourages SFAs to develop policy language which clearly explains how households will be contacted to issue refunds (e.g., via email, phone, mail), the number of times (e.g., three attempts) before the SFA will no longer attempt to issue a refund, and that the school will report the funds as “unclaimed property”.

Findings and Corrective Action Needed: Nonprofit School Food Service Account

- ✓ **Finding #1:** The student and adult lunch prices listed on the online contract do not reflect the highest tiered meal rate. The highest student lunch price is \$3.75. The agency has not set a tiered adult price to cover the per meal reimbursements outlined in FNS Instruction 782-5 Rev. 1.

Corrective Action Needed: Set a tiered adult lunch price for the highest tiered student lunch that meets regulations. Update the online contract to reflect the highest student and adult rates.

Corrected onsite. No further action required.

□ **Finding #2:** The cost of free alternate meals is being absorbed by the food service account.

Corrective Action Needed: Discontinue this practice. Submit a statement indicating how the agency will proceed to be in compliance. Consider an a la carte charge to the households, or continue tracking the items and record a transfer (monthly or annually) from outside funds.

Paid Lunch Equity

The agency utilized the 18-19 SY flexibility.

Revenue from Non-program Foods

Technical Assistance/Compliance Reminders

Great job tracking and documenting compliance with non-program foods. Technical assistance was provided onsite to include the Special Milk Program in the reference period on the program side of the tool. Once included, results still reflect compliance with ratio.

4. GENERAL PROGRAM COMPLIANCE

Civil Rights

Commendations/Comments/Technical Assistance/Compliance Reminders

Processes for complaints

- All verbal or written civil rights complaints regarding the school nutrition programs that are filed with the district must be forwarded to the Civil Rights Division of USDA Food and Nutrition Service within 3 days. You will want to make sure that this is included in the district procedures to ensure compliance.
- A SFA may always attempt to resolve a situation that is occurring in real time. However, if an individual states that they wish to file a civil rights complaint, the SFA must provide them with the information necessary to do so and not impede an individual's right to file. Please refer to the [USDA Program Discrimination Complaint Form](https://www.ocio.usda.gov/sites/default/files/docs/2012/Complain_combined_6_8_12.pdf) for assistance in filing these complaints (https://www.ocio.usda.gov/sites/default/files/docs/2012/Complain_combined_6_8_12.pdf).

On-site Monitoring

The agency is in compliance.

Local Wellness Policy (LWP)

Commendations/Comments/Technical Assistance/Compliance Reminders

Merton Community SD has a great LWP and has conducted outreach to involve the public, parents, and students. As a reminder, the first assessment will be due in SY 20-21. The assessment needs to measure

how you are meeting the goals and objectives and how the policy compares to a model policy. Reviewer discussed adding language in the policy to identify the methods that will be used to inform the public of LWP updates (e.g., social media, website post, newsletter, email, board meeting minute etc.).

Smart Snacks

Commendations/Comments/Technical Assistance/Compliance Reminders

- All foods sold anywhere on school campus, between midnight and 30 minutes after the last bell, must be in compliance with the Smart Snacks regulations. The Food Service Director is doing a great job of checking all products sold for Smart Snacks compliance and is maintaining the necessary documentation.
- The Wisconsin Department of Public Instruction (DPI) allows two fundraiser exemptions per student organization per school site per school year, per the district's approval. A fundraiser cannot exceed two weeks in time. An exempt fundraiser may sell foods and beverages that are not allowable under the Smart Snacks rule but may not compete directly with the sale of reimbursable meals. The school has not held any fundraisers this school year, but the tracking form from last school year showed accurate tracking procedures.

Professional Standards

The agency is in compliance.

Water

The agency is in compliance.

Food Safety

Commendations/Comments/Technical Assistance/Compliance Reminders

- Every school operating USDA School Child Nutrition Programs must have two food safety inspections during each school year: including food safety inspection and a review of the site's Food Safety Plan.
- 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.

Findings and Corrective Action Needed: Food Safety

- ✓ **Finding:** Merton Intermediate School is not following procedures outlined in SOP #3 Thermometer Calibration and SOP #21 Cleaning and Sanitizing Food Contact Surfaces.

Corrective Action Needed: Re-train staff on both SOPs. Submit a statement outlining how the agency will correct the issue and when re-training will occur.

Corrected onsite. Staff training completed 12/07/18. No further action necessary.

BUY AMERICAN PROVISION

Comments/Technical Assistance/Compliance Reminders

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

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

SFAs must monitor contractor performance as required in 2 CFR Part 200.318(b), formerly in 7 CFR Part 3016.36(b)(2), to ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.

- The following products may be exceptions to Buy American provisions: pineapples, mandarin oranges, olives, tuna, bananas and coffee.
- If no country of origin is identified on the label, than SFA must get certification from the distributor or supplier stating: “We certify that (insert product name) was processed in the U.S. and contains over 51% of its agricultural food component, by weight or volume, from the U.S.” This can accepted within an email.
- Labels should indicate if the product is grown, processed and packed in the continental U.S. and any U.S. Territories. If the label indicates that product is distributed or packed in the U.S, but the country of origin is not listed, this product requires the distributor’s certification as mentioned above.
- Any substitution of a non-domestic product for a domestic product (which was originally a part of the RFP), must be approved, in writing, by the food service director, prior to the delivery of the product to the school.
- Any non-domestic product delivered to the school, without the prior, written approval of the Food Service Director, will be rejected. Should non-domestic substitutes that were not pre-approved in writing by the food service director be delivered to and rejected by the school, selected distributor(s) shall be held accountable for all over-claims that result from failure to meet the school’s required meal pattern.
- Agricultural products which are processed and produced outside of the U.S. may be accepted with proof from the manufacturer that poor market conditions exist (weather, and/or supply availability of market); this requirement applies to private labels as well as other labels.
- The SFA should maintain written procedures to ensure product received and inventory is compliant with the Buy American procedure. Sample written procurement contract management procedures and Buy American monitoring procedures can be found in the [Contract Management](#) chapter of the *Introduction to the Procurement Policy and Procedures Handbook* (<https://dpi.wi.gov/school-nutrition/procurement/contract-procedures/contract-management>). Additional Buy American monitoring procedures can be found on the [Buy American Provision](#) webpage (<https://dpi.wi.gov/school-nutrition/procurement/buy-american/monitoring>).

There are limited exceptions to the Buy American provision which allow for the purchase of products not meeting the “domestic” standard as described above (“non-domestic”) in circumstances when use of domestic products is truly not practicable. Refer to SP 24-2016 for more information on the Buy American provision and limited exceptions.

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

Findings and Corrective Action Needed: Buy American Provision

✓ **Finding:** The following products were identified in SFA's storage area as non-domestic and not listed on the SFA's Buy American – Noncompliant List:

- Mandarin Oranges – China
- Cucumbers – Mexico

Documentation was provided while onsite; no further action required.

Reporting and Recordkeeping

The agency is in compliance.

Summer Food Service Program (SFSP) Outreach

Comments/Technical Assistance/Compliance Reminders

Summer Meals

A goal of USDA Child Nutrition Programs is to ensure all students have access to healthy and nutritious meals year-round. Even though a summer feeding program is not operated at Merton Community School District USDA requires all SFAs to inform families of where their students can receive a free meal in the summer months. SFAs can inform families of summer meals via the following methods:

- Promotion of the [summer meals locator](https://dpi.wi.gov/community-nutrition/sfsp/find-summer-meals-site) on the DPI Summer Meals webpage (https://dpi.wi.gov/community-nutrition/sfsp/find-summer-meals-site)
- Promotion of calling 211 to locate meals in the area
- Promotion of the ability to text 'food' to 877-877 to locate meals in the area
- Promotion of the USDA [Summer Food](http://www.fns.usda.gov/summerfoodrocks) website (http://www.fns.usda.gov/summerfoodrocks)

Resources

To access an inclusive map of all potential participating sites in your area, see the [interactive map](http://www.fns.usda.gov/capacitybuilder) on the SFSP website (http://www.fns.usda.gov/capacitybuilder).

For more information contact:

Amy J. Kolano, RD, CD, Summer Food Service Program Coordinator

Phone: 608.266.7124; e-mail: amy.kolano@dpi.wi.gov

Findings and Corrective Action Needed: SFSP

✓ **Finding:** The agency did not conduct SFSP outreach.

Corrective Action Needed: By signing off on this report, the agency agrees to conduct SFSP outreach moving forward.

5. OTHER FEDERAL PROGRAMS REVIEWS

Special Milk Program (SMP)

Technical Assistance/Compliance Reminders

- The agency is operating a pricing program (no free milk), where all students pay the established half-pint charge and all milks are claimed at the paid rate. Program participation conflicted on the online contract between the SFA policy statement page and the school specific policy statement page. This error was corrected onsite. For an at-a-glance of special milk program options and current [reimbursement rates](https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/reimburse-rates-1819.pdf) (https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/reimburse-rates-1819.pdf), see the financial website, under *Reimbursement*.

- SFAs that choose to collect an annual, semester or quarterly milk fee may choose to record the total amount of milk served to students on a calendar or daily count sheet at the POS rather than by individual student name. It is a best practice to reimburse households for milks not taken and paid for when charging for milk in this manner. [SMP webpage](https://dpi.wi.gov/school-nutrition/milk-programs/special-milk) (https://dpi.wi.gov/school-nutrition/milk-programs/special-milk).
- Per 7 CFR 215.2 Pricing Program and 7 CFR 215.6. The reimbursement rate should be utilized to keep the milk cost low to households and encourage milk consumption. The agency is currently charging \$0.21-\$0.22 per ½ pint and receiving \$0.2050 in federal reimbursement per ½ pint.

The following calculation is recommended:

$$\frac{1}{2} \text{ pint cost } \$___ + 2\text{¢} - \text{reimbursement } \$___ = \$___ \frac{1}{2} \text{ pint price } \times 180 \text{ days} = \$___ \text{ annual charge.}$$

- To calculate the average ½ pint cost to report on the monthly claim, take the total extended cost on the milk invoices for the month and divide it by the total ½ pints purchased.

Findings and Corrective Action Needed: SMP

❑ Finding: The agency is claiming ineligible non-reimbursable milks off of an a la carte report rather than using the accurate point of sale counts.

Corrective Action Needed: Fiscal action will be taken to disallow the ineligible milks for the 18-19 SY and the 17-18 SY.

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

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

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

