

# USDA Child Nutrition Programs Administrative Review Summary Report

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**School Food Authority: Waukesha School District      Agency Code: 676174**

**School(s) Reviewed: Hawthorne, Whittier, Horning, West High School**

**Review Date(s): March 20-24, 2017      Date of Exit Conference: March 24, 2017**

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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 Wisconsin DPI School Nutrition Training webpage [dpi.wi.gov/school-nutrition/training](http://dpi.wi.gov/school-nutrition/training).
- SFA staff are encouraged to pursue GOALS Certification. GOALS stands for Goal Oriented Achievement Learning Skills. This is a certificate endorsed by the DPI and is obtained by completing training in nutrition, program administration and operations, and communications and marketing. For more information go to the Wisconsin DPI School Nutrition Training webpage [dpi.wi.gov/school-nutrition/training/goal-oriented-achievement-learning-skills](http://dpi.wi.gov/school-nutrition/training/goal-oriented-achievement-learning-skills).
- SFAs are required to have a local meal charge policy in place no later than July 1, 2017. More information, resources, and best practices may be found on the Wisconsin DPI School Nutrition Financial Management webpage [dpi.wi.gov/school-nutrition/national-school-lunch-program/financial](http://dpi.wi.gov/school-nutrition/national-school-lunch-program/financial), scroll down to the unpaid meal charges section.

## **Appreciation/Commendations/Noteworthy Initiatives:**

Thank you to the staff at Waukesha School District for the courtesies extended to us during the on-site review. Thank you for being available when answering questions and providing additional information. All were very receptive to recommendations and guidance. In addition, thank you for taking the time to respond to the off-site questions and requests, as well as pulling records for the on-site portion of the review. Reviewer would like to commend the staff who are responsible for program operations.

# REVIEW AREAS

## 1. MEAL ACCESS AND REIMBURSEMENT

### Comments/Technical Assistance/Compliance Reminders

#### **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.

#### **Household Size Box**

- As a reminder, for the household income size box:
  - If the Total Household Members box has been completed, but the number of children and adults listed on the application add up to a different number, the SFA is required to follow up with the household to clarify the correct number of people in the household and ensure all household members have been listed 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. **Technical assistance** was provided as part of the AR.

#### **Incomplete Applications**

- Any application that is missing required information, contains inconsistent information, or is unclear is considered an incomplete application and eligibility 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. **Technical assistance** was provided.

#### **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.

### **Direct Certification**

- As a reminder, you are required to run direct certification minimum of three times a year: at or near the beginning of the school year, three months after the initial run (November) and six months after the initial run (February).
- The effective eligibility date for a DC eligible student is the date of the original output file.

### **Verification**

According to the current online contract with DPI School Nutrition Team, the building principals are the designated confirming officials. Per clarification provided during the AR, the designated Confirming Official's role is reviewing free and reduced price meal applications for households selected for verification to ensure correct eligibility determinations were made prior to sending out the notices to households. This is the only time confirming officials should have access to the applications. Sending processed free and reduced price meal applications to the building principals for confirmation is not consistent with program requirements. Recommendations to protect the confidentiality of students receiving free and reduced price meal benefits and streamline both the confirming and verification processes follow:

1. Limit the number of designated confirming officials to one or two individuals.
2. Maintain all free and reduced price meal applications at central location and limit access to the designated determining and verifying officials.
3. Complete determining, verifying and confirmation processes at central location.

The tracking tool, available for schools to assist SFA with documenting verification activities, is posted under verification forms on the SNT webpage at: <https://dpi.wi.gov/school-nutrition/national-school-lunch-program/verification>.

### **Disclosure**

- The information provided by households on the free and reduced price application must only be used for determining eligibility for free or reduced price meal benefits.
- Written consent from the parent or guardian is required to use the information provided on the applications or obtained through direct certification for other purposes, such as athletic or testing fee waivers. Consent must be obtained each school year. A "Sharing Information" template is located on the SNT webpage at: <http://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/sharing-info-other-programs-1617.doc>.
- Per discussion during the exit conference, school district staff who receiving information about students' eligibility status based on written consent of parent or guardian should sign a *Disclosure Agreement*. Copies of the completed disclosure agreements should be kept on file at the district. A template is located on the SNT website <http://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/disclosure-agreement.docx>.

### **Meal Counting and Claiming**

- Dropping off bundled meal tickets or bar coded cards for group of students in the meal service line is not an allowable practice. A ticket or card must be presented for each student at the point of service to provide an accurate count of meals by category (free, reduced price, and paid) and ensure that student accounts are charged appropriately. School district employee completing the

annual monitoring reviews at schools should be looking to see and asking questions about bundling of tickets or cards. **Corrective action** must be taken when this practice is found.

- Department of Agriculture (USDA) regulations require SFAs to complete an edit check by individual schools participating the school meal programs prior to consolidation of the daily meal counts for the monthly reimbursement claims. The purpose of the edit check is to identify errors in the schools' counts and/or problems with the meal counting and claiming procedures. Infinite Campus software has edit check feature that the district may access to meet program regulations. Once edit check process is completed, counts from individual schools are combined for the lunch and breakfast claims. **Technical assistance** was provided regarding the edit check process and the necessary documentation.

### **Findings and Corrective Action Needed**

❑ **Finding #1:** Nine of the 580 student names from statistical sample were listed on applications that appeared to be incorrectly approved for free or reduced price meals. In some instances, the number of reported household members was not consistent with number of names provided on the application. On one application, an income source was missed when entering household income in the software system.

**Correct Action Taken:** Laurie Dudley, district's designated determining official, followed up by obtaining missing information and making necessary changes in eligibility status, when warranted. **No further action** is needed.

❑ **Finding #2:**

Documentation did not support free meal eligibility status for 19 of the students from the statistical sample. The extension of benefits capability within Infinite Campus software identified these students as residing at same address as students who were categorically eligible for free meals based on Direct Certification. The eligibility statuses were automatically updated in the system so these students receive free meal benefits. Per USDA regulations, free meal eligibility status may only extended students who reside in the same household. Per page 19 of USDA's *Eligibility Manual for School Meals*, household is defined as a "group of related or unrelated individuals who are living as one economic unit and whose members share housing significant income, and expenses."

USDA memo SP 25 -2010; CACFP 11 -2010; SFSP 10 -2010, provides guidance when identifying students residing at same address. This guidance was shared with Laurie Dudley, the district's designated determining official.

**Corrective Action Needed:** Determine if the 19 students with extended free meal eligibility status based on address are part of household with one or more students who are directly certified. A list of the students was shared with Laurie Dudley for follow-up. Change status of students in Infinite Campus who were not a member of household with students who were directly certified and send a 10-day notice of adverse action to these households. Turn off the extension of benefits capability within Infinite Campus to discontinue automatic extension of free meal benefits to students based on addresses. Extend benefits manually once information is obtained to determine if students reside in same household. If more than one household resides at an address, determining official must confirm through available records or contacts with school which students reside with children who are directly certified. The school secretaries or principals may assist the determining official with contacting households to determine their composition and establish eligibility.

**Response Needed:** Please describe in writing results of follow up activity for 19 students. Indicate if each student was correctly or incorrectly extended free meal benefits. Include date the 10-day notice was sent to households with students that are ineligible and the date eligibility status was changed for the ineligible students. Also state in writing that district will discontinue automatically awarding free meal benefits based on address and moving forward how the district will address this issue. Please send copy of completed SFA 1 form that was left on-site. Please submit a copy of the SFA 1 form that was left on-site that lists the 19 students.

□ **Finding #3:** There was confusion on the role of confirming official's responsibility as well the confirmation review regarding the verification process. It was noted when reviewing applications during the on-site portion of the AR that building principals were signing applications not selected for verification in either the confirming or verifying official's signature line. This demonstrates inaccuracy and a lack of knowledge of the verification process. As previously mentioned, the district must protect confidentiality of students approved for benefits and should streamline the confirmation and verification processes by limiting number of confirming officials. Also, please keep in mind those who are performing this role are subject to professional standards training which needs to be tracked annually for documentation purposes.

**Corrective Action:** Change procedures to meet USDA requirement by limiting confirmation to applications selected for verification.

**Response Needed:** Please submit a statement of what the confirming official's role is regarding the verification process and whom will be handling this task in the future.

□ **Finding #4:** It was found that the number of meals claimed for breakfast did not match up with the individual school edit check counts provided by the SFA. As a result, there was a large number of breakfasts that were under claimed. It was noted that the monthly transaction report was being used for claiming of meal benefits. While the monthly transactions numbers were consistent with the edit check numbers for lunch program, the breakfast number were off. The SFA was given **technical assistance** to move forward with using the consolidated edit check counts for claims to assure accuracy.

**Corrective Action Needed:** Due to under claim found for breakfast counts submitted for the review period, previous claims submitted for current school year must be verified using consolidated edit check counts.

**Response Needed:** Submit copies of all edit check reports for regular and severe need breakfast for all the schools participating in these programs. Documentation is needed from the first month of claiming of the current school year through January 2017. (Reviewer has February edit checks) In addition, SFA must submit a statement moving forward as to the report they will be using from now for claim submission.

□ **Finding #5:** It was found that at one of the reviewed sites the point of service at lunch for a class of 4K was not an acceptable practice due to bundling of bar coded cards.

**Corrective Action Needed:** Provide guidance to teacher and food service personnel to ensure that card is collected at point of service for each students receiving a lunch.

**Response Needed:** Please submit a statement to describe how the district will move forward to correct this practice.

❑ **Finding #6:** The prototype public release for 2014-15 school year was used for the current school year. This older version did not reflect the 2016-17 school year income guidelines.

**Corrective Action Needed:** Download the current public release which is posted at: <https://dpi.wi.gov/school-nutrition/national-school-lunch-program/free-reduced-applications>.

Consider bookmarking the location where current documents pertaining to free and reduced price meals can be found.

**Response Needed:** Please submit a statement to indicate how this finding will be corrected in the future and who will be responsible for submission of the most current public release.

❑ **Finding #7:** It was found that one application selected for verification was not verified correctly. It was noted the documentation provided was not valid and did not support the information listed on the application.

**Corrective Action Needed:** The eligibility status of this family needs to be changed to paid status. The verifying official was able to confirm that the student was withdrawn so no further action is needed. In the future the verifying official needs to examine documentation to determine if it is current acceptable documents and supports information listed on the application. If this cannot be confirmed then the SFA is required to change meal benefit eligibility to paid status.

**Response Needed:** The child is withdrawn and **no further action is needed.**

## 2. MEAL PATTERN AND NUTRITIONAL QUALITY

### Comments/Technical Assistance/Compliance Reminders

#### **Commendations:**

Thank you to all staff at Waukesha School District for a great administrative review. Thank you to the Food Service Director for sending documentation ahead of time and answering questions both off and onsite. The recipes, nutrition facts labels, CN labels, Product Formulation Statements (PFS), and Smart Snacks Calculator print-outs were well organized and thorough.

Waukesha had a great menu with lots of options for students, including chicken pot pie made from scratch! The signage in the cafeteria, as well as the food displays, were visually-pleasing and provided a positive eating environment. Great job going above and beyond with composting of scrap fruits and vegetables! Staff are doing a great job preparing and serving healthy, nutritious meals to students.

The Breakfast in the Classroom (BIC) model showed to be beneficial for both staff and students, and has increased breakfast participation. The health teacher pointed out that fewer students have come in complaining of headaches and stomachaches. A truly commendable job at making an alternative breakfast model successful!

#### Technical Assistance:

##### **Forecasting**

- The FSMC is introducing new menu items during first contract year and, I believe, making a valiant attempt to predict what options students will choose. It was obvious to me that more students are selecting the newly introduced, “from scratch” menus each time these items are featured. Forecasts will probably be more accurate in future so students are not disappointed when they don’t have all the choices available. There were a few items note

below during the review. Items noted are referenced to assist new director as he moves forward in his role.

- Although no meals observed during the days of review were deemed non-reimbursable, a couple menu items ran out by the last lunch period. Additional it was noted that during the day of review for Breakfast in the Classroom (BIC), there was one milk left for two students. Neither child chose to take a milk, but this could be seen as a missing component if both students wanted to take one. Having the proper amount of planned servings ensures every student has access to the same amount. On the day of review for lunch at one elementary school, two of the menu options ran out by the last lunch period. Although students had two other options to choose from, all students should be provided the same menu options for all lunch periods whenever possible.

### **Fundraisers**

- 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 Smart Snacks Standards represent the minimum standards and the exemption policy represents the maximum exemptions allowed; school food authorities (SFAs) have the discretion to establish additional restrictions on competitive foods and further limit fundraiser exemptions through their Local School Wellness Policy if they are consistent with federal requirements.
- Please note, it is allowable to run a school store in which the profits go to other student organizations. You must keep documentation to show that the different student organizations receive the funding from this fundraiser for no more than two consecutive weeks at a time, no more than twice per school year. This fundraiser cannot occur in the meal service area during meal times.
- However, this type of **ongoing unhealthy food/beverage fundraiser within schools is not encouraged** as it does not align with the intentions of Smart Snacks and the Healthy Hunger-Free Kids Act. Constant unhealthy food fundraisers undermine the progress you have made as a food service department, and district, to provide healthy, balanced meals to students. Whenever possible, the district is strongly encouraged to help student organizations find ways to hold fundraisers that promote a healthy lifestyle.
- More information on healthy fundraisers can be found on our Smart Snacks webpage ([here](#)). CSPI's School Fundraiser Fact Sheet is an especially nice summary of the benefits of non-food fundraisers; many schools around the country have found that they can still bring in as much if not more money using non-food or healthy food fundraisers. Perhaps this is something for the district to gradually work towards.

### **Smart Snacks Tracking Tool**

One requirement for school fundraisers is documentation. Keeping records of school fundraisers, both compliant and non-compliant, using DPI-provided tracking tools, is a great way to make sure schools are meeting Smart Snacks regulations. Great job to Waukesha School District for creating a district-wide tracking system with both compliant and non-compliant fundraisers. However, when reviewing the 2016-17 Compliant Food Fundraiser Tracking Tool, make sure everything is filled out thoroughly. The following are technical assistance with further detail:

- The exempt fundraiser tracking tool should include the specific location and time of day for each fundraiser. This is important because exempt fundraisers cannot take place in the meal service area during meal time.
- Although not one of the review sites, Waukesha North's student council had an exempt fundraiser that sold shamrock shakes in the cafeteria during lunch time; this is unallowable.
- Horning Middle School's student council had an exempt fundraiser that sold hot chocolate in the cafeteria. The tool does not specifically say what time during the school day the sale occurred, but it may have been non-compliant if beverages were sold over the lunch period. Hot chocolate can meet Smart Snacks standards, but in this particular case it probably did not unless those in charge specifically worked on bringing the product into compliance.
- Many of the tracking tools, including Waukesha West High School's coffee shop and store, are blank. If fundraisers are actually occurring, make sure these tools are completed as documentation of compliance. It may help to send a gentle reminder to the person in charge at each school to remind them of the requirement to document the compliance of food and beverage fundraisers.
- Although not review sites, at Banting and Blair, the PTO is selling popcorn twice per week during the school day. Whoever is in charge of these sales must make sure that the popcorn is compliant and keep labels and/or recipes on file. Homemade popcorn recipes are generally not compliant with the Smart Snacks nutritional guidelines, but compliant recipes exist.

### **Findings and Corrective Action Needed:**

☐ **Finding #1:** All food and beverages sold on the school campus during the school day must meet Smart Snacks Regulations. These must meet both general standards and nutrient standards, which are outlined here: <https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/smart-snacks-in-a-nutshell.pdf>. An update to SY 2016-17 is the sodium standard for snacks/sides, which is now less than or equal to 200 mg (reduced from less than or equal to 230 mg). The Oven Baked BBQ Chips offered as an a la carte item were deemed non-compliant as they had 220mg of sodium.

**Corrective Action Needed:** Please submit a label for a Smart Snack compliant snack or plan of action regarding this non-compliant snack. **The Food Service Director stated they will no longer purchase and sell this product. No further action required.**

☐ **Finding #2:** There was some confusion about Offer Versus Serve (OVS) requirements at lunch during meal service at one of the review sites. Although all students observed at lunch took a reimbursable meal, it is important for staff to fully understand the OVS requirements. For example, knowing that a student does not *have* to take a milk if they already have three food components, one of which being the ½ cup fruit and/or vegetable. Milk is not a required component to be selected, but merely an option.

**Corrective Action Needed:** Provide staff responsible for determining reimbursable meals with training on Offer versus Serve. DPI webcast pertaining to the lunch meal pattern is posted at: <http://dpi.wi.gov/school-nutrition/training/webcasts#lunch> and an Offer versus Serve training session is posted at: <http://dpi.wi.gov/school-nutrition/training/webcasts#ovs>.

**Response Needed:** Please submit details regarding when and where the training was held, who attended, and how the training was conducted.

☐ **Finding #3:** Food products and ingredients used to prepare school lunches must contain zero grams of trans fat per serving (less than 0.5 grams per serving) according to each product’s nutrition label or manufacturer’s specifications. If it is likely that trans fat appearing on a label is naturally occurring, the school food authority (SFA) must request documentation from the manufacturer that reports the source of the trans fat prior to continuing use of the product. All products containing synthetic trans fats must be discontinued immediately. The blocks of Margarine contains 3.0 grams of trans fat. All foods served in the National School Lunch Program must contain 0 grams of trans fat. **Corrective Action Needed:** Replace margarine with a product that contains 0 grams of trans fat. **Response Needed:** Please submit a nutrition facts label for a new margarine that contains 0 grams trans fat.

☐ **Finding #4:** 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. On the district-wide fundraiser tracking tool, it was unclear if some of the fundraisers that were held during meal service were in the meal service area or not. There were also some schools, although outside of the review sites selected, that held fundraisers during meal service, in the meal service area, which is unallowable.

**Corrective Action Needed:** Provide guidance and oversight so all schools meet requirements.

**Response Needed:** Please submit a statement of understanding, for those overseeing fundraisers, that exempt fundraisers, which sell food not allowable under the Smart Snacks rule, cannot occur in the meal service area during meal service times.

### 3. RESOURCE MANAGEMENT

#### Comments/Technical Assistance/Compliance Reminders

##### **Annual Financial Report:**

- All revenues including reimbursements and student payments, and expenses including food, labor, equipment, purchased services, and other need to be entered into the program to which they belong, and this will aid the school in calculating its “yearly” reference period for nonprogram food compliance which is highly recommended. The new 16-17 Annual Financial Report instructions are located on our website at: <http://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/annual-financial-report-instructions-new-1617.doc>
- The ending balance on June 30 from the previous year needs to be the beginning balance on July 1 for the current year.
- The ending balance, on June 30, can never be a negative balance. A transfer must be made from the non-federal funds to bring the ending balance to \$0.00.
- The school food service fund may not have an ending fund balance in excess of 3 month operating expenses, as this is considered “Excess Cash Balance”.
- Items noted during the review of the AFR that should be addressed when tracking revenues and expenditures moving forward include:
  - Expenses for paper supplies, chemicals, thermometers, etc., should be reported under “Other”. Only expenses for edible food items and beverages should be reported under “Food”.

- “Equipment” should reflect major purchases of equipment. Utensils, pans, smaller equipment such as a cart, etc., should be reported under “Other”.
- Under “Purchases Services” you should be reporting any time you pay someone for services provides such as equipment repair and health inspections.
- Under “Ala Carte”, you should be reporting the expenses for any food items served to students that are not claimed as part of the reimbursable meal. Revenues and expenses from adult meals would also be included here.
- When revenues are recorded from the federal reimbursement payments, you want to make sure that you are recording the full reimbursement based on the printed claim form and not what is actually deposited into your account. As you will note on the claim, there may be money deducted from shipping, handling and processing fees for USDA Foods. The amount deducted from your revenue should be reported as a food expenditure.

**Allowable Costs**

- The nonprofit school food service account is to be used for the operation of the school meal program including food, supplies, equipment and personnel.
- The nonprofit school food service account may not be used to purchase land and/or buildings unless approved by FNS.
- Allowable costs are defined in 2 CFR 200 Subpart E and should be necessary, reasonable and allocable. More information on allowable costs can be found within the Indirect Costs guidance <http://dpi.wi.gov/school-nutrition/national-school-lunch-program/financial>.
- Bad debt is an unallowable expense to the food service program. A transfer must be made from non-federal funds to cover student account write-offs. SP57-2016 Unpaid Meal Charges guidance Q & A may be found at <http://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/sp-57-2016.pdf>.

**Non-program foods revenue tool**

To document non-program food compliance with the Federal regulation, the USDA Non-program Foods Revenue Tool needs to be completed. To do this, the SFA must select a reference period of at least 5 consecutive operating days (4 consecutive days for schools which only operate 4 days) of a regular school week, and compare the reference period revenue ratio to the food cost ratio to determine if the revenue ratio is equal to or greater than the food cost ratio. 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 Non-program Foods Revenue Tool. If the revenue ratio is equal to or greater than the food cost ratio, the SFA is in compliance.

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

Additional guidance can be found on the DPI webpage: <https://dpi.wi.gov/school-nutrition/national-school-lunch-program/financial>. **Technical assistance** was provided via conference call to assist SFA in the completion of the tool as well as provide other financial guidance relating to the NSLP.

## 4. GENERAL PROGRAM COMPLIANCE

### Comments/Technical Assistance/Compliance Reminders

#### **Nondiscrimination Statement**

- When including the non-discrimination statement on letters, menus, website, and other documents used to convey program information, it is necessary to use the current statement which was just updated in October 2015 <http://dpi.wi.gov/school-nutrition/national-school-lunch-program/civil-rights>. However, when space is very limited, such as on the printed menus, the abbreviated statement may be used, “**This institution is an equal opportunity provider,**” so that it can be printed in the same size font as the other printing in the document. **Technical assistance** was provided.

#### **On-site Monitoring**

- 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** administered by the SFA by February 1.
- The Administrative Review Final Rule updated 7 CFR Part 220.11(d)(1) establishing the requirement to conduct onsite monitoring of the **School Breakfast Program** beginning in school year 2016-17. The annual requirement is to annually review 50% of schools approved to participate in the SBP within the jurisdiction of the SFA, with each school in SBP being reviewed once every two years. For more information see USDA memo SP 56-2016 <http://www.fns.usda.gov/sites/default/files/cn/SP56-2016os.pdf>.

#### **Local Wellness Policy Summary for Administrative Review**

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

#### **Content of the Wellness Policy**

At a minimum the wellness policy must include:

- Specific goals for nutrition promotion and education, physical activity, and other school-based activities that promote student wellness. LEAs are required to review and consider evidence-based strategies in determining these goals.
- Standards and nutrition guidelines for all foods and beverages sold to students on the school campus during the school day that are consistent with Federal regulations for school meal nutrition standards, and the Smart Snacks in School nutrition standards.
- Standards for all foods and beverages provided, but not sold, to students during the school day.

- Policies for food and beverage marketing that allow marketing and advertising of only those foods and beverages that meet the Smart Snacks in School nutrition standards.
- Description of public involvement, public updates, policy leadership, and evaluation plan.

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

- A summary of the requirements can be found at: [http://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>. **Technical assistance** was provided. Randy Kunkel and Kelly Motl should be commended for their efforts regarding the updating of the school district's wellness policy. They were very actively involved in working to get the district policy in compliance with USDA regulations.

### **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.
- Each SFA must designate at least one staff member as a program “director”. A program “director” is the person designated to perform or oversee the majority of the program duties such as sanitation, food safety, nutrition and menu planning, food production, procurement, financial management, record keeping, customer service, nutrition education, and general day-to-day program management.
- The hiring standards for SFA directors are based on the size of their SFA and includes education, school nutrition experience and food safety training requirements <http://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/professional-standards-hiring-chart-by-district-size.pdf>.
- 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.
- 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.
- Training obtained since April 1, 2015 may count towards training requirements. 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, volunteer, etc.), professional standards position (director, manager or staff). Learning codes are not required, but encouraged. A template tracking tool is posted to our website at <http://dpi.wi.gov/school-nutrition/training/professional-standards>.
- **Annual Training Requirements for All Staff** - If hired January 1 or later, only ½ of the training hours are required during the first school year (SY) of employment.

<b>Directors</b>	<b>Managers</b>	<b>Other Staff</b>	<b>Part Time Staff</b>
	(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>

**Technical assistance** was provided to the food service director and business manager regarding training requirements and tracking of all non-food service staff. Food service director has a tracking tool in place to reflect trainings for food service staff. At a minimum once a year the tool should be shared with the authorized representative so there is awareness to the District that the FSMC is following the regulations regarding training requirements for food service staff.

### **Food Safety Plans**

- All schools must have a comprehensive site-specific food safety plan on site which includes all process 1, 2, and 3 items, all standard operating procedures (SOP) for each individual site, all equipment, and food service staff and be reviewed yearly. Updated prototype food safety plan templates and SOPs may be found at our website under <http://dpi.wi.gov/school-nutrition/food-safety#fsp>.
- SFAs are required to update HACCP-based food safety programs to cover any facility where food is stored, prepared, or served for the purposes of the NSLP, SBP, or other FNS programs. This means the food safety program should contain standard operating procedures for safe food handling on school buses, in hallways, school courtyards, kiosks, classrooms, or other locations outside the cafeteria, as applicable. **Technical assistance** was provided.
- All food service employees must have a signed Employee Reporting Agreement on file.

### **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. **Technical assistance** was provided.

## Buy American

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

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

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

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

## Civil Rights

### Nondiscrimination Statement

- When including the non-discrimination statement on letters, menus, website, and other documents used to convey program information, it is necessary to use the current statement which was just updated in October 2015 <http://dpi.wi.gov/school-nutrition/national-school-lunch-program/civil-rights>. However, when space is very limited, such as on the printed menus, the abbreviated statement may be used, “**This institution is an equal opportunity provider,**” so that it can be printed in the same size font as the other printing in the document. **Technical assistance** was provided.

## Sharing Tables

Sharing tables are an innovative strategy to encourage consumption of nutritious foods and reduce food waste in the National School Lunch and School Breakfast Programs. They are tables or stations where children may return whole food or beverage items they choose not to eat, but only if in compliance with local and state health and food safety codes.

Share tables allow food or beverage items to be reused in a number of ways, including:

- Children may take an additional helping of a food or beverage item from the sharing table at no cost;
- Food or beverage items left on the sharing table may be served and claimed for reimbursement during another USDA Child Nutrition Program meal service which can include breakfast, lunch, afterschool snack program, supper program, etc.; and/or
- Food or beverage items may be donated to a non-profit organization, such as a community food bank, homeless shelter, or other non-profit charitable organization. Consider connecting with a local food recovery program.

More information can be found on the DPI webpage: <https://dpi.wi.gov/school-nutrition/food-safety>.

## Equipment

Funds may become available to the state agency from USDA for equipment grants. Please watch for announcements and check the webpage periodically for any grants that become available. Here are some webpage links for your guidance: <https://dpi.wi.gov/school-nutrition/grants-opportunities/equipment-grant>. In addition when considering updates and equipment purchase for school kitchens check out this website for additional resources to assist: <https://dpi.wi.gov/school-nutrition/grants-opportunities/equipment-grant/equipment-resources>. Recommendations were suggested to the authorized representative regarding kitchen equipment and design in some of the reviewed kitchens, as the district is required to spend down their food service account.

## Findings and Corrective Action Needed

**Finding #1:** It was found that the non-discrimination statement on letters being sent out to families was not the most updated version. It is necessary that the statement be the correct format and same font size as all other information in letters.

**Corrective Action Needed:** Follow USDA requirements by using correct font size for non-discrimination statement.

**Response Needed:** Please submit a copy of the direct certification letter that is used with the correct non-discrimination statement generated from the software which is sent to families.

**Finding #2:** Most recent food safety inspections were not posted where visible to the public in the schools.

**Corrective Action Needed:** Establish appropriate location in each school for posting the most recent inspection and meeting posting requirement.

**Response Needed:** Please submit a statement to indicate how this finding will be corrected.

## 5. OTHER FEDERAL PROGRAMS REVIEWS

### Comments/Technical Assistance/Compliance Reminders

#### Summer Meals

- As part of the National School Lunch Program, it is required to do SFSP outreach. The purpose is to inform your students and families of the free feeding site(s) they may have access to in the summer while school is out of session. Near the end of this school year, it is as simple as a blurb in a newsletter sent home to students, or putting up free posters and/or mail these items free of charge. To access an inclusive map of all potential participating sites in your area, see the interactive map on the SFSP website <http://www.fns.usda.gov/capacitybuilder>. For more information on Summer Feeding option contact: Amy J. Kolano, RD, CD [amy.kolano@dpi.wi.gov](mailto:amy.kolano@dpi.wi.gov) Phone: 608.266.7124

#### Fresh Fruit and Vegetable Program (FFVP)

- **FFVP Leftovers:** When leftovers remain after FFVP service, make sure that they are handled appropriately. Generally speaking, leftovers should still be served as part of the FFVP. You can allow students to take two servings, allow them to come back later for an additional helping, or you can serve the leftovers from Tuesday during Thursday's FFVP service. FFVP leftovers should not be served to adults. Leftovers may be served in the school meal programs only to avoid waste—this should not be a regular occurrence. If a school finds that they

consistently have a large amount of leftovers, the district should adjust their order accordingly.

### **Afterschool Snacks**

- Each site participating in the Afterschool Snack Program needs to receive a review within the first four weeks of operation, and a second review within the school year. The review form may be found on our website at <http://dpi.wi.gov/school-nutrition/after-school>.
- Area Eligible Afterschool Snacks are all claimed at the free rate.
- Be sure staff has an understanding as to what constitutes a reimbursable snack.

### **Findings and Corrective Action Needed**

❑ **Finding #1:** It was found that there was inaccuracy's in the documentation provided for claiming of snacks in the afterschool snacks program for the review period. The claim for the review month did not match the districts documentation used to claim.

**Corrective Action Needed:** Use daily counts recorded on the school sites' production record. Change counts if there are days when the documentation does not show sufficient items were served to provide students with the two required items.

**Response Needed:** Please submit a month of documentation (daily production record with counts) to support one month's claim. Please include copies of all claims submitted for afterschool snacks for this current school year.

❑ **Finding #2:** Per USDA's guidelines, all FFVP costs claimed must be actual costs. Waukesha School District receives pre-portioned snacks in cases, but the snacks are claimed based on individual snack price. A case of 40 snacks costs \$21.95, meaning that each snack costs \$0.54875. Waukesha is claiming each snack at \$0.55. Even though this difference is small, it is technically an over claim. For the month of January, the district over claimed by \$1.88 at Whittier Elementary School. A **total overclaim of \$1.88** will be reported as fiscal action and subject to the NSLP \$600 disregard as part of Waukesha School District's Administrative Review. This type of rounding issue is not uncommon when SFAs claim by snack price even though they are not being charged per snack price by their vendor. In this situation, Waukesha should claim by case.

For example:

- Each FFVP serving day, 17 cases were sent to cover both Whittier and Heyer Elementary Schools.
- If Whittier Elementary School uses 300 pieces each day, this is 7.5 cases.
- Therefore, an entry at Whittier Elementary School could read:
  - Size/Weight Shipping Unit = 40 / 2 oz case
  - Number of Units = 7.5
  - Cost per Unit = \$21.95
  - Total Cost Requested = \$164.62

**Corrective Action Needed:** When submitting Waukesha's March 2017 claim, please claim fruits and vegetables by case cost rather than by the rounded cost of each individual snack.

**Response Needed:** After submitting the claim, please send copies of invoices to support the costs claimed at Whittier Elementary to your DPI FFVP coordinator. The invoices will be compared against the claim to make sure that actual costs are claimed and no rounding errors occurred.

□ **Finding #3:** FFVP snacks at Whittier Elementary School are distributed in two ways each service day: some are set out in a salad bar in the hallway at 9:00 a.m. and students pick up fresh fruit or vegetable and go back to their classroom, while some classrooms have fresh fruit or vegetable item delivered around 9:30 a.m. In both cases it was noted that the fresh fruit or vegetable items was sitting out for a fairly long time before students take it and before it is consumed.

For example, some classrooms do not pick up fresh fruit or vegetable item from the salad bar until 11:00 a.m., and may not eat it right away. On the day of review this was less of a concern because the fresh fruit or vegetable items was whole cherry tomatoes, but on days a time temperature control (TCS) food item is served, it may be a food safety concern.

Please note that TCS foods must be kept out of the Danger Zone (41°-135°) prevent the growth of microorganisms and the production of toxins. TCS FOODS include Cut Tomatoes, and Cut Melons. with cut produce this may be a food safety concern. Cut fruits and vegetable lose their appeal and are not as tasty when left out.

**Corrective Action Needed:** Different options were discussed to remedy this finding. The fresh fruit or vegetable item could be kept in refrigeration in the kitchen, and a student from each classroom could be sent to the kitchen to pick up the items or the items could be delivered by a few students to multiple classrooms. Food service staff could put fewer of the items out on the salad bar at a time, to minimize temperature abuse. Alternately, it would be fairly easy to put ice packs under the TCS fresh fruit and vegetable items in the salad bar to meet food code requirements.

**Response Needed:** Please submit a written statement explaining how TCS fruits and vegetables will be served in FFVP are kept at safe temperatures.

## 6. COMMUNITY ELIGIBILITY PROVISION (CEP) AND PROVISION 2

### Comments/Technical Assistance/Compliance Reminders

The Community Eligibility Provision (CEP) is a 4-year reimbursement option for eligible local educational agencies (LEAs) and schools participating in both the National School Lunch Program (NSLP) and School Breakfast Program (SBP) that wish to offer free school meals to all children in high poverty schools without collecting household applications. For additional information contact Jessica [Schultz@dpi.wi.gov](mailto:Schultz@dpi.wi.gov) or 608-266-3926.

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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).

