

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

School Food Authority: Grace Lutheran School, Oshkosh Agency Code: 70-7072

School(s) Reviewed: Grace Lutheran School

Review Date(s): December 17-18, 2018

Date of Exit Conference: December 18, 2018

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:

- 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).
- The US Department of Agriculture (USDA) 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 help encourage student consumption of fruits, vegetables, legumes, non-flavored milk, and other healthful choices. These strategies are effective and research-based.

Appreciation/Commendations/Noteworthy Initiatives:

Thank you to the staff at Grace Lutheran School for the courtesies extended to us during the on-site review and for being available to answer questions and provide 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. Documents were so organized!

The DPI review team appreciates the eagerness of the staff at Grace Lutheran School for their willingness to make changes to meet school nutrition program regulations. Although meals come from Oshkosh Area School District (OASD), the staff at Grace Lutheran School are concerned for the nutritional well-being of their students as evidenced through food safety, customer service, local wellness and other program regulations. We were impressed during meal service that students were served by staff and volunteers in a large and bright cafeteria. Tables were the appropriate height for the ages of students participating. The kitchen is clean and equipment is well-taken care of.

The DPI review team is confident that Grace Lutheran School will continue to improve their knowledge and operation of child nutrition programs.

REVIEW AREAS

1. MEAL ACCESS AND REIMBURSEMENT

CERTIFICATION AND BENEFIT ISSUANCE

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

Eight eligibility determinations were reviewed with zero errors. Nice work!

Free and Reduced Price Meal Applications

- Thank you for using the DPI prototype letters with the current non-discrimination statement.
- All free/reduced applications and the direct certification runs were available for review.
- All applications have been approved and students are receiving the benefits they have been determined eligible for, effective when they were determined. The eligibility determination was made, the family notified of its status, and the status implemented within 10 operating days of the receipt of the application.
- When a household has income in addition to a loss from a business, that income must be included on the free and reduced application in full and is not offset by the business loss. A business loss (negative dollar amount) would become \$0 for the income on the application.
- This SFA understands the 30 day carry over period of meal status benefits.

Annual Income

- There has been a recent modification to the requirement pertaining to the reporting of annual income on an application. USDA released SP-19, 2017 on March 20, 2017 allowing households to report current income as an *annual figure*. Annual income is typically reported for households with jobs that are seasonal, self-employed, or agricultural work since that is a more accurate representation of *current income*. These applications may now be processed at face value. However, most households that receive regular pay checks, will report income based on what is *currently earned* and the frequency of that pay, i.e. weekly, biweekly, bimonthly or monthly.

Income Eligibility Guidelines

- The current [Income Eligibility Guidelines](#) (IEGs) are used to determine applications, whether manually or electronically. If done through software, please check that the income levels are updated each year after July 1 (<https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/income-eligibility-guidelines-1718.pdf>).
- The complete IEG grid may not be sent to the households applying for meal benefits as they include the specific income amounts for free or reduced benefits. Therefore, the Public Release may not be sent to households, either. The information letter must include the reduced price guidelines and an explanation that households with incomes at or below the reduced price income limit may be eligible for free or reduced price meals. Typically, the information letter is the USDA template entitled [Letter to Parents/Frequently Asked Questions](#) (<https://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/fr-application-parent-guardian-letter-faq.docx>).

Incomplete Applications

- Any application that is missing required information, including household size box, last four digits of the social security number and signature, is considered an incomplete application and may not be determined until clarified with the household. The SFA may return the application to the household or contact the child's parent or guardian either by phone or in writing/email. The determining official should document the details of the conversation plus 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.

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.

Public Release

- (TA) All SFAs are required to distribute a [Public Release](#) before the start of the school year (<https://dpi.wi.gov/school-nutrition/national-school-lunch-program/free-reduced-applications#apps>). The purpose is to inform the public that free and reduced price meals are available. SFAs must annually distribute the Public Release to:
 - Local news media
 - Grassroots organizations (local organizations providing services to populations in need)
 - Major employers contemplating or experiencing large layoffs
 - Local Unemployment Office (as applicable)
- 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.

Limited English Proficiency (LEP)

- Application materials and other communications with households concerning eligibility determinations must be provided in a language that parents or guardians can understand in order to diminish any language barriers to participation for individuals with limited English proficiency.
- SFAs must make reasonable efforts to provide household letters and application forms to families in the appropriate languages.
- To assist SFAs in reaching households with limited English proficiency, the SNT provides the Wisconsinized version of the USDA Free and Reduced Price Meal application materials in English, Spanish, and Hmong.
- The USDA Food and Nutrition Service (FNS) website offers many other [foreign language translations of the Application for Free and Reduced Price School Meals](#) (<https://www.fns.usda.gov/school-meals/translated-applications>).
- The nonprofit food service account may be used to pay for translation services if there is a need to translate materials in a language that is not currently available.

Direct Certification

- Thank you for running the Direct Certification matches in the required time frames, when you receive a new student and other times to pick up any newly eligible students.
- The effective eligibility date for a DC eligible student is the date of the original output file.

Transferring Students

- Transferring the eligibility determination between LEAs ensures that qualifying students continue to receive school meal benefits as they transition to new schools, and avoids the possibility of unpaid meal charges. FNS strongly encourages LEAs to immediately accept the eligibility determinations made at a student's previous LEA (if they participated in NSLP) when a student transfers between LEAs during the school year, over the summer, or at the start of the next school year. Wisconsin DPI requires source documentation of the student's previous eligibility. The transfer of eligibility between LEAs for students attending CEP schools will be required by July 1, 2019.

Disclosure

- Thank you for keeping the information on the free and reduced price meal application confidential to the meal benefit only.
- 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>).

VERIFICATION

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

- Although this SFA did not have any applications on file as of October 1, 2018, they completed the Verification Collection Report before the Administration Review. When applications are chosen for verification, the person designated as the Confirming Official must review the application(s) to ensure the initial determination is correct prior to contacting the family. There is a place for the Confirming Official to sign and date on the back of the application.
- The LEA has a regulatory obligation to verify "for cause" all approved applications that may be questionable. For more information, refer to the current Eligibility Manual.
- When a benefit eligibility status increases, the change must take place within 3 days. When a benefit eligibility decreases, the change cannot take place before 10 calendar days and a notice of adverse action is sent in writing with appeal rights procedures.

MEAL COUNTING AND CLAIMING

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

- The meal counting and claim for the Review Month was conducted perfectly.
- Meals may only be charged to a student upon receipt of a reimbursable meal to assure proper benefits issuance. This SFA uses a manual roster to mark off pre-ordered meals before they meals are entered into Fast Direct software in the office. No meal status is shown.

- When entering the claim it is necessary to use the edit check to calculate your reimbursable meals by site for claim submission.
- Meals must be offered to all students each day school is in session a full day, so DPI has created [Field Trip meal resources](https://dpi.wi.gov/school-nutrition/national-school-lunch-program/menu-planning) to help schools offer student meals (https://dpi.wi.gov/school-nutrition/national-school-lunch-program/menu-planning).
- Please note that SFAs may claim visiting students in the paid category or the individual's category with documentation, unless they are from a CEP school.
- REMINDER: Meal benefits apply only to the reimbursable meal. The reimbursable meal includes milk as one of the required components, and must be priced as a unit. If the student decides to take only milk, this is not a reimbursable meal and will be charged for the milk as an a la carte item.

2. MEAL PATTERN AND NUTRITIONAL QUALITY

Commendations

Thank you to the staff and volunteers at Grace Lutheran for the warm welcome we received. The lunchroom is very bright, the meals are served with a smile. Meal documentation was well organized. Thank you for all you do to feed the children at Grace Lutheran School. Students were very polite in line, many "thank you and no thank you's" were heard!

Comments/Technical Assistance/Compliance Reminders

Training

- Anyone involved with the USDA School Meal Programs is encouraged to attend Wisconsin Department of Public Instruction (DPI) training classes. These are offered in the summer and select other times throughout the year.
- The classes provide an overview of all areas of the National School Lunch Program (NSLP) and School Breakfast Program (SBP) requirements including verification, free/reduced meal applications, meal pattern, and record keeping requirements. Travel/meal expenses are allowable food service expenses. Information on upcoming trainings can be found on DPI's [Training](https://dpi.wi.gov/school-nutrition/training#up) webpage, under Upcoming Trainings (https://dpi.wi.gov/school-nutrition/training#up).
- Numerous webcasts are also available, which cover a wide array of topics. These can be found on DPI's [SNT Webcasts](https://dpi.wi.gov/school-nutrition/training/webcasts) webpage (https://dpi.wi.gov/school-nutrition/training/webcasts). Members of the School Nutrition Team (SNT) are also available for technical assistance any time throughout the year.
- A complete list of [DPI SNT staff](https://dpi.wi.gov/school-nutrition/directory) can be found on our website (https://dpi.wi.gov/school-nutrition/directory). Offer versus Serve training is highly recommended for the staff at Grace Lutheran School.

Signage

- Signage must be posted visible to students that indicates the offered components in each meal and tells students what they must select in order to make a reimbursable meal.
- The lunch signage should list the five components and inform students that under Offer versus Serve (OVS), they must select at least three full components, one of which must be at least ½ cup fruit and/or vegetable, or a combination.
- Using the larger signage with a dry erase finish and listing the day's menu is important so that students know what the choices for lunch are. Students are then able to build a healthy reimbursable meal.

Offer Verses Serve (OVS)

- Food service staff and volunteers were somewhat unclear about the Offer versus Serve (OVS) requirements for lunch. Although all students observed at lunch took a reimbursable meal, it is important for staff to fully understand the OVS requirements. The [Offer Versus Serve Guidance manual](#) and the [Offer Versus Serve Webcast](#) can be used as training resources (<https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/offer-versus-serve-guidance-manual.pdf>, <https://dpi.wi.gov/school-nutrition/training/webcasts>).
- Offer versus Serve (OVS) is not required for grade K-8 students, although it is encouraged in order to reduce food waste and develop skills in making healthy meal choices.
- Without OVS in place, grade K-8 students must be served $\frac{3}{4}$ cup vegetable and $\frac{1}{2}$ cup fruit to create a reimbursable meal. If OVS is implemented, then students can choose three of the five components offered, including $\frac{1}{2}$ cup fruit, vegetable, or combination to create a reimbursable meal.

Breakfast

- 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](#) webpage (<https://dpi.wi.gov/school-nutrition/school-breakfast-program>).

Whole Grain

- All grains offered and credited in school meal programs are required to be whole grain-rich. Foods that meet the whole grain-rich criteria for the school meal programs must contain at least 50 percent whole grain. The remaining 50 percent or less of grains, if any, must be enriched.
- Grains that are not whole grain-rich cannot be credited toward the grain component. Replace all enriched grain products with whole grain-rich versions. Furthermore, enriched grain foods cannot count as food items towards the meal pattern.
- During the on-site portion of the review, the menu listed a cookie as part of the reimbursable meal. The cookie was not a whole grain rich product and therefore cannot be credited towards the grain component of the meal pattern, it must however be counted towards dietary specification.

Production Records

- Production records are useful tools to record information prior to production, during production, and following production. The current production record templates are difficult to read and may be challenging for staff to understand.
- Be specific on production records regarding the fruit or vegetables sizes (e.g. case count). Instead of “baked potato, 1 each,” specify the case count of the potatoes as different sizes credit differently.
- While there is no required production record template, there are some examples that may be used on our [Production Records](#) webpage. A copy of the production record requirements “[Must Haves and Nice to Haves](#)” list can also be found at that link (<https://dpi.wi.gov/school-nutrition/national-school-lunch-program/menu-planning/production-records>).

Documentation

- Current nutrition facts labels, Child Nutrition (CN) labels, and/or manufacturer's product formulation statements (PFS) clearly outlining dietary specifications (calories, saturated fat, sodium) and crediting information must be available onsite where meals are served, even if meals are prepared offsite.

- Crediting documentation should be updated at least twice per year and as new products are purchased or substituted. Many labels provided on-site were outdated and did not accurately represent the foods and meals currently being served.
- This requirement is outlined in the joint agreement template, #12: “The seller shall comply with all other requirements of their DPI agreement/application as it produces and makes available meals to the Purchaser, including providing the Purchaser with daily production/transport sheets indicating how menu items contribute to meal pattern requirements and *supporting documentation for contribution.*”

3. RESOURCE MANAGEMENT

NONPROFIT SCHOOL FOOD SERVICE ACCOUNT

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

- The consultant addressed financial topics with the Office Manager including how to locate the agency’s Child Nutrition Program report, which provides you with a compilation of meals claimed, your reported revenues and expenditures, amount of federal reimbursement received and per meal costs for lunch and breakfast.
- The Aids Register shows the amount deducted from reimbursement to pay for shipping, handling and processing costs of USDA Foods and to track all program deposits made to the agency’s account. Both resources are accessible from our [Online Services](http://dpi.wi.gov/nutrition/online-services) webpage (dpi.wi.gov/nutrition/online-services).

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. The new [Annual Financial Report instructions](#) are located on the DPI website (<https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/annual-financial-report-instructions.pdf>).
- When a student deposits funds in their lunch account which will be used for meal purchases, the amount received is not treated as revenue until the meal has actually been served to the student. The amount of funds on hand in student accounts is treated as a deposit or liability account in either the foodservice fund or the general fund until the meal is served, at which point the deposit account is converted to revenue. This amount should not be recorded as revenue or part of the fund balance on your Annual Financial Report.
- 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”.
- These categories of the AFR that should be addressed when tracking revenues and expenditures 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” 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, and caterings would also 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

- 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) (<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. [SP23-2017 Unpaid Meal Charges guidance Q & A](https://dpi.wi.gov/school-nutrition/national-school-lunch-program/financial) may be found our Financial Management webpage (<https://dpi.wi.gov/school-nutrition/national-school-lunch-program/financial>).

Unpaid Meal Charge Policy

- 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) (<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) <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
- 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. 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>).

PAID LUNCH EQUITY (PLE)

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

- The Paid Lunch Equity tool must be completed annually and prices raised accordingly with a maximum annual increase of \$0.10 (of the weighted average price) as required by regulation. Note: school year

2018-19 had a waiver of the PLE requirement for SFAs that had a zero or positive balance as of January 31, 2018.

- Refer to the [PLE 'In a Nutshell'](https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/ple-in-a-nutshell.pdf) for more information on the PLE tool (https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/ple-in-a-nutshell.pdf).
- Refer to the most recent [memo](https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/snt-mail-032917.pdf) from DPI (https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/snt-mail-032917.pdf).
- Refer to the most recent [guidance memo](https://fns-prod.azureedge.net/sites/default/files/cn/SP17-2017os.pdf) from USDA (https://fns-prod.azureedge.net/sites/default/files/cn/SP17-2017os.pdf).
- Step by step instructions to completing the PLE tool can be found on our [financial website](https://dpi.wi.gov/school-nutrition/national-school-lunch-program/financial) under Paid Lunch Equity (https://dpi.wi.gov/school-nutrition/national-school-lunch-program/financial).

REVENUE FROM NONPROGRAM FOODS

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

- Nonprogram foods include Adult Meals, Extra Entrees, and Extra Milk (for cold lunch or milk break).
- 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.
- Nonprogram Food costs and revenues must be separated from Program food costs and revenues.
- Since nonprogram foods include Adult Meals and extra milk, these expenses and revenues must be separated from Program food.
- SFAs that sell only nonprogram milk and adult meals as nonprogram foods are [exempt](http://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/exceptions-nonprogram-revenue.pdf) from completing the USDA Nonprogram Food Revenue tool (http://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/exceptions-nonprogram-revenue.pdf).

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, 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).
- Districts need to assess adult meal prices annually prior to contract submission to ensure student reimbursements are not being used to subsidize adult meals. The current reimbursement rates (2018-19 SY) should be used to determine adult prices.

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

- 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 realty broker who has knowledge of current rates for rent of similar facilities).
 - Utility charges - separately metered or current usage study by the local utility company.
 - Labor expenditures - based on actual amount of time worked specifically for the purpose of school food service times the employee's wages and benefits.
 - Printing/publishing – documentation of actual costs or documentation to support how these costs were prorated from the district’s total costs, based on volume.
 - Waste disposal services, extermination services, and laundry services - documentation of actual costs or documentation to support how these costs were prorated from the district’s total.

4. GENERAL PROGRAM COMPLIANCE

CIVIL RIGHTS

Commendations/Comments/Technical Assistance (TA)/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 updated in 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 or low balance notices, the abbreviated statement may be used, “**This institution is an equal opportunity provider.**” Either of these statements must be in the same size font as the other text in the document.
- Please add the full non-discrimination statement to the website and check that Oshkosh Area School District revises the lunch menu template to the correct short statement.

And Justice for All Poster

- “And Justice for All” posters need to be posted in public view where the program is offered.

Civil Rights Training

- (TA) Civil rights training must be conducted on a yearly basis for all staff and volunteers who administer any portion of a school nutrition program.
- Civil rights training had been attended by office and kitchen staff in the schools, but not volunteers; documentation was available for review.

Civil Rights Self-Compliance Form

- The [Civil Rights Self-Evaluation Compliance](#) form (PI-1441) is required to be completed by October 31 annually (<https://dpi.wi.gov/sites/default/files/imce/forms/doc/f1441.doc>).

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.

Processes for complaints

- All verbal or written civil rights complaints alleging discrimination within the school nutrition programs that are filed with the district must be forwarded to the Civil Rights Division of USDA Food and Nutrition Service or the State Agency (DPI School Nutrition Team) within 5 days, per FNS Instruction 113-1 (Section XVII Section C, paragraph 2). You will want to make sure that this is included in the district procedures to ensure compliance.
- Additionally, per FNS Instruction 113-1, if an individual makes allegations of discrimination *orally* and “is not inclined to place such allegations in writing, the person to whom the allegations are made must write up the elements” of the allegation for said individual. (Note: The items which should be included in the write up are listed in FNS Instruction 113-1.) Such complaints should then be forwarded to the State or Regional office, as appropriate, within the established timeframes.
- All SFAs should have procedures (written procedures preferred) in place for handling civil rights complaints in regards to discrimination in the National School Lunch Program and School Breakfast Program. An 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](#) for assistance in filing these complaints (https://www.ocio.usda.gov/sites/default/files/docs/2012/Complain_combined_6_8_12.pdf).

LOCAL WELLNESS POLICY

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

- 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.
- Grace Lutheran School is in the process of updating their wellness policy to include language and goals to address:
 - Nutrition promotion
 - Guidelines for all foods and beverages sold on the school campus during the school day
 - Guidelines for all foods and beverages provided on the school campus during the school day
 - Guidelines for food and beverage marketing
 - Assessment and update of policy

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>).

PROFESSIONAL STANDARDS

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

- 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.

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>).

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>).

Annual Training Requirements for All Staff

- Directors: 12 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.

WATER

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

- (TA) Water is required to be available at no charge to students during the lunch and breakfast meal services. Schools can provide free water in a variety of ways, such as water pitchers and cups on lunch tables, or access to a water fountain.
- For more information on the water requirement, see [SP 28-2011](https://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/gm_sp_28_2011_r.doc) (https://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/gm_sp_28_2011_r.doc)

FOOD SAFETY AND STORAGE

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

- [A Flash of Food Safety](#) is a video series designed to help school nutrition professionals understand and apply safe food practices (www.fns.usda.gov/ofs/food-safety-flashes). The [Office of Food Safety](#) website (www.fns.usda.gov/ofs/food-safety) includes food safety resources.

Food Safety Plans

- The Food Safety Plan was available for review. All temperature logs, calibration logs, and sanitizing solution logs were up-to-date.
- (TA) All schools must have a comprehensive, site-specific food safety plan on-site which includes all process 1, 2, and 3 items, all applicable standard operating procedures (SOP), all equipment, and a listing of food service staff at that site. The food safety plan must be reviewed annually. A prototype food safety plan template as well as template SOPs may be found on the [SNT Food Safety](#) webpage. (<https://dpi.wi.gov/school-nutrition/food-safety>)
- (TA) The procedures detailed in the SOPs included in the site-specific food safety plan should be followed by all food service staff, volunteers and any other people involved in the implementation of Child Nutrition Programs at all times.

Food Employee Reporting Agreements

- (TA) All food service employees must have a signed [Food Employee Reporting Agreement](#) on file (<https://datcp.wi.gov/Documents/foodemployeereportingagreementsupplement.pdf>).
- Employees must sign a new Food Employee Reporting Agreement form if changes are made to the document. While there are no requirements as to how frequently food service employees must sign a Food Employee Reporting Agreement form, it is the best practice for each food service employee to annually review and sign an agreement to reinforce the information contained in the document.

Storage

- (TA) SFAs are required to ensure that facilities for the handling, storage, and distribution of purchased and donated foods are properly safeguarded against theft, spoilage, and other loss (7 CFR 210.13(d)).
- (TA) The kitchen at Grace Lutheran is used by many groups over the weekend, including the cooler for school nutrition. It is necessary to keep items separate to avoid contamination and food or beverage loss.

BUY AMERICAN

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>).

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.
- This is a link to the current [Calendar of Requirements](https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/calendar-of-requirements-general.pdf) for general type schools (<https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/calendar-of-requirements-general.pdf>).
- All free and reduced price applications, including applications from households denied benefits must be kept on file for a minimum of three years after the final claim is submitted for the fiscal year to which they pertain.

SUMMER FOOD SERVICE PROGRAM (SFSP) OUTREACH

Commendations/Comments/Technical Assistance (TA)/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 Grace Lutheran School, they provide information about Oshkosh Area School District's summer program for meals. 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 on Summer Feeding option contact:
Amy J. Kolano, RD, CD, Summer Food Service Program Coordinator
Phone: 608.266.7124; e-mail: amy.kolano@dpi.wi.gov

Breakfast Promotion

- More information about potential breakfast service models as well as financial models can be found in the [Serving up a Successful School Breakfast Program](http://dpi.wi.gov/school-nutrition/school-breakfast-program) guide (<http://dpi.wi.gov/school-nutrition/school-breakfast-program>).

REVIEW AREAS

MEAL PATTERN AND NUTRITIONAL QUALITY

Findings and Corrective Action Needed: Meal Pattern and Nutritional Quality

❑ Finding #1: Offer versus Serve (OVS)

During the on-site portion of the review, staff and volunteers were somewhat unclear about the OVS requirements for lunch. It is important for all individuals involved in NSLP to fully understand the OVS requirements.

Corrective Action Required: Submit a plan for OVS training and include which tools were used (e.g. OVS webcast, in-service training, etc.). Include a signed roster from staff at Grace Lutheran School that attended this training.

❑ Finding #2: Production Records

Current Production Records for lunch are missing the following required information:

- the menu item with recipe number/reference number
- total number of purchase units prepared
- total number of portions prepared
- planned portion size
- actual usage for condiments
- any extra menu items
- substitutions made to original plans

Corrective Action Required: Submit one week of completed lunch production records with all the required information.

❑ Finding #3: Weekly Meat/Meat Alternate Shortage

During the week of review on Tuesday, November 6, 2018 the menu planner planned:

- Chicken and gravy - credits as 2.0 oz eq meat/meat alternate
- A Jamwich - credits as 1.0 oz eq meat/meat alternate and 1.0 oz eq grain offered with a 1.0 oz cheese stick - credits as 1.0 oz eq meat/meat alternate for a total of 2.0 oz eq m/ma and 1.0 oz eq grain.

Current production records are in multiple forms, multiple pages, and in multiple locations. During the week of review the cheese stick did not make it from the planned menu to the schools and onto the service lines. This resulted in a weekly meat/meat alternate shortage at lunch.

Corrective Action Required: Submit a statement explaining how the meat/meat alternate shortage will be corrected for the week of review. Include specific serving sizes, product labels, and what days the changes will be made.

❑ Finding #4: Documentation

Grace Lutheran School does not have any documentation on site pertaining to the foods offered to students.

Corrective Action Required: Please provide the PHN a detailed statement with a plan of action ensuring your school has the proper and up-to-date information on site.

RESOURCE MANAGEMENT

NONPROFIT SCHOOL FOOD SERVICE ACCOUNT

Findings and Corrective Action Needed: Nonprofit School Food Service Account

Finding #5: Annual Financial Report does not have any revenues allocated to nonprogram foods; the SFA sells adult meals and cold lunch milk.

Corrective Action Required: Submit a revision to the Annual Financial Report by December 28 and provide a statement going forward that all nonprogram food expenses and revenues will be broken out from NSLP and allocated to the nonprogram foods line on the annual financial report. We have a [resource](https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/exceptions-nonprogram-revenue.pdf) on our website to aid you in this calculation (<https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/exceptions-nonprogram-revenue.pdf>). **This was corrected onsite 12-18-18; no further action required.**

Finding #6: The school has no written unpaid meal charge policy which was required to be in place and distributed to families by July 1, 2017.

Corrective Action Required: Submit a proposed timeline for the development of a written unpaid meal charge policy and distribution to households.

Finding #7: It appears that leftovers from meal service are taken home by staff as a means to decrease food waste. The agency may be in violation of 7CFR 210.14 Resource Management, which states revenues received by the nonprofit food service are to be used only for the operation or improvement of such food service. If the SFA allows adult kitchen staff to a lunch, the SFA food service may absorb the cost of a meal, but it must be eaten onsite at lunch. The SFA should order the appropriate number of meals from the providing kitchen.

Corrective Action Required: This practice must be discontinued as a food safety and financial aspect. Submit a statement explaining how the agency will address this practice.

GENERAL PROGRAM COMPLIANCE

CIVIL RIGHTS

Findings and Corrective Action Needed: Civil Rights

Finding #8: Volunteers must also receive annual training on the civil rights procedures.

Corrective Action Required: Submit a statement to include the volunteers for the annual civil rights training requirement.

LOCAL WELLNESS POLICY

Findings and Corrective Action Needed: Local Wellness Policy

Finding #9: Grace Lutheran School's Local Wellness Policy (LWP) meets most of the requirements as stipulated in the Healthy, Hunger-Free Kids Act (HHFKA) of 2010. They are in the process of revising the LWP to meet compliance.

Corrective Action Required: Please provide a timeline for updating your policy to become compliant with the final rule.

WATER

Findings and Corrective Action: Water

- ❑ **Finding #10:** Water is not readily available to students during meal service.
Corrective Action Required: Provide a statement of how water will be provided to all students during meal services moving forward.

FOOD SAFETY

Findings and Corrective Action: Food Safety

- ❑ **Finding #11:** The food safety plan had the SOPs for the Process 1-2-3 food or beverage items, but these items were not identified for production or school site serving staff.
Corrective Action Required: In collaboration with OASD, submit a statement of the process to identify Process 1-2-3 items.
- ❑ **Finding #12:** Food Employee Health Reporting Agreements must be on file for each person working with food items.
Corrective Action Required: Submit a statement of the process to obtain and file Employee Health Reporting Agreements for staff working with food.

BUY AMERICAN

Findings and Corrective Action: Buy American

No corrective action for the Buy American section of the review. All non-compliant products had documentation.

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 student success.

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



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