

USDA Child Nutrition Programs Administrative Review Summary Report

School Food Authority: Chilton Catholic School

Agency Code: 8-7690

School Reviewed: Chilton Catholic School

Review Dates: Thursday, February 9 – Friday, February 10, 2017

Date of Exit Conference: February 10, 2017

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.
- 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.
- 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, scroll down to the unpaid meal charges section.

Appreciation/Commendations/Noteworthy Initiatives:

Thank you to the staff at Chilton Catholic School 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.

The school nutrition staff is very interested in understanding the regulations and requirements of the National School Lunch Program. They are interested in attending SNSDC classes in 2017. The director completed ServSafe class and the assistant will attend that class soon.

Thank you for offering meals for the field trip days so students have access to reimbursable meals each day. Please include the Standard Operating Procedure (SOP) in your Food Safety Plan and include on the daily production records.

Your cafeteria is warm and inviting to students who are greeted by caring workers. The vegetable and fruit buffet is a nice focal point for students to select great items to complement their lunch.

The school nutrition staff seem to work well with school and daycare personnel, as well as church staff. Thank you for offering a meal to your extended daycare students and keeping a separate lunch account for them so you can claim the meals. Please remember the morning milks for the students staying for lunch may not be claimed under Special Milk Program.

REVIEW AREAS

1. MEAL ACCESS AND REIMBURSEMENT

Commendations

- Thank you for using the DPI prototype letters with the current non-discrimination statement.
- Application packets are sent to the student households at least twice a year to capture more applicants.
- The director keeps the application material confidential. It also serves as a backup to the software system, PowerSchool/MBA Café.
- The SFA completed the Verification process, but they will learn how to complete the process properly as they take class and read the current Eligibility Manual <https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/eligibility-manual-2016.pdf>.
- The meal counting and claiming was completed properly, including the Extended Care students who eat lunch. Please include those students only in the enrollment numbers on the monthly claim report.

Comments/Technical Assistance/Compliance Reminders

Certification and Benefit Issuance

- Eleven eligibility determinations were reviewed and zero errors were identified. Nice job!

Applications

- Applications must be reviewed in a timely manner. An eligibility determination must be made, the family notified of its status, and the status implemented within 10 operating days of the receipt of the application. Please note the date determination took place and the signature of the Determining Official on the back of the application.
- Children are eligible for free or reduced price meal benefits on the date their eligibility is determined by the Determining Official.

- 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.
- When an application only has one frequency of payment indicated for all of their reported incomes on the application, you should not convert it to annual, but using the Income Eligibility Guidelines (<http://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/income-eligibility-guidelines-1617.doc>) you would look at the amount of their income under the column indicating that frequency (i.e., weekly, twice monthly, every two weeks, monthly, annually).
- When 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. Any self-employed business income loss that is a negative number becomes \$0 and does not reduce the other reported income.
- When a student is determined for meal benefits, they keep those benefits for the rest of the school year and up to 30 operating days into the next school year, unless a new determination is made to change it before then.

Zero Income

- Effective in SY 2016-2017, any income field left blank is a positive indication of no income and certifies that there is no income to report. When no income is provided for any household members, the application may still be processed as complete.

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 member have been included on the application before an eligibility determination is made.
 - If the Total Household Members box has not been completed, the SFA is required to follow up with the household to confirm the total number of household members. It cannot be assumed that the number of people listed on the application is the total number of household members. This box has been added as an edit check to ensure all members of the household are included and can make a difference in the eligibility determination. Per clarification from the USDA Regional office, any application that does not have this box completed is considered an incomplete application.

Incomplete Applications

- Any application that is missing required information, contains inconsistent information or is unclear, is considered an incomplete application and may not be determined until clarified. The SFA may return the application to the household or contact the child's parent or guardian either by phone or in writing, including email. The determining official should document the details of the conversation, date, and initial. Applications missing signatures must be returned to the parent to obtain. Reasonable effort should be made to obtain the missing information prior to denying the application.

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.
- LEAs 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, Hmong and Albanian.
- The FNS website offers the application materials in 49 languages
<http://www.fns.usda.gov/school-meals/applying-free-and-reduced-price-school-meals>.
- The nonprofit food service account may be used to pay for translation services for food service purposes if there is a need to translate materials in a language that is not currently available.

Annual Income

- If the household provided only annual income, the LEA must follow up with the household to ensure that the amount is an accurate reflection of the household's current income.

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.

Application Forms

- If an SFA wishes to change the look or format of the application for Free or Reduced price school meals or other forms in the application packet, that document needs to be approved by the School Nutrition team at DPI.

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 when a student transfers between LEAs during the school year, over the summer, or at the start of the next school year. The transfer of eligibility between LEAs for students attending CEP schools will be required by July 1, 2019.

Direct Certification (DC)

- As a reminder, you are required to run direct certification a 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). **Technical assistance provided in this area.**
- When a student is provided meal free meal benefits because of their O-S-or T status on DC, that status may also be extended to others in the household.

- The effective eligibility date for a DC eligible student is the date of the original output file.

Disclosure

- The information provided by the household on the free and reduced price application is to be used only for determining eligibility for meal or milk benefits.
- The LEA must seek written consent from the parent or guardian to use the information provided on the application or through direct certification for non-program purposes, such as athletic or testing fee waivers. Consent must be obtained each school year. A template sharing information form is located on the SNT webpage <http://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/sharing-info-other-programs-1617.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 form is located on the SNT website <http://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/disclosure-agreement.docx>.

Notification Letters

Technical Assistance was provided onsite that if the SFA uses template notification letters (for approval/denial of meal benefits via application or Direct Certification) within their software system, the letters should be compared against the current DPI template letters and requirements in the Eligibility Manual for School Meals to ensure all required information, including the current USDA Non-discrimination Statement, is present and complete. It is also recommended that the SFA retain copies of letters sent to households.

Verification

- When applications are chosen for verification, the person designated as the Confirming Official should be reviewing these applications prior to contacting the family to ensure the initial determination is correct. There is a place for the Confirming Official to sign and date on the back of the application.
- The Verifying Official must sign and date the application when the verification process is completed.
- 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 status decreases, the change cannot take place before 10 calendar days and a notice of adverse action must be sent in writing with the appeal rights procedures.

Meal Counting and Claiming

- Meals may only be charged to a student at the time of receipt of a reimbursable meal to assure proper benefits issuance.
- When entering the claim, it is necessary to use the **edit check** to calculate your reimbursable meals. **Technical assistance provided in this area.**
- Meals must be offered to all students each day school is in session a full day, so DPI has posted a Field Trip resource page on our website to help schools offer a meal to students found under NSLP, then meal planning. <http://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/field-trip-meals-templates.doc>
- 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.

Findings and Corrective Action Needed

Certification and Benefit Issuance

- ❑ **Finding #1:** The application packet to households for free and reduced meal benefits must include the current application <http://dpi.wi.gov/sites/default/files/imce/forms/doc/ffr-reduced-applications-nocep.doc>, Instructions/How to Apply <https://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/fr-application-instructions-1617.doc>, and Parent/Guardian Information Letter/Frequently Asked Questions <https://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/fr-application-parent-guardian-letter-faq-1617.doc>. The *Public Release* form must not be included in this packet.

Corrective Action Needed: Please provide a statement how this will be handled in the future and by whom (title).

- ❑ **Finding #2:** When approving applications, the Determining Official must sign and date the reverse side of the application.

Corrective Action Needed: Please submit a statement of how this will be handled moving forward.

Verification

- ❑ **Finding #3:** The verification process was not completed correctly.

Corrective Action Needed: When verification is completed next year, use the Tracker Form, <http://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/verification-forms.docx>, (second to last form), and keep copies of all communications sent to households selected for verification. The purpose of the confirmation by the Confirming Official is to ensure that a correct eligibility determination was made prior to sending out the *We Must Check Your Application letter*. The verification and confirmation requirements are fully discussed on page 85 of the [USDA Eligibility Manual for School Meals](#) (EM). For corrective action, please submit a statement of your understanding of the requirements and intent to comply when verification is conducted next school year.

Meal Counting and Claiming

- ❑ **Finding #4:** It was noted that meal prices for student meals (i.e., \$2.65, .40, 0.00) are visible on the computer screen that can be seen by students, which constitutes overt identification.

Corrective Action Needed: Please submit a copy of the correspondence between you and the software company on how to resolve this issue or a screenshot of the screen during point of service.

COMPLETED 2/10/2017

2. MEAL PATTERN AND NUTRITIONAL QUALITY

Commendations (from consultants onsite)

- The cafeteria is clean and well-organized. The serving staff are pleasant and helpful to the students. Students show great respect for the school nutrition operations.
- The cashier and serving staff are trained on Offer Versus Serve and the need to take at least ½ cup fruit and/or vegetable as a component.

Commendations and Appreciations (from nutritionist offsite)

Sincere thanks to the manager for your time and efforts spent preparing for and participating in the administrative review. I appreciate the openness to asking and answering questions. Open communication helped identify the strengths and areas of opportunity for the food service at Chilton Catholic School. Furthermore, I applaud the manager's recognition of the areas for opportunity, willingness to learn, and determination to make improvements. Please do not hesitate to contact me with questions or concerns. I look forward to seeing you at School Nutrition Skills Development Courses this summer.

Technical Assistance and Program Requirement Reminders

Weight versus Volume

Use cup volume amounts when recording portion sizes on the production records for fruits and vegetables. This will be the easiest way to make sure the meal pattern is being met. For meat/meat alternate and grain items crediting information should be recorded in ounce equivalents. Please ensure weight and volume are not being used interchangeably for crediting purposes. A portion control webcast, which describes portion control techniques and explains the difference between weight and volume, is available from the School Nutrition Team at <https://dpi.wi.gov/school-nutrition/training/webcasts#pc>. Earn fifteen minutes of continuing education credit by viewing the webcast.

Standardized Recipes

Use of standardized recipes is another important part of the national nutrition programs. Any menu item that has more than one ingredient should have a standardized recipe. This is defined as one that has been tried, tested, evaluated, and adapted for use by your food service. It produces a consistent quality and yield every time when the exact procedures, equipment, and ingredients are used. This will be a continuous work in progress as you modify older recipes and update with current ingredients in stock. Continue to use the resources on the DPI website regarding recipe standardization. These include a checklist for pieces of information needed to standardize a recipe, tools to help analyze the meal component contribution, nutrient analysis tools, and templates to organize all information once obtained. These are found at: <http://dpi.wi.gov/school-nutrition/national-school-lunch-program/menu-planning/recipes>. We encourage viewing the webcast, What's the Yield with Standardized Recipes?, which guides the viewer through the recipe standardization process. The webcast is located at the following address: <http://dpi.wi.gov/school-nutrition/training/webcasts#sr>.

Crediting Documentation

Food manufacturers continually reformulate products used in schools. It is important to stay current with these changes and be confident that the documentation on file matches the products in stock. These records should be reviewed and updated at least annually and as new products are purchased or substituted. Also, please be sure to discard any outdated crediting information for products that have

changed or that are no longer purchased. State-Processed Products and USDA Brown-Box Foods have fact sheets, detailing meal pattern contributions. The fact sheets are updated annually. USDA Brown-Box Foods fact sheets can be found here: <http://www.fns.usda.gov/fdd/nslp-usda-foods-fact-sheets>. State-Processed Products fact sheets can be found here: http://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/wiprocessed_nutritioninfo_1617.pdf.

Production Records

Production records are intended to be useful tools to record information prior to production, during production, and following production. This information can help provide information for forecasting quantities to prepare when the menu is served again if using a cycle menu.

The production record template currently in use is out of date and uses language that is not currently applicable (Traditional and enhanced meal pattern, four of five as an option for Offer Versus Serve [OVS] as lunch, etc.). While there is no required production record template, there are some examples that may be used on our website: <http://dpi.wi.gov/school-nutrition/national-school-lunch-program/menu-planning/production-records>. A copy of the production record requirements (“Must haves and Nice to haves” list) can also be found at that link.

Lunch Meal Pattern

The meal pattern for Child Nutrition Programs was updated as part of the Healthy, Hunger-Free Kids Act (HHFKA) of 2010 with many of the updates to the National School Lunch (NSLP) implemented July 1, 2012. The updated meal pattern requires specific daily and weekly minimum offerings for meat/meat alternate and grains for each age/grade group. All grains offered with reimbursable meals must be whole grain-rich. The updated meal pattern created separate components for fruits and vegetables with weekly requirements outlined for the five required vegetable subgroups (dark green, red/orange, beans and peas [legumes], starchy, and other). More information regarding the updated meal pattern can be found at <http://dpi.wi.gov/school-nutrition/national-school-lunch-program/menu-planning>.

Vegetable Subgroups

Each vegetable subgroup has a specific minimum weekly requirement. These requirements are outlined on the Lunch Meal Pattern Table, located at the following address: <http://dpi.wi.gov/sites/default/files/imce/school-nutrition/lunch-mpt.pdf>. During the week of review, the beans/peas vegetable subgroup minimum weekly requirement was not met. Consider serving baked beans or refried beans from the steamtable or garbanzo beans or black beans from the garden bar.

Minimum Weekly Requirements

Students must be offered 8 ounce equivalents of meat/meat alternate to meet minimum weekly requirements. The peanut butter sandwich, available every day, credits as 1 ounce equivalent of meat/meat alternate per the Food Buying Guide. A student who selects a peanut butter sandwich every day only has access to 5 ounce equivalents of meat/meat alternate per week, 3 ounce equivalents short of both minimum weekly requirements. To rectify this shortage, we recommend pairing the peanut butter sandwich with another food item that credits toward the meat/meat alternate component.

Whole Grain-Rich Requirement

Some of the grain products currently in use are not whole grain-rich (WGR), such as sandwich bread and garlic toast identified onsite. However, since July 1, 2014, all grain products for both breakfast

and lunch are required to be whole grain-rich. A whole grain-rich food is not necessarily 100% whole grain, but at least 50% of its grain ingredients must be whole grain. In order to be whole grain-rich, a grain food must list a whole grain as its first ingredient. Any other grain ingredients in the product must be enriched, if not whole grain. Or, documentation must be available in the form of a product formulation statement (PFS) to show that the combined weight of multiple whole grain ingredients exceeds the weight of the enriched grain ingredients. USDA has a very thorough Whole Grain Resource that provides tools and tips for identifying whole grain-rich products: <http://www.fns.usda.gov/sites/default/files/WholeGrainResource.pdf>.

Training

We recommended anyone involved with the school meals program attend DPI training classes. The classes are offered throughout the summer and selected other times during the year. Classes are provided free of charge. Numerous webcasts are also available online. Travel and/or meal expenses are allowable food service expenses for your program. Classes provide an overview of all areas of the USDA requirements for the federal nutrition programs including verification, free/reduced applications, civil rights, USDA Foods, menu planning, production records, and record keeping requirements. Information on summer classes will be sent to School Food Authorities in late spring and is also available on the DPI website at <http://dpi.wi.gov/school-nutrition/training>.

Corrective Action

Meal Pattern Finding #1: Meat/meat alternate shortage for the week of review.

Required Corrective Action: Meat/meat alternate menu items, such as fajita chicken, taco filling, diced chicken, sloppy joe filling, and BBQ pork, are currently measured and recorded on production records by volume (e.g. fluid ounces) rather than by weight. Crediting cannot be determined from submitted documentation without the weights, rather than the volume measures, of these portions. Some menu items, such as sloppy joe filling, will require updated standardized recipes.

Please submit weights for 2 ounce portions of fajita chicken, taco filling, and BBQ pork. Please also submit updated standardized recipes for diced chicken and gravy and sloppy joes, including recipe yields (serving size for single portion(s), total number of portions, and total volume or measure [gallons or pieces]).

If shortages are identified, you will be asked to submit a statement describing how you will alter the menu to meet the requirements going forward.

Meal Pattern Finding #2: Insufficient crediting documentation for sliced turkey, sliced ham, sandwiches, and raspberry crisp served during the week of review, and for meatballs served on the day of review.

Required Corrective Action: Please submit a food fact sheet, product formulation statement (PFS), or child nutrition (CN) label for sliced turkey, sliced ham, and meatballs. For sandwiches and raspberry crisp, submit standardized recipes. Sandwich standardized recipes must include the weight of the sliced turkey and/or sliced ham.

Meal Pattern Finding #3: Vegetable subgroup minimum weekly requirements were not met, with a 1/2 cup shortage in the beans and peas (legumes) subgroup.

Required Corrective Action: Please submit a statement describing how you will meet the vegetable subgroup requirements going forward.

Meal Pattern Finding #4: Weekly minimum requirement for the meat/meat alternate component is not being met as a result of the peanut butter sandwich offered daily. The peanut butter sandwich credits as 1 ounce equivalent of meat/meat.

Required Corrective Action: Please submit an updated menu or statement describing how you will alter the menu to meet the requirements going forward.

3. RESOURCE MANAGEMENT

Commendations

- Great job running the Paid Lunch Equity tool each year and adhering to the pricing requirements. Chilton Catholic's current weighted average for 2016-17 SY tool is \$2.65. USDA's target price is \$2.78, but you are over the progressive equity, so are not required to raise prices.
- The school may need to raise lunch prices as a financial decision to keep the program finances balanced.

Comments/Technical Assistance/Compliance Reminders

Nonprofit School Food Service Account

- The SFA's Child Nutrition program report provides a compilation of meals claimed, the reported revenues and expenditures, amount of federal reimbursement received and per meal costs for lunch, breakfast or other programs. The Aids Register tracks all program deposits made to the SFA's account and the amount deducted from the reimbursement to pay for shipping, handling and processing costs of USDA Foods. These may be found on our Online Services webpage: <http://dpi.wi.gov/nutrition/online-services>.

Annual Financial Report:

- All revenues including reimbursements and student payments, and expenses including food, labor, equipment, purchased services, and other expenses must be coded to the program to which they belong. 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.
- When tracking revenues and expenditures, please keep in mind:
 - 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 provided such as equipment repair and health inspections.
 - Under "A la 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 and extra milks 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 for 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>.
- 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, by July 1, 2017. For a snap-shot on what the policy must include, see the Unpaid Meal Charges “In a Nutshell” at <http://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/unpaid-meal-charges-nutshell.pdf>. For a more comprehensive overview, see SP 58-2016: Unpaid Meal Charges Guidance: <http://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/sp-58-2016.pdf>, including:
 - Best Practices
 - Local meal charge policy checklist
 - Sample outstanding balance letter
 - Sample robo-call script

Revenue from Non-program Foods

- **Non-program Foods Revenue Rule SP-20-2016**
<http://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/sp-20-2016.pdf>
 - Non-program Foods “In a Nutshell” <http://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/nonprogram-foods-in-a-nutshell.pdf>.
 - Non-program foods include: Adult Meals, A la Carte, Extra Entrees, Extra Milk (for cold lunch or milk break), Catered Meals and sales.
 - All non-program food costs including food, labor, equipment, purchased services, and other must be covered by revenues received from the sale of those foods. Non-program foods may not be supported by reimbursable meals or have a non-program foods loss absorbed by the food service account. Thus non-program foods may never run in the negative unless non-federal funds are transferred into the food service fund to cover the deficit.
 - The USDA Non-program Revenue Tool must be completed yearly, at a minimum. The DPI Non-program Food Revenue Tool/Calculator located on our website feeds into the USDA tool and aids in calculating prices of non-program foods and meeting the USDA non-program food regulation <http://dpi.wi.gov/sites/default/files/imce/school-nutrition/xls/non-program-food-price-calculator.xlsx>.

- SFAs that sell **only non-program milk** and **adult meals** as non-program foods are exempt from completing the USDA Non-program Food Revenue tool <http://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/exceptions-nonprogram-revenue.pdf>.
- 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, at a minimum, follow the **minimum** pricing guidelines in Food Nutrition Services Instruction 782-5. A *Wisconsin Adult Meal Pricing Worksheet* has been developed to assist you in pricing adult meals <http://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/wisconsin-adult-meal-pricing-guide.doc>. Districts need to reassess adult meal prices annually prior to contract submission to ensure student reimbursements are not being used to subsidize adult meals. The current reimbursement rates (2016-17 SY) may be used to determine 2017-18 SY prices since rates aren't released until July 1 of each year.

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 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. 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.

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

Indirect Costs

- For both public and private schools in Wisconsin, any costs assessed to foodservice must be based on documented and justifiable costs for each school building as they pertain to your school situation rather than on the indirect cost rate. This could include items such as utilities, rent, printing and mailing services, administrative oversight, etc.
- Allowable Expenditures assessed to the food service fund must be supported with documentation for things such as gas, electricity, waste removal, fuel, water, etc. for both public and private schools. 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 district's total.

Findings and Corrective Action Needed:

Comprehensive Review- Revenue from Non-program Foods

❑ **Finding #5:** From the answers I received off-site, I mentioned that a Nonprogram Foods Revenue tool would not need to be completed, as it was only indicated that adult meals and milks were being sold. When I was on-site, through conversations, it was learned there are other items which the food service sells and receives reimbursement, like Wrap-around care meals, milks, and church functions. The tool will now need to be completed annually.

Corrective Action Needed: Please complete a Nonprogram Foods Revenue tool to include Adult meals, milks for cold lunch, morning milk and 3K/4K students' milk sales, and any other food/beverage sales, like church function purchases.

4. GENERAL PROGRAM COMPLIANCE

Commendations

- We appreciated that the lunch room area had the food safety inspection and the new “And Justice for All” posters posted on the cafeteria wall so the public can read the information.
- The school has a nondiscrimination procedure and keeps students status confidential and does not identify students by their pay status.
- The director and assistant of the school nutrition area completed the annual Civil Rights training. Please keep an attendance log for this training and include the lunch staff and volunteers, the Confirming Official and the 3K/4K teachers who administer the Special Milk Program (SMP).
- Student registration packets ask for racial/ethnic data, which is used to complete the Civil Rights Compliance Self-Evaluation form PI-1441 annually.
- The food safety plan includes all process 1, 2, and 3 items, all standard operating procedures (SOP), all equipment, and food service staff and be reviewed yearly.
- This school doesn't sell food or beverage items to students that would need to meet the Smart Snacks in Schools rule.
- Water is available for students' access during the lunch meal and cups are provided. That is very nice.
- Thank you for taking temperatures of your cooling equipment, recording them and keeping them on file.
- Thank you for maintaining a Food Safety plan with equipment, food processes 1-2-3 and Standard Operating Procedures (SOP). Food service staff were found to wear gloves and hairnets, and date-mark food items in storage. The kitchen was clean and organized.
- Thank you for completing the required USDA and DPI reports and maintaining the paperwork in an organized manner.

Comments/Technical Assistance/Compliance Reminders:

Civil Rights

Nondiscrimination Statement

- When including the nondiscrimination statement on letters, menus, website, and other documents used to convey program information, it is necessary to use the current statement <http://dpi.wi.gov/school-nutrition/national-school-lunch-program/civil-rights>.

However, when space is very limited, such as on printed menus, only this 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.

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 (newspaper) and grassroots organizations (food pantry, library, church, etc.). 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. Note, the *Public Release* cannot be posted to the SFA's website and/or district handbook.

Civil Rights Training

- Civil rights training must be conducted on a yearly basis for all staff and volunteers who administer any portion of a school nutrition program. **Technical assistance was provided on this subject.**

Special Dietary Needs

- All food substitutions for children with disabilities must be documented by a licensed medical practitioner. We have a prototype Medical Form <http://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/special-dietary-requests-form.pdf> posted on our website that is also available in Spanish and Hmong that you can use. When the form is completed indicating that the special dietary request is based on a disability, the school is required to provide a meal that meets the child's needs as documented. The meal would not have to meet the meal pattern requirements, as the diet request serves as the meal pattern for that particular child. 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>.
- When a school is accommodating meal substitutions, they must still have a completed Dietary Request Form on file from a medical authority (could be a school nurse) certifying the student as having a special medical or dietary need. Such determinations are only made on a case-by-case basis and all accommodations must be made according to the USDA's meal pattern requirements in order to claim the meal.

Processes for complaints

- All verbal or written civil rights complaints regarding the school nutrition programs that are filed with the district must be forwarded to the Civil Rights Division of USDA Food and Nutrition Service within 3 days. You will want to make sure that this is included in the district procedures to ensure compliance.
- All SFAs should have procedures (written procedures preferred) for receiving and processing any complaints alleging discrimination within 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. The form to assist in filing these complaints can be found on the DPI SNT website at https://www.ocio.usda.gov/sites/default/files/docs/2012/Complain_combined_6_8_12.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 with full compliance of 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 the process made in attaining the goals of the wellness policy. SFAs must make the Triennial Assessment results 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://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/LWP%20Summary%20-%20Final%20Rule.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>.

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>. **Technical assistance provided in this area.**
- **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.

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

Food Safety, Storage and Buy American

Food Safety Inspections

- Every school operating USDA School Child Nutrition programs, must have two food safety inspections during each school year. The food safety inspection reports need to be posted in public view.

Food Safety Plans

- The Food Safety Plan was available for review. The food service director and assistant seem to be knowledgeable about foodservice practices and use good food handling practices. All temperature logs were up to date. Updated prototype food safety plan templates and SOPs may be found at our website under <http://dpi.wi.gov/school-nutrition/food-safety>
- 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, as applicable. Please include an SOP for Field Trips.
- All food service employees must have a signed Employee Reporting Agreement on file.

Storage

- 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)).
- The on-site storage areas were reviewed, including freezers, refrigerators, dry good storage rooms and other areas. The equipment and food or beverage items were found in compliance, other than the Buy American provision.

Buy American

- The USDA requires that an SFA purchase, to the maximum extent practical, 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.

Technical Assistance Provided: Noncompliant food items that were observed included canned fruit (i.e. pineapple tidbits, mandarin oranges) and frozen vegetable (i.e. cauliflower). Recommendations for compliance:

- Add Buy American clause to vendor contracts/solicitation agreements. Monitor products when delivered to ensure they are domestic.
- Some products will not be grown domestically, such as pineapple and mandarin oranges. You will need to check with your vendors to see if these products are available domestically. If

they are not, document on the Non-compliant Product List, <http://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/buy-american-noncompliant-list.docx>. Other possible reasons for not purchasing domestically includes: cost, seasonality, availability, and substitution.

- If ordering online, check with vendor to see if there is a link for determining the origin of the product.

Please ensure that you are compliant with the Buy American provision moving forward. If you have additional questions, please contact the DPI staff about this provision/requirement.

Reporting and Recordkeeping

- 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 (SFSP) Outreach

Summer Meals

- As part of the National School Lunch Program, SFAs are 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. 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 Chilton Catholic School, USDA would like 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 on the DPI Summer Meals website
 - 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 website
<http://www.fns.usda.gov/summerfoodrocks>.

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

Findings and Corrective Action Needed

- ❑ **Finding #6:** All School Food Authorities (SFAs) are required to distribute a *Public Release* before the start of the school year. The Public Release form must be sent to at least one local newspaper and grass root organizations, and perhaps large employers contemplating layoffs annually.

Corrective Action Needed: Please provide a statement of how this requirement will be accomplished in the future and by whom (title).

- ❑ **Finding #7:** The Civil Rights Self-Evaluation Compliance form (PI-1441) is required to be completed by October 31 annually. This is the link for the form:
<http://dpi.wi.gov/sites/default/files/imce/forms/doc/f1441.doc>

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

- ❑ **Finding #8:** Per the Professional Standards rule, any school nutrition directors hired after July 1, 2015 must meet certain minimum hiring standards. The current director was moved into this position in a rapid time frame at the exit of another employee when school started this year. This director has a Bachelor of Arts degree and no school nutrition experience. She has successfully taken and passed the ServSafe course in August, 2016.

Corrective Action Needed: Please contact the Assistant Director of the School Nutrition Team at DPI for a possible exemption to the hiring standards for your 68 enrollment school.

- ❑ **Finding #9:** Employees must sign an Employee Health Reporting Agreement annually to be kept on file; this reinforces food safety and employee safety. This link is for a template document: <https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/employee-reporting-agreement.pdf>.

Corrective Action Needed: Have regular food service employees sign the form, plus have the form available for the volunteer workers to sign the next time they come to work. You will need to keep a chart of which volunteers have completed this document. Please submit a statement of how this requirement will be accomplished in the future.

5. OTHER FEDERAL PROGRAMS REVIEWS

Special Milk Program (SMP)

Commendations

- Thank you for providing milk for the students in your school for a morning snack. Only students who don't have access to the lunch program are eligible for the SMP claim.

Comments/Technical Assistance/Compliance Reminders

- You are offering milk cartons to the students in the school's 3K/4K program, which are paid through this program, purchased and claimed by the school nutrition fund. Please remember to keep the milk price to the family or Preschool program at a low cost taking into account the federal reimbursement value.

Findings and Corrective Action Needed

- ❑ **Finding #10:** The Special Milk Program (SMP) is only for students who do not have access to the lunch program. Some of the 3K/4K students do eat lunch and are claimed in the National School Lunch Program (NSLP) as an enrolled student, which is allowed; however, they are also being counted in the SMP milk count. That is considered "double-dipping".

Corrective Action Needed: Please develop a process to fix this practice and send one month of clean counts for the claim (March). We will determine if this problem needs to have Fiscal Action taken on it for more than the Review Month (January) and Month of Onsite Review (February) and communicate that to the school.

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.

