

WISCONSIN DEPARTMENT OF PUBLIC INSTRUCTION

SFA Name: Cadott Community School District 90870

Administrative Review Conducted on: 3/29/2017

Sites Selected for Review: Cadott Elementary School

Date Corrective Action Plan was provided to SFA: 4/18/2017

Due Date for Corrective Action Plan: 5/17/2017

The following pages address the findings that were identified during your Administrative Review.
For each finding you will be presented with the following:

The finding, and details specific to the SFA regarding the finding	A summary of the regulation / requirement
The Code of Federal Regulations citation number or alternate resource citation	Suggested guidance for the SFA in order to achieve compliance
	SFA area for reply to state how, when and by whom corrections will be made

Commendations & Suggestions

Outstanding job meeting all of the requirements for breakfast. All daily and weekly meal component and food quantity requirements were met for the week of menu review, for the breakfast menu.

Thank you for you kind accommodations during the review process.

The kitchen staff were very friendly and helpful with all the students and the food looked fresh and appetizing.

The young man that was in charge of collecting the milk for the Wisconsin Special Milk Program did a great job explaining the program process for his class.

Other areas of Technical Assistance (NOT requiring Corrective Action)

Menu Review- technical assistance was provided in an email to the SFA with the menu review results. Suggestions were provided to bring the menus into compliance.

Milk Substitution - technical assistance provided to offer a milk substitution, such as lactose free milk, unless a doctor's note specifically states water or juice must be substituted. There were no substitutions on the day of review.

SMART Snacks - technical assistance to update SMART SNACK labels and requirements. Some labels reviewed were for products that no longer qualify under that sodium standards. The reviewer was informed the products are no longer sold. The reviewed school did not sell snacks.

Professional Standards - technical assistance was provided regarding the employees and their positions. It was determined that there was one director, no managers, two full-time staff, and two non-school nutrition staff.

To come into compliance with meal pattern requirements, the SFA must provide the State Agency with a written plan that will be implemented to ensure future compliance. The plan should include; a statement that all menus will be reviewed to ensure that all weekly requirements for grains are met for the specific grade group, a process for sites to reference when they do not have one of the planned menu items or there is insufficient quantities, a statement that the serving line will be visually reviewed prior to service to confirm that all required components are available and that additional menu training for all SFA staff will be provided. Provide the outline and dates for the trainings that will be completed. In addition please submit the name(s) and title(s) of the SFA representative(s) that will oversee this area and ensure future compliance. Submit the menu from the week of review with the corrections that were made to the menu to bring it into compliance moving forward. Provide any needed documentation to support the changes such as labels, recipes, production records, etc.

SFA Response

Finding #2

410. For the week of menu review, the K-8 lunch menu did not meet the minimum weekly requirement of 9 ounce equivalent meat/meat alternate. The half Peanut Butter Sandwich offered daily contributes only 1 oz. equivalent meat/meat alternate and is limiting the weekly meat/meat alternate amounts with this meal choice.

Technical Assistance Provided

During the review, the portion sizes required by the meal patterns were discussed with the SFA. The SFA must ensure that all meals counted for reimbursement meet the weekly requirements as well as the daily requirements for meat/meat alternates required for the specific grade group. The SFA should review all menus to ensure that at least the minimum daily and weekly requirement is planned for the specific grade group. The SFA should also provide additional training to the kitchen staff on the requirements of a reimbursable meal. The training should include how to determine the total number of weekly servings if there are multiple menu items each day. The USDA FNS website can be used for training materials, resources and guidance on the meal pattern.
<http://healthymeals.nal.usda.gov/>

Regulation / Citation and Summary

210.10(c) Meal pattern for school lunches. Schools must offer the food components and quantities

required in the lunch meal pattern established: K-8: minimum of 9 oz. equivalent of meat/meat alternate per week.

SFA Suggested Guidance for Compliance

To come into compliance with meal pattern requirements, the SFA must provide the State Agency with a written plan that will be implemented to ensure future compliance. The plan should include; a statement that all menus will be reviewed to ensure that all weekly requirements for meat/meat alternate are met for the specific grade group, a process for sites to reference when they do not have one of the planned menu items or there is insufficient quantities, a statement that the serving line will be visually reviewed prior to service to confirm that all required components are available and that additional menu training for all SFA staff will be provided. Provide the outline and dates for the trainings that will be completed. In addition please submit the name(s) and title(s) of the SFA representative(s) that will oversee this area and ensure future compliance. Submit the menu from the week of review with the corrections that were made to the menu to bring it into compliance moving forward. Provide any needed documentation to support the changes such as labels, recipes, production records, etc.

SFA Response

Finding #3

410. For the week of menu review, the K-8 lunch menu did not meet the minimum daily requirement of 3/4 cup vegetable. Vegetables were provided, however the minimum required portion size was not met on Monday, with the Peanut Abutter Sandwich meal choice.

Technical Assistance Provided

During the review, the portion sizes required by the meal patterns were discussed with the SFA. The SFA must ensure that all meals counted for reimbursement contain the required components in the minimum portion size required for the specific grade group. The SFA should review all menus to ensure that at least the minimum portion size is planned for the specific grade group. The SFA should also provide additional training to the kitchen staff on the requirements of a reimbursable meal. The training should include what to do if a certain planned menu item is not available or if the item runs out during service. The USDA FNS website can be used for training materials, resources and guidance on the meal pattern. <http://healthymeals.nal.usda.gov/>

Regulation / Citation and Summary

210.10(c) Meal pattern for school lunches. Schools must offer the food components and quantities required in the lunch meal pattern established: K-8: 3/4 cup of vegetable.

SFA Suggested Guidance for Compliance

To come into compliance with meal pattern requirements, the SFA must provide the State Agency with a written plan that will be implemented to ensure future compliance. The plan should include; a statement that all menus will be reviewed to ensure that all portion sizes planned meet at least the minimum required amount for the specific grade group, a process for sites to reference when they do not have one of the planned menu items or there is insufficient quantities, a statement that the serving line will be visually reviewed prior to service to confirm that all required components are available and that additional menu training for all SFA staff will be provided. Provide the outline and dates for the trainings that will be completed. In addition please submit the name(s) and title(s) of the SFA representative(s) that will oversee this area and ensure future compliance. Submit the menu from the week of review with the corrections that were made to the menu to bring it into compliance moving forward. Provide any needed documentation to support the changes such as labels, recipes, production records, etc.

SFA Response

Finding #4

410. For the week of menu review, the K-8 lunch menu did not meet the minimum weekly requirement of 1/2 cup dark green vegetable subgroup.

Technical Assistance Provided

During the review, the portion sizes required by the meal patterns were discussed with the SFA. The SFA must ensure that all meals counted for reimbursement contain the required components in the minimum portion size required for the specific grade group. This includes meeting the weekly requirements for the vegetables sub-groups. Over the course of the standard school week the SFA must at a minimum meet the required servings for each sub-group. The SFA should review all menus to ensure that at least the minimum serving for each sub-group is planned for the specific grade group. The SFA should also provide additional training to the kitchen staff on the requirements of a reimbursable meal. The training should include what to do if a certain planned menu item is not available or if the item runs out during service. The USDA FNS website can be used for training materials, resources and guidance on the meal pattern.
<http://healthymeals.nal.usda.gov/>

Regulation / Citation and Summary

210.10(c)(iii) Vegetables component. Vegetable offerings at lunch over the course of the week must include the vegetable subgroups, as defined in this section in the quantities specified in the meal pattern in paragraph (c) of this section: K-12: 1/2 C dark green.

SFA Suggested Guidance for Compliance

To come into compliance with meal pattern requirements, the SFA must provide the State Agency with a written plan that will be implemented to ensure future compliance. The plan should include; a statement that all menus will be reviewed to ensure that all weekly requirements for vegetable subgroups are met for the specific grade group, a process for sites to reference when they do not have one of the planned menu items or there is insufficient quantities, a statement that the serving line will be visually reviewed prior to service to confirm that all required components are available and that additional menu training for all SFA staff will be provided. Provide the outline and dates for the trainings that will be completed. In addition please submit the name(s) and title(s) of the SFA representative(s) that will oversee this area and ensure future compliance. Submit the menu from the week of review with the corrections that were made to the menu to bring it into compliance moving forward. Provide any needed documentation to support the changes such as labels, recipes, production records, etc.

SFA Response

Finding #5

Resource Management Comprehensive Review – Nonprogram Foods
 Prior to the review, the SFA had not determined compliance with nonprogram food requirements.

Technical Assistance Provided

The NonProgram Food Revenue Tool (or DPI's NonProgram Price Calculator Tool) should be completed every year. During the review the SFA completed the tool as required, and it showed the SFA was out of compliance. First, the SFA should review the submitted tool and ensure it was completed correctly. The raw food cost for an adult meal and an extra high school meal were listed as higher than a reimbursable meal, which may not be correct if the meals are all the same. The number of nonprogram foods sold should also be checked for accuracy. The numbers in the tool should reflect the nonprogram and program foods sold during at least a 5-day consecutive timeframe. The SFA may recalculate the tool for the current school year, to see if they are in compliance for the current year. If the SFA determines the tool was completed correctly, or they complete the tool for the current year and it also shows they are out of compliance, they must explain how they will increase nonprogram food prices to generate enough additional revenue to come into compliance.

Regulation / Citation and Summary

7 CFR 210.14 (f) Revenue from non-program foods. Beginning July 1, 2011, school food authorities

shall ensure that the revenue generated from the sale of non-program foods complies with the requirements in this paragraph.

(1) Definition of non-program foods. For the purposes of this paragraph, non-program foods are those foods and beverages; (i) Sold in a participating school other than reimbursable meals and meal supplements; and (ii) Purchased using funds from the nonprofit school food service account.

(2) Revenue from non-program foods. The proportion of total revenue from the sale of non-program foods to total revenue of the school food service account shall be equal to or greater than: (i) The proportion of total food costs associated with obtaining non-program foods (ii) The total costs associated with obtaining program and non-program foods from the account.

SFA Suggested Guidance for Compliance

As the corrective action response, please explain the process that will be put into place to ensure that the USDA Nonprogram Food Revenue Tool or the DPI NonProgram Price Calculator Tool is completed each year. This should include a timeframe for when the tool will be completed, the name by position of the person responsible for completing the tool, and the steps that will be taken if the tool shows you are out of compliance. Additionally, submit a plan to increase nonprogram food prices to come into compliance with nonprogram food revenue requirements. This could include a copy of the tool for the current school year, showing the SFA's updated results as of SY 16-17.

SFA Response

Finding #6

705. The SFA charged unallowable costs to the food service account.

Technical Assistance Provided

During the resource management comprehensive review, it was determined that the SFA charged unallowable costs to the food service account. The SFA is responsible for ensuring no unallowable purchases are made using food service funds, and should have internal controls in place to prevent such unallowable costs from occurring. Examples of internal controls include staff training on allowable costs, developing written policies & procedures so only trained, authorized personnel can approve food service expenses, and segregation of duties. An extensive list of allowable and unallowable costs can be found in 2 CFR Part 200, Subpart E.

1) The SFA allocated salaries to the food service account for an administrative assistant and two janitors using an estimated percentage of time spent working for food service, rather than based on actual hours worked. 20% of the administrative assistant's salary was charged to food service, 10% of one custodian's, and 13% of the other custodian's. To make the administrative and janitorial salaries an allowable cost for the food service program, the SFA should either have the employees track their time and allocate salaries based on actual time, or they should conduct an annual time study. The annual time study should have documentation for a sufficient timeframe substantiating the hours worked for food service as a percent of their total hours worked. This percentage could then be used to allocated salaries and benefits for the year. The SFA needs to either submit documentation showing that the percentages charged to food service in SY 15-16 were an accurate reflection of time spent working for food service (time study, time sheets, etc.) or the SFA needs to reimburse the food service account for the overcharge in SY 15-16.

Regulation / Citation and Summary

7 CFR 210.14 Resource management. (a) Nonprofit school food service. School food authorities shall maintain a nonprofit school food service. Revenues received by the nonprofit school food service are to be used only for the operation or improvement of such food service, except that, such revenues shall not be used to purchase land or buildings, unless otherwise approved by FNS, or to construct buildings. Expenditures of nonprofit school food service revenues shall be in accordance with the financial management system established by the State agency under § 210.19(a) of this part. School food authorities may use facilities, equipment, and personnel supported with nonprofit school food revenues to support a nonprofit nutrition program for the elderly, including a program funded under the Older Americans Act of 1965 (42 U.S.C. 3001 et seq.).

SFA Suggested Guidance for Compliance

As the corrective action response, the SFA should provide documentation showing that the food service account was reimbursed for the unallowable expenditures. The SFA could also submit documentation showing that the expenditures were allowable to the food service program (time study, time sheets, etc.). Additionally, please explain how internal controls have been improved to ensure only allowable costs are charged to food service. This could include a plan to conduct an annual time study for administrative assistants and janitors who split their time between the food service program and other school programs.

SFA Response

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Finding #7

Resource Management Comprehensive Review – NonProgram Foods Testing Chart
The SFA was not able to provide the documentation needed to complete the Nonprogram Foods Testing Chart.

Technical Assistance Provided

The SFA must be able to show that 1) Adult meal sales and a la carte sales were tracked at the point of sale, 2) Deposits received from adult meal sales and a la carte sales accrued to the food service account, and 3) Adult meal balances were tracked for prepayments or sales on account. The SFA was unable to provide this information for the review year (SY 15-16) due to their POS software not retaining detailed records after the previous year is closed out. The SFA should work with their software company to ensure that enough information is accessible after the year-end to show compliance with nonprogram food requirements.

Regulation / Citation and Summary

7 CFR 210.14 (f) Revenue from non-program foods.
(3) All revenue from the sale of nonprogram foods shall accrue to the nonprofit school food service account of a participating school food authority.

SFA Suggested Guidance for Compliance

As the corrective action response, submit adult meal and a la carte sales documentation for at least a one-week period. Since this information was unavailable for last year, the SFA may submit documentation from one week during the current school year. This should include a point of sale report showing actual adult meals and a la carte items sold in one week, deposit slips showing the adult and student deposits received during the week, and the general ledger entries showing the adult meal and a la carte revenues recorded to the food service account. Provide documentation that any account balances from prepayment or sales on account are properly tracked to ensure that money is collected for all adult meals served.

Additionally, explain how internal controls have been improved to ensure access to point of sale and deposit information after the year has been closed out.

SFA Response

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Finding #8

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706. The SFA had an excess of three months average expenditures in its year-end net cash resources.

Technical Assistance Provided

The SFA is required to maintain a food service fund balance below 3 months' average expenditures. The food service account had an ending fund balance of \$166,635.57 and three months' average expenditures of \$139,357.12 (total expenses of \$418,071.35 divided by 9 operating months, multiplied by 3). Since the ending fund balance exceeds the three months' average expenditures, the SFA is out of compliance. The SFA should submit a spend down plan on how they will decrease the fund balance to an appropriate level through allowable expenses. Allowable expenditures could include new equipment purchase, improving food quality, additional district food service training, etc.

Regulation / Citation and Summary

7 CFR 210.14 (b)

Net cash resources. The school food authority shall limit its net cash resources to an amount that does not exceed 3 months average expenditures for its nonprofit school food service or such other amount as may be approved by the State agency in accordance with §210.19(a).

SFA Suggested Guidance for Compliance

As the corrective action response, please submit a detailed plan on how you will lower the nonprofit school food service fund balance to a level below 3 months' average expenditures. This should include estimated timeframes and estimated costs, and a brief description of each part of the plan. Additionally, provide assurance that internal controls have been put into place to help prevent an unapproved excess cash balance in the future.

SFA Response

Finding #9

The site had products in storage that violated the Buy American provision and no documentation was available to show domestic alternatives were considered. Additionally, the SFA was not sure if the Buy American clause is part of the product specification language.

Technical Assistance Provided

The USDA requires that a SFA purchase, to the maximum extent practicable, domestic commodities or products. Using food products from local sources supports small local farmers and provides healthy choices for children in the school meal programs. Purchasing from these entities also supports the local economy. The Buy American provision is required whether food products are purchased by SFAs or entities that are purchasing on their behalf. The Buy American provision should be included in solicitations, contracts, and product specifications. A reply offer to comply with Buy American terms in a solicitation ensures contractors are aware of Buy American requirements. Further, bidder assurance of the Buy American provision ensures that the bidder is responsive and responsible to the solicitation.

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.

Regulation / Citation and Summary

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.

SFA Suggested Guidance for Compliance

To come into compliance with the Buy American requirement the SFA must provide a statement that they will ensure language is included in procurement documentation, ensure they are aware of and utilizing the procurement manual and, if appropriate, will use the tracking template to use to communicate with distributors.

SFA Response

Finding #10

The SFA is attempting to resolve complaints alleging discrimination within the FNS School Meal Programs.

Technical Assistance Provided

During the review the process for receiving and processing complaints alleging discrimination was discussed with the SFA. The SFA should not attempt to resolve complaints in-house and should forward all complaints to the appropriate outside agency.

Regulation / Citation and Summary

FNS Instruction 113-1 Section XV All complaints, written or verbal, must be forwarded to the appropriate Regional or FNS OCR Director, unless an approved State complaint procedure is in place. Anonymous complaints will be handled as any other complaints, to the extent feasible, based on available information.

SFA Suggested Guidance for Compliance

To come into compliance with civil rights requirements, the SFA must develop a procedure that will be put into place to handle any discrimination complaints and to forward them to an appropriate agency. The process must outline the steps that will be taken when a complaint is received, the name and contact information of the agency that the complaint will be forwarded to, and the name(s) and title(s) of the person(s) who will be responsible for forwarding complaints to the appropriate agency. Please submit the procedure as corrective action.

SFA Response

Finding #11

The SFA is using the incorrect civil rights statement. They are using an outdated version of the statement on the Verification letter.

Technical Assistance Provided

During the review, the content of the verification notification letter was discussed with the SFA. In its notification letter, the SFA must include the information outlined in the Eligibility Manual for School Meals, Chapter 4.

Regulation / Citation and Summary

FNS Instruction 113-1 IX A 3 Nondiscrimination Statement. All information materials and sources, including Web sites, used by FNS, State agencies, local agencies, or other subrecipients to inform the public about FNS programs must contain a nondiscrimination statement. It is not required that the nondiscrimination statement be included on every page of the program information Web site. At the minimum, the nondiscrimination statement, or a link to it, must be included on the homepage of the program information.

SFA Suggested Guidance for Compliance

To come into compliance with civil rights requirements, the SFA must submit written assurance that the current non-discrimination statement has been added to all program materials. In addition, the SFA must submit a sample of the Verification letter with the statement added as corrective action.

SFA Response

Finding #12

Not all selected applications were approved correctly. The SFA did not calculate the income based on all sources of income listed on the application. Not all income based applications included the last four digits of the social security number of an adult household member, or an indication of none.

Technical Assistance Provided

During the review, determining applications was discussed with the SFA. When determining eligibility, the SFA must ensure that the household has listed the amounts, source, and frequency of current income for each household member; otherwise, the application is incomplete. In addition, all income applications must include the last four digits of the social security number of an adult household member, or an indication of none. For more information, see the Eligibility Manual for School Meals, Chapters 2 and 3.

Regulation / Citation and Summary

245.6(c)(4) Calculating income. The local educational agency must use the income information provided by the household on the application to calculate the household's total current income. When a household submits an application containing complete documentation, as defined in §245.2, and the household's total current income is at or below the eligibility limits specified in the Income Eligibility Guidelines as defined in §245.2, the children in that household must be approved for free or reduced price benefits, as applicable. 245.6(a)(6) Household members and social security numbers. The application must require applicants to provide the names of all household members. In addition, the last four digits of the social security number of the adult household member who signs the application must be provided. If the adult member signing the application does not possess a social security number, the household must so indicate.

SFA Suggested Guidance for Compliance

To come into compliance with the requirements for determining applications, the SFA must provide written assurance that staff administering the free and reduced lunch program understand these requirements, and the SFA must put a plan in place to ensure future compliance. Please submit the assurance and plan as corrective action. Applications found to be incorrectly determined during the review must be corrected. If the SFA is unable to correct the error because of missing/incomplete information from the household, after allowing the household an adequate amount of time to respond, the SFA must send a letter of adverse action and advise the CN Resource of the date that this letter was sent.

SFA Response

Finding #13

The SFA is not adequately tracking training hours.

Technical Assistance Provided

During the on-site review, training requirements were discussed with the SFA. To be in compliance, the SFA must track the hours of training completed by all School Nutrition staff. For further information, please see the USDA's Guide to Professional Standards for School Nutrition Programs.

Regulation / Citation and Summary

210.30(g) School food authority oversight. Each school year, the school food authority director must

document compliance with the requirements of this section for all staff with responsibility for school nutrition programs, including directors, managers, and staff. Documentation must be adequate to establish, to the State's satisfaction during administrative reviews, that employees are meeting the minimum professional standards.

SFA Suggested Guidance for Compliance

To come into compliance with the requirements for Professional Standards, the SFA must provide the State Agency with an assurance that the appropriate staff understand these requirements, and the SFA must put a plan in place to ensure future compliance. Please submit the assurance and plan, indicating how the SFA will ensure that training is now being tracked.

SFA Response

Finding #14

On-site monitoring was not completed for lunch.

Technical Assistance Provided

During the review, the requirement for on-site monitoring was reviewed with the SFA. It was determined that the SFA did not complete on-site monitoring by February 1st and an extension was not requested. Since the SFA has multiple sites they are required to monitor the lunch counting and claiming system for each site in the SFA prior to February 1st of each year unless an extension was requested by the SFA and approved by the State Agency.

Regulation / Citation and Summary

210.8(a)(1) On-site reviews. Every school year, each school food authority with more than one school shall perform no less than one on-site review of the lunch counting and claiming system employed by each school under its jurisdiction. The on-site review shall take place prior to February 1 of each school year. Further, if the review discloses problems with a school's meal counting and claiming procedures, the school food authority shall: ensure that the school implements corrective action; and, within 45 days of the review, conducts a follow-up on-site review to determine that the corrective action resolved the problems. Each on-site review shall ensure that the school's claim is based on the counting system authorized by the State agency under §210.7(c) of this part and that the counting system, as implemented, yields the actual number of reimbursable free, reduced price and paid lunches, respectively, served for each day of operation.

SFA Suggested Guidance for Compliance

As the corrective action response the SFA must complete the monitoring review for all sites within the SFA. Submit copies of the monitoring forms with the response. Please submit a process that will be put in place moving forward to ensure that all on-site reviews are completed prior to February 1st of each year. Additionally, please submit a process that will be put in place should an extension need to be requested from the State Agency. Please identify the name(s) and title(s) of the person(s) who will be responsible for completing on-site monitoring.

SFA Response

Finding #15

On-site monitoring was not completed for breakfast.

Technical Assistance Provided

During the review, the requirement for on-site monitoring was reviewed with the SFA. It was determined that the SFA did not complete on-site monitoring by February 1st and an extension was not requested. Since the SFA has multiple sites they are required to monitor the counting and claiming systems of a minimum of 50% of the sites offering breakfast in the SFA prior to February 1st of each year unless an extension was requested by the SFA and approved by the State Agency.

Regulation / Citation and Summary
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220.11 Reimbursement procedures. (d)(1)On-site reviews. Every school year, each school food authority with more than one school shall perform no less than one on-site review of the breakfast counting and claiming system and the readily observable general areas of review identified under §210.18(h) of this chapter, as specified by FNS, for a minimum of 50 percent of schools under its jurisdiction with every school within the jurisdiction being reviewed at least once every two years. The on-site review shall take place prior to February 1 of each school year. Further, if the review discloses problems with a school's meal counting or claiming procedures or general review areas, the school food authority shall ensure that the school implements corrective action, and within 45 days of the review, conduct a follow-up on-site review to determine that the corrective action resolved the problems. Each on-site review shall ensure that the school's claim is based on the counting system and that the counting system, as implemented, yields the actual number of reimbursable free, reduced price and paid breakfasts, respectively, served for each day of operation.

SFA Suggested Guidance for Compliance
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As the corrective action response the SFA must complete the monitoring review for 50% of the sites offering breakfast within the SFA. Submit copies of the monitoring forms with the response. Please submit a process that will be put in place moving forward to ensure that on-site reviews are completed prior to February 1st of each year. Additionally, please submit a process that will be put in place should an extension need to be requested from the State Agency. Please identify the name(s) and title(s) of the person(s) who will be responsible for completing on-site monitoring.

SFA Response

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Finding #16
