

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

School Food Authority: St. Joseph School District

Agency Code: 97589

School(s) Reviewed: St. Joseph Elementary School

Review Date(s): April 15-16, 2019

Date of Exit Conference: April 16, 2019

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

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

General Program Reminders/Updates:

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

Appreciation/Commendations/Noteworthy Initiatives:

Thank you to the staff at St. Joseph Elementary School for the courtesies extended to us during the on-site review. Thank you for being available when answering questions and providing additional information. Everyone was 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.

REVIEW AREAS

1. MEAL ACCESS AND REIMBURSEMENT

Certification and Benefit Issuance

18 Applications were reviewed, and one Benefit Issuance error was found.

Free and Reduced Price Meal 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.
- 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, the income should not be converted to annual, but using the [Income Eligibility Guidelines](https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/income-eligibility-guidelines-1718.pdf) one would look at the amount of their income under the column indicating that frequency (i.e., weekly, twice monthly, every two weeks, monthly, annually) (<https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/income-eligibility-guidelines-1718.pdf>).
- When a household has income in addition to a loss from a business, that income must be included on the free and reduced application in full and is not offset by the business loss. A business loss (negative dollar amount) would become \$0 for the income on the application.

Effective Date of Eligibility

- SFAs may establish the date of submission of an application as the effective date of eligibility, rather than the date the application is reviewed and eligibility is determined. This flexibility applies only to complete applications containing all required information. See SP 11-2014 for more information. The SNT must be contacted prior to implementing this flexibility for approval. Contact Karrie Isaacson at karrie.isaacson@dpi.wi.gov for more information and approval.

Annual Income

- There has been a recent modification to the requirement pertaining to the reporting of annual income on an application. USDA released SP-19, 2017 on March 20, 2017 allowing households to report current income as an *annual figure*. Annual income is typically reported for households with jobs that are seasonal, self-employed, or agricultural work since that is a more accurate representation of *current income*. These applications may now be processed at face value.

However, most households that receive regular pay checks, will report income based on what is *currently earned* and the frequency of that pay, i.e. weekly, biweekly, bimonthly or monthly.

Household Size Box

- The total household member size box (Step 3G) includes all children and adults in the household and must match the number of names on the application for the application to be considered complete.

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/email. The determining official should document the details of the conversation plus date and initial. Applications missing signatures must be returned to the parent to obtain. Reasonable effort should be made to obtain the missing information prior to denying the application.

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.
- Thank you for using the DPI prototype letters with the current non-discrimination statement.

Limited English Proficiency (LEP)

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

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.

Transferring Students

- When a child transfers to a new school within the same Local Educational Agency (LEA), the new school must accept the eligibility determination from the child's former school, if the child has an individual eligibility determination.
- A child that transfers within the same LEA from a CEP to a non-CEP school must be given free reimbursable meals for up to 30 operating days or until a new eligibility determination is made, whichever comes first.
- Transferring the eligibility determination between LEAs ensures that qualifying students continue to receive school meal benefits as they transition to new schools, and avoids the possibility of unpaid meal charges. FNS strongly encourages LEAs to immediately accept the eligibility determinations made at a student's previous LEA (if they participated in NSLP) when a student transfers between LEAs during the school year, over the summer, or at the start of the next school year. Wisconsin DPI requires source documentation of the student's previous eligibility. The transfer of eligibility between LEAs for students attending CEP schools will be required by July 1, 2019.

Direct Certification

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

Commendations/Comments/Technical Assistance/Compliance Reminders

Technical Assistance was provided for processing and determining applications, and knowing what a complete application should look like.

Also TA was discussed to always look over the applications a second time to check for mistakes, or if a phone call needs to be made to the family. Always date and initial on the app if there was a phone call to the family for questions.

Findings and Corrective Action Needed: Certification and Benefit Issuance

❑ Finding #1: There was 1 error in Benefit Issuance. One application was determined to be Free and should have been Reduced.

Corrective Action Needed: Send the Adverse Action letter to the parents of this application. Make the change on your Benefit Issuance list, as well as in your system to change the family from Free to Reduced status. Watch the [webcast about Processing Applications](https://media.dpi.wi.gov/school-nutrition/processing-applications-direct-certification/story_html5.html) on the DPI website (https://media.dpi.wi.gov/school-nutrition/processing-applications-direct-certification/story_html5.html). Submit an email to the DPI consultant stating that you understand how to determine an application.

Verification

Commendations/Comments/Technical Assistance/Compliance Reminders

- When applications are chosen for verification, the person designated as the Confirming Official must review the application(s) to ensure the initial determination is correct prior to contacting the family. There is a place for the Confirming Official to sign and date on the back of the application.

- The LEA has a regulatory obligation to verify “for cause” all approved applications that may be questionable. For more information, refer to the current Eligibility Manual.
- When a benefit eligibility status increases, the change must take place within 3 days. When a benefit eligibility decreases, the change cannot take place before 10 calendar days and a notice of adverse action is sent in writing with appeal rights procedures.

Findings and Corrective Action Needed: Verification

There were no errors in the Verification process, and the report was submitted on time.

Meal Counting and Claiming

Commendations/Comments/Technical Assistance/Compliance Reminders

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

2. MEAL PATTERN AND NUTRITIONAL QUALITY

Commendations

Thank you to all staff at St. Joseph Catholic School for the warm welcome and cooperation during this Administrative Review (AR). The Food Service Director (FSD) has been a pleasure to work with, always helpful and receptive to suggestions. The FSD is doing a nice job offering a variety of fruit and vegetables, both fresh, frozen, and canned to students daily. The staff interacted well with students.

Comments/Technical Assistance/Compliance Reminders

Training Opportunities

Anyone involved with the USDA School Meal Programs is encouraged to attend Wisconsin Department of Public Instruction (DPI) training classes. These are offered in the summer and select other times throughout the year. The classes provide an overview of all areas of the National School Lunch Program (NSLP) and School Breakfast Program (SBP) requirements including verification, free/reduced meal applications, meal pattern, and record keeping requirements. Travel/meal expenses are allowable food service expenses. Information on upcoming trainings can be found on DPI’s [Training](https://dpi.wi.gov/school-nutrition/training#up) webpage, under Upcoming Trainings (https://dpi.wi.gov/school-nutrition/training#up).

Regular trainings are also offered on the School Nutrition Team webpage on the DPI website as [webcasts](#), webinars, and on-site trainings (<https://dpi.wi.gov/school-nutrition/training/webcasts>).

The 2019 School Nutrition Skills Development Courses (SNSDC) dates and locations have been released:

- Appleton (Fox Valley Technical College): July 16-18, 2019
- Milwaukee (Alverno College): July 23-25, 2019
- Rice Lake (Wisconsin Indianhead Technical College): July 30-August 1, 2019
- Middleton (Kromrey Middle School): August 6-8, 2019
- Wausau (Northcentral Technical College): August 13-15, 2019

Registration and class schedules will be posted to the website in early May. Please visit the training webpage for more information.

Members of the School Nutrition Team (SNT) are also available for technical assistance any time throughout the year. A complete list of [DPI SNT staff](#) can be found on our website (<https://dpi.wi.gov/school-nutrition/directory>)

Offer versus Serve

School staff were somewhat unclear about the Offer versus Serve (OVS) requirements for breakfast and lunch. Although all students observed at breakfast and lunch took a reimbursable meal, it is important for any individual assisting with meal service to fully understand the OVS requirements. The [Offer Versus Serve Guidance manual](#) and the [Offer Versus Serve Webcast](#) can be used as training resources (<https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/offer-versus-serve-guidance-manual.pdf>, <https://dpi.wi.gov/school-nutrition/training/webcasts>).

Offer versus Serve (OVS) is not required for grade K-8 students, although it is encouraged in order to reduce food waste and develop skills in making healthy meal choices. Without OVS in place, grade K-8 students must be served $\frac{3}{4}$ cup vegetable and $\frac{1}{2}$ cup fruit to create a reimbursable meal. If OVS is implemented, then students can choose three of the five components offered, including $\frac{1}{2}$ cup fruit, vegetable, or combination to create a reimbursable meal.

Standardized Recipes

Recipes should be updated to reflect current practices and products. Standardized recipes exist, but many are not accurately reflecting what is happening in the kitchen. For more information on what essential information must be on a standardized recipe, review the [Standardized Recipe Checklist](#) (<https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/standardized-recipe-checklist.pdf>). Recipe standardization ensures that each meal is consistently planned to meet the daily and weekly requirements. Continue to work towards recipe standardization and use all resources available to you. Visit our [Standardized Recipes](#) webpage for additional tools and resources or [contact a Public Health Nutritionist](#) for assistance (<https://dpi.wi.gov/school-nutrition/national-school-lunch-program/menu-planning/recipes>; <https://dpi.wi.gov/school-nutrition/directory>).

Dietary Specifications

Meal pattern requirements ([lunch](#) meal pattern can be found here) are developed from evidence-based science and are revised every five years to keep up with new scientific developments in the field of nutrition. The Dietary Guidelines for Americans, on which the nutrition recommendations for the lunch and breakfast meal patterns are based, help guide federal nutrition policy, including policy affecting the school meals programs.

The updated meal pattern mandated by the Healthy, Hunger-Free Kids Act (HHFKA) of 2010 outlined a sodium restriction using three targets to allow for a gradual implementation. The first target was implemented July 1, 2014. Products that can be major contributors of sodium include condiments, regular canned vegetables, deli meats, dairy products, olives, and processed food items. The use of these products should be closely monitored and limited to meet sodium requirements in this school year and upcoming school years. The placement of the salt shaker on the end of the serving line is highly discouraged. Many school have introduced flavor stations for students to add salt free flavor to foods.

The intent of the National School Lunch Program is to serve students nutritiously balanced meals and teach them healthy habits to last a lifetime. Offering larger than necessary portions to 5th-8th grade students does not aid in teaching students good nutrition or eating habits. Offering 5th-8th grade students larger portion sizes could potentially drives up food costs and most likely does not fit into the dietary specifications. WI DPI encourages schools to “keep in mind the best interests of the students and provide our school children with the most healthful and nutritious meals possible.”

Whole Grain Rich Requirement

All grains offered and credited in school meal programs are required to be whole grain-rich. Foods that meet the whole grain-rich criteria for the school meal programs must contain at least 50 percent whole grain. The remaining 50 percent or less of grains, if any, must be enriched. Grains that are not whole grain-rich cannot be credited toward the grain component. Replace all enriched grain products with whole grain-rich versions. Furthermore, enriched grain foods cannot count as food items towards the lunch meal pattern.

The terms “wheat” or “made with whole grains” on a product label do not necessarily mean that a product is whole grain-rich. Always check the ingredient list to confirm the first ingredient is a whole grain (and any other grain ingredients in the list are enriched, if not whole), which qualifies the product as whole grain-rich. Alternatively, crediting documentation in the form of a product formulation statement (PFS) may show that the combined weight of multiple whole grain ingredients exceeds the weight of the enriched grain ingredients, making the product whole grain-rich. Note: a recipe that includes 50 percent whole grain and 50 percent enriched grain by weight is considered whole grain-rich. USDA has a very thorough [Whole Grain Resource](https://www.fns.usda.gov/sites/default/files/WholeGrainResource.pdf) that provides tools and tips for identifying whole grain-rich products (<https://www.fns.usda.gov/sites/default/files/WholeGrainResource.pdf>).

Signage

St. Joseph’s School cafeteria has the required breakfast and lunch signage, the food service director is encouraged to add additional signage to the meal service line indicating portion of the vegetables on the lunch line. The vegetables on the line are being credited to meet the weekly vegetable subgroup

requirements, portion sizes of at least 1/8 cup each should be communicated to students with signage. [Signage Template](#) can be found on our [Signage](#) webpage, under the heading Additional Signage Resources near the bottom of the page (<https://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/salad-bar-signage-template.docx>; <https://dpi.wi.gov/school-nutrition/national-school-lunch-program/menu-planning/signage>).

Findings and Corrective Action Needed: Meal Pattern and Nutritional Quality

❑ Finding: Standardized Recipes

Current recipes used on-site are not standardized. [Standardized Recipes](#) are required, please visit the DPI webpage for additional tools and resources (<https://dpi.wi.gov/school-nutrition/national-school-lunch-program/menu-planning/recipes>).

Corrective Action Needed:

Please provide the PHN with the following recipes standardized to your kitchen.

- Chicken Casserole
- Spaghetti with Meat Sauce
- Peanut Butter Sandwich

❑ Finding: Production Records

The production records should reflect actual planned number of servings, which should be forecasted based on historical data. During the week of review, breakfast and lunch production records planned serving size is the same for every item, for all five days of the week. It is unlikely that this is accurate, especially when considering Offer Versus Serve (OVS). The amount left over for all items within one day's meal is also exactly the same, which indicates that OVS is not being properly implemented, or the information is inaccurate.

Corrective Action Needed:

Send one week of completed production records, with accurate, planned, served, and leftover amounts daily. Choose a week that occurs after the completion of this Administrative Review (AR), but before the corrective action due date.

❑ Finding: Offer versus Serve

Although no non-reimbursable meals were observed during the days of onsite review, many students were made to take more than what they needed at both breakfast and lunch. The breakfast and lunch Offer versus Serve (OVS) requirements are not fully understood by all staff at the point of service.

Corrective Action Needed:

Have staff responsible for determining reimbursable meals attend a training on OVS. The [lunch](#) meal pattern and [OVS](#) webcasts may be used, or another training of your choosing (<http://dpi.wi.gov/school-nutrition/training/webcasts#lunch>; <http://dpi.wi.gov/school-nutrition/training/webcasts#ovs>). Please submit details regarding when and where the training was held, who attended, and how the training was conducted.

❑ Finding: Whole Grain Rich

Every grain served and credited as part of a reimbursable meal needs to be whole grain-rich, meaning 50% or more of the product needs to be whole grain. The following products served during the week of review were not whole grain-rich.

- Hamburger Buns
- Hot Dog Buns
- Sliced Breads
- Waffles
- Bagels
- French Toast
- Donuts

Corrective Action Needed:

Please submit a detailed statement indicating the FSD understanding of whole grain rich products. Please also submit the product labels and any documentation for the following:

- Sliced bread
- Bagels
- Hamburger Buns

SMART SNACKS

Comments/Technical Assistance/Compliance Reminders

At the time of the on-site review there were no competitive foods or beverages sold at St. Joseph's School. If any food or beverage sales occur in the future, the items must either be in compliance with the Smart Snacks general and nutritional guidelines, or must qualify as an exempt fundraiser. A staff member at each school should be responsible for documenting compliance of exempt fundraisers and any other competitive food sales. You can find fundraiser tracking tools on our [Smart Snacks](#) webpage (<https://dpi.wi.gov/school-nutrition/national-school-lunch-program/smart-snacks>).

The Smart Snacks Final Rule, published in the Federal Register on July 29, 2016, finalized science-based nutrition guidelines for competitive foods sold on the school campus during the school day. Foods and beverages sold in schools must meet both the general standards and nutrient standards unless the sales qualify for an exemption. You can find more information on our [Smart Snacks](#) webpage (<https://dpi.wi.gov/school-nutrition/national-school-lunch-program/smart-snacks>). We recommend using the [Alliance for a Healthier Generation Smart Snacks Product Calculator](#) to assess product compliance (<https://foodplanner.healthiergeneration.org/calculator/>). Simply answer a series of questions to see if the general and nutrition standards are met, then save and print the results for your records.

BUY AMERICAN

Comments/Technical Assistance/Compliance Reminders

The Buy American provision requires school food authorities (SFAs) to purchase, to the maximum extent practicable, domestic commodity or product. A “Domestic Commodity or Product” is defined as an agricultural commodity or product that is produced or processed in the United States using substantial agricultural commodities that are produced in the United States (products from Guam, American Samoa, Virgin Islands, Puerto Rico, and the Northern Mariana Islands are allowable under this provision as territories of the United States). “Substantial” means that over 51 percent of the final processed product consists of agricultural commodities that were grown domestically. The Buy American provision (7 CFR Part 210.21(d)) is one of the procurement standards SFAs must comply with when purchasing commercial food products served in the school meals programs.

The following information must be recorded on a Buy American Non-Compliant Product List of your choosing:

Note: In reference to the competitive procurement process, this form may be valid up to the full duration of the contract. DPI allows for a max-term of 5 years with all contracts.

1. Date
2. Name of product
3. Country of origin
4. Reason
 - a. **Cost analysis** – SFA determined the cost of the domestic product, when compared to the non-domestic product, was above the predetermined allowable cost difference established by the SFA. *Ex. If domestic product costs 20% more than non-domestic product, and no domestic option/alternative is available, then the SFA will purchase non-domestic product.*
 - b. **Seasonality**- Product(s) is/are not available domestically during certain times of the year (*SFA is required to record or list the months that the domestic product is not available*). *Ex. Blueberries are not available domestically during the months of December – June.*
 - c. **Availability** – Product(s) is/are not available to purchase domestically, *ex. pineapples, bananas, mandarin oranges, and black Pepper/other spices.*
 - d. **Substitution** - In the event a domestic product is unavailable due to a distributors’ inability to provide, a substitution of product(s) may occur (*the SFA is required to record the reason the distributor substituted the product*). *Ex. At the time of ordering/shipping domestic products was unavailable/damaged at distributor site and domestic options could not be substituted and as a result non-domestic products was substituted in its place.*
 - e. **Distribution**- the SFA’s contracted distributor is unable to source domestic products and as a result, distributor does not carry the domestic product(s) (the SFA is required to record the reason the distributor carries the non-domestic product). *Ex. Due to supply, chain constraints, recall of domestic product by processor, SFA contracted distributor was unable to source domestic product leaving only non-domestic option available for order fulfillment.*

f. **Other** - Please provide a written explanation. *Ex. The SFA received a donation of non-domestic oranges. Ex. The SFA did not use School's Nonprofit Food Service Account to purchase the non-domestic products.*

You may record additional information if you find it beneficial. A suggested [Buy American - Non Compliant Product List template](#) can be found on the [Buy American webpage](#) (<https://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/buy-american-noncompliant-list.docx>; <https://dpi.wi.gov/school-nutrition/procurement/buy-american>). For more information on Buy American exceptions, visit the [Buy American Provision Memos](#) webpage (<https://dpi.wi.gov/school-nutrition/procurement/buy-american/provision-memos>).

Findings and Corrective Action Needed: Smart Snacks

Finding: Buy American documentation not provided.

Corrective Action Needed:

Please submit a statement indicating understanding of the Buy American Provision and describe in detail how documentation will be tracked, kept, and organized going forward.

3. RESOURCE MANAGEMENT

Nonprofit School Food Service Account

Commendations/Comments/Technical Assistance/Compliance Reminders

Annual Financial Report (AFR):

- All revenues including reimbursements and student payments, and expenses including food, labor, equipment, purchased services, and other need to be entered into the program to which they belong, and this will aid the school in calculating its “yearly” reference period for nonprogram food compliance which is highly recommended. The new [16-17 Annual Financial Report instructions](#) are located on our website (<https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/annual-financial-report-instructions.pdf>).
- When a student deposits funds in their lunch account which will be used for meal purchases, the amount received is not treated as revenue until the meal has actually been served to the student. The amount of funds on hand in student accounts is treated as a deposit or liability account in either the foodservice fund (Fund 50) or the general fund (Fund 10) until the meal is served at which point the deposit account is converted to revenue. This amount should not be recorded as revenue, or part of the fund balance on your Annual Financial Report.
- The ending balance on June 30 from the previous year needs to be the beginning balance on July 1 for the current year.
- The ending balance, on June 30, can never be a negative balance. A transfer must be made from the non-federal funds to bring the ending balance to \$0.00.
- The school food service fund may not have an ending fund balance in excess of 3 month operating expenses, as this is considered “Excess Cash Balance”.
- These categories of the AFR that should be addressed when tracking revenues and expenditures include:

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

Allowable Costs

- The nonprofit school food service account is to be used for the operation of the school meal program including food, supplies, equipment and personnel.
- The nonprofit school food service account may not be used to purchase land and/or buildings unless approved by FNS.
- Allowable costs are defined in 2 CFR 200 Subpart E and should be necessary, reasonable and allocable. More information on allowable costs can be found within the [Indirect Costs guidance](http://dpi.wi.gov/school-nutrition/national-school-lunch-program/financial) (<http://dpi.wi.gov/school-nutrition/national-school-lunch-program/financial>).
- Bad debt is an unallowable expense to the food service program. A transfer must be made from non-federal funds to cover student account write-offs. [SP23-2017 Unpaid Meal Charges guidance Q & A](#) may be found our Financial Management webpage (<https://dpi.wi.gov/school-nutrition/national-school-lunch-program/financial>).

Unpaid Meal Charge Policy

- USDA Policy Memorandum SP 46-2016 requires all SFAs operating federal school meal programs, by July 1, 2017, to have a written and clearly communicated policy that addresses unpaid meal charges. For a snap-shot on what the policy must include, see the [Unpaid Meal Charges In a “Nutshell”](http://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/unpaid-meal-charges-nutshell.pdf) (<http://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/unpaid-meal-charges-nutshell.pdf>). For a more comprehensive overview, see SP 23-2017: [Unpaid Meal Charges Guidance](https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/sp-23-2017.pdf): <https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/sp-23-2017.pdf>
 - Best Practices
 - Local meal charge policy checklist
 - Sample outstanding balance letter
 - Sample robo-call script
- Funds in student meal accounts are considered a liability until a meal is purchased. When the funds are left “unclaimed”, they cannot be used to offset another student’s negative account, unless *paid* households have *chosen to donate* those funds to the school food service account. All funds left in any student meal account which cannot be contacted must be turned over to the Wisconsin Department of Revenue (DOR) as unclaimed property. The [DOR has rules concerning unclaimed property](https://www.revenue.wi.gov/DOR%20Publications/pb82.pdf) that must be followed (<https://www.revenue.wi.gov/DOR%20Publications/pb82.pdf>).

Paid Lunch Equity

Commendations/Comments/Technical Assistance/Compliance Reminders

Findings and Corrective Action Needed: Paid Lunch Equity

The Paid Lunch Equity tool was exempt for the 18-19 school year due to a positive balance in the Fund 50 Food Service.

Revenue from Nonprogram Foods

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

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

- SFAs that sell only nonprogram milk and adult meals as nonprogram foods are [exempt](#) from completing the USDA Nonprogram Food Revenue tool (<http://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/exceptions-nonprogram-revenue.pdf>).

Adult Meals

- Adult meals are considered non-program foods. Food service programs must price adult meals above the overall cost of the meals. Since adult meal costs can be difficult to calculate, SFAs must, 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 reimbursement are not being used to subsidize adult meals. The current reimbursement rates should be used to determine prices.

Resources

- [Nonprogram Foods Revenue Rule SP-20-2016](#) (<http://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/sp-20-2016.pdf>)
- [Nonprogram Foods In a "Nutshell"](#) (<http://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/nonprogram-foods-in-a-nutshell.pdf>)

Commendations/Comments/Technical Assistance/Compliance Reminders

Findings and Corrective Action Needed: Revenue From Nonprogram Foods

The Non Program Food Tool does not need to be done due to only adult meals and extra milks are being served, no ala-carte.

Indirect Costs

- DPI does not allow the annual assigned indirect cost rate to be applied to Fund 50 (Foodservice account within WUFAR). 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.

Commendations/Comments/Technical Assistance/Compliance Reminders

There are no indirect costs here.

4. GENERAL PROGRAM COMPLIANCE

Civil Rights

Commendations/Comments/Technical Assistance/Compliance Reminders

Findings and Corrective Action Needed: Civil Rights

Civil Rights training is being done on an annual basis here at St. Joseph. Documentation is on site and kept for the required 3 yrs plus the current year.

Findings and Corrective Action Needed: It was noted that St. Joseph was not serving lunches on days of Funerals. For the Funerals, the meal is catered in to the building. Students were told to bring a cold lunch. For the NSLP program, meals are to be offered each day the school is in session, for all students, Free, Reduced and Paid. It is strongly recommended to follow this practice as it is stipulated in the signed contract the school has with DPI for the NSLP Program.

Local Wellness Policy

Commendations/Comments/Technical Assistance/Compliance Reminders

Content of the Wellness Policy

The final *Local School Wellness Policy Implementation Under the Healthy, Hunger-Free Kids Act of 2010* rule requires the SFA to retain basic records demonstrating compliance with the local school wellness

(LWP) requirements. If no LWP has been developed, the SFA must establish a written policy. For assistance in the creation of a LWP, SFAs are encouraged to utilize the [Wisconsin Wellness: Putting Policy into Practice - School Wellness Policy Toolkit](http://dpi.wi.gov/school-nutrition/wellness-policy/toolkit) (<http://dpi.wi.gov/school-nutrition/wellness-policy/toolkit>). At a minimum the wellness policy must include:

- Nutrition education (Recommended goals related to nutrition education include integrating into other core subjects or offering as a stand-alone course for all grade levels.)
- Nutrition promotion (At a minimum SFAs must review smarter lunchroom tools and strategies. Additional promotional activities include contests, surveys, food demonstrations, taste testing, and farm to school programming.)
- Physical activity (Recommended that SFAs offer time for students to meet the 60 minute goal, this could include recess, classroom physical activity breaks, and opportunities for physical activity before and after school.)
- Guidelines for all foods and beverages sold on the school campus during the school day (The LWP must contain guidelines for Federal school meal requirements and competitive food standards [Smart Snacks]).
- Guidelines for all foods and beverages provided on the school campus during the school day (SFAs must develop standards for foods provided to students, this includes classroom parties, schools celebrations, food offered as rewards/incentives.)
- Guidelines for food and beverage marketing (At a minimum, SFAs must restrict marketing to food and beverages that meet competitive food standards on the school campus during the school day.)
- Public involvement and committee leadership (SFAs must invite and allow for a diverse group of stakeholders to participate in the development, implantation, review, and updating of the LWP. SFAs must also identify the official responsible for oversight of the LWP to ensure school compliance.)
- Implementation, assessment and update of policy (At a minimum, SFAs must notify the public about the content, implementation of, and updates to the LWP. SFAs must complete a triennial assessment to evaluate compliance with the LWP, how the LWP compares to model wellness policies, and progress made in attaining the goals of the LWP).

Please refer to the USDA [summary of the requirements](http://www.fns.usda.gov/sites/default/files/tn/LWPsummary_finalrule.pdf) for local school wellness policies (http://www.fns.usda.gov/sites/default/files/tn/LWPsummary_finalrule.pdf). Wisconsin Team Nutrition has several [wellness policy resources](http://dpi.wi.gov/school-nutrition/wellness-policy) available, including a toolkit, a wellness policy builder, and wellness policy report card (<http://dpi.wi.gov/school-nutrition/wellness-policy>).

St. Joseph has drafted a nice Wellness Policy.

Findings and Corrective Action Needed: Local Wellness Policy

□ Finding: The current Wellness Policy for St. Joseph Elementary School is complete, however it is missing some key elements. Below is a list of items needing to be added to the current policy.

- ~Need to list who is in charge of this policy (leadership), principal, administrator, etc.
- ~The policy needs to have language related to Public involvement. See the checklist.
- ~It also needs to have language stating that it has stakeholders that include parents, community members, students, staff, etc., the checklist has this language.
- ~It needs to say the words Smart Snacks in the Nutrition part of the policy.
- ~Also needs to state that the committee will meet annually to discuss the goals of policy.
- ~Finally it will need to state that it will inform families via website, newsletter, etc.

Corrective Action Needed: Update the policy with required information per the [Wellness Policy Checklist](#), and submit a copy to the DPI consultant (<https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/local-wellness-policy-checklist.pdf>). Keep the attendance roster from the meetings and also meeting minutes on file for the next Food Service Audit.

Professional Standards

Commendations/Comments/Technical Assistance/Compliance Reminders

- Annual training must be job-specific and intended to help employees perform their duties well. The required annual training hours vary according to the employee's role in the management and operation of the school nutrition program.
- Trainings can be provided in a variety of formats (online, in person, webinars) and through various providers (DPI, USDA, in-house, etc.).
- SFAs should clearly document all required training information and maintain that file including the name of staff person, date hired, title/position, brief list of core duties/responsibilities, status (full, part-time, volunteer, etc.), professional standards position (director, manager or staff). Learning codes are not required, but encouraged. A template tracking tool is posted to our [Professional Standards](#) webpage (<http://dpi.wi.gov/school-nutrition/training/professional-standards>).
- **Annual Training Requirements for All Staff**
Directors: 12 hours
Managers: 10 hours
Other Staff (20 hours or more per week): 6 hours
Part Time Staff (under 20 hours per week): 4 hours
If hired January 1 or later, only half of the training hours are required during the first school year of employment.

Findings and Corrective Action Needed: Professional Standards

Finding: SFA director has training, but has not documented it on a tracker. It was discussed that all training needs to be documented and kept on file. Also, we discussed the hours of training that are required. SFA just renewed her Food Safety Serv Safe Certificate in 2019.

Corrective Action Needed: A DPI [Professional Tracker](#) was emailed to the SFA for documentation of her training (<https://dpi.wi.gov/sites/default/files/imce/school-nutrition/xls/dpi-professional-standards-tracking-tool.xlsx>). It was advised to use this document for further training going forward. It will be asked for at the next Administrative Review. Please send a copy of this tracker to the DPI consultant after it has been filled in.

Water

Commendations/Comments/Technical Assistance/Compliance Reminders

Water is required to be available at no charge to students during the lunch and breakfast meal services. Schools can provide free water in a variety of ways, such as water pitchers and cups on lunch tables, a water fountain, or a faucet that allows students to fill their own bottles or cups.

Findings and Corrective Action Needed: Water

Water is readily available to students at no charge in the cafeteria

Food Safety

Commendations/Comments/Technical Assistance/Compliance Reminders

The Food Service Director is Serv-Safe Certified, and is continually doing training through our DPI Summer classes and also webcasts. It is always encouraged to take face to face classes when possible so you can network with other schools. Webcasts are also available on our Training page on the DPI website. Be sure to document all trainings for the required 12 hours needed per year for the director position.

[A Flash of Food Safety](http://www.fns.usda.gov/ofs/food-safety-flashes) is a video series designed to help school nutrition professionals understand and apply safe food practices (www.fns.usda.gov/ofs/food-safety-flashes). While you're at it, visit the [Office of Food Safety](http://www.fns.usda.gov/ofs/food-safety) website (www.fns.usda.gov/ofs/food-safety) and explore all of the great food safety resources available to USDA's nutrition assistance program operators. Let's grow food safety

Findings and Corrective Action Needed: It was observed that the staff helping serve the lunch meal were leaning over the food to serve it, but not wearing hairnets. Many of them had long hair that was almost touching the food. It is best practice for food safety to wear a hair restraint when serving food.. This can be either a hairnet, a baseball cap or any kind of hat that would hold hair back.

Reporting and Recordkeeping

Commendations/Comments/Technical Assistance/Compliance Reminders

- Thank you for completing the required USDA and DPI reports and maintaining the paperwork in an organized manner.
- There are additional record retention rules for CEP. "LEAs/schools must retain records used in the development of the ISP (e.g., records for the initial approval year and all records from the year any updates are made to the ISP) during the entire period CEP is in effect. In addition documentation must be retained for five years after the submission of the final claim for reimbursement for the last fiscal year of CEP." Documents would also need to be maintained longer if there were an open audit issue needing to be resolved.
- 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.

Findings and Corrective Action Needed: Reporting and Recordkeeping

All records are being kept for the required 3 yrs plus the current year.

Summer Food Service Program (SFSP) and School Breakfast Program (SBP) Outreach

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

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

For more information on Summer Feeding option contact:

Amy J. Kolano, RD, CD
Summer Food Service Program Coordinator
Phone: 608.266.7124
e-mail: amy.kolano@dpi.wi.gov

Commendations/Comments/Technical Assistance/Compliance Reminders

Findings and Corrective Action Needed: SFSP and SBP Outreach

Summer feeding is not being done at St. Joseph school, however they are informing families where meals can be found in the area through the end of year newsletter.

“The Wisconsin Department of Public Instruction has a vision that every student will graduate prepared for college and career. Goals are for students to have the knowledge, skills, and habits that will allow them to succeed in life after high school. Access to quality nutrition plays a major role in developing those life-long habits.

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

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

