

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

School Food Authority: Pacelli Catholic Schools

Agency Code: 49-7241

School(s) Reviewed: St. Stephen's School

Review Date(s): April 2-4, 2019

Date of Exit Conference: 4/4/19

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. Courses cover many areas of the school nutrition programs including administrative responsibilities, program basics, meal pattern requirements and menu planning, financial management, meal benefit determination process, 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](http://dpi.wi.gov/school-nutrition/training) webpage (dpi.wi.gov/school-nutrition/training).

The 2019 School Nutrition Skills Development Courses (SNSDC) dates and locations are:

- 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](https://dpi.wi.gov/school-nutrition/training#up) webpage for more information (https://dpi.wi.gov/school-nutrition/training#up).

- SFA staff are encouraged to pursue GOALS Certification. GOALS stands for Goal Oriented Achievement Learning Skills. This is a certificate endorsed by the DPI and is obtained by completing training in nutrition, program administration and operations, or communications and marketing. For more information go to the Wisconsin DPI [School Nutrition Training](http://dpi.wi.gov/school-nutrition/training/goal-oriented-achievement-learning-skills) webpage (dpi.wi.gov/school-nutrition/training/goal-oriented-achievement-learning-skills).

Appreciation/Commendations/Noteworthy Initiatives:

Thank you to the Food Service Director, Manager, Principal, Accountant, and food service staff for the courtesies extended to us during the on-site review. Thank you for being available to answer questions and provide additional information. Everyone was very friendly, helpful, and receptive to recommendations and guidance. In addition, thank you for taking the time to respond to the off-site questions in SNACS as well as pulling records for the on-site portion of the review. The DPI review team appreciates the eagerness of the staff for their willingness to make changes to meet School Nutrition Program regulations.

REVIEW AREAS

1. MEAL ACCESS AND REIMBURSEMENT

Certification and Benefit Issuance

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

The total number of eligibility determinations reviewed was 80. Of those determinations, there were 2 errors.

Transferring Students

- When a child transfers in to the school midyear, the Determining Official (DO) can request documentation to support the child's benefit status from the former school or the household can provide it.
- Appropriate documentation would be a copy of the approved application or a copy of the Direct Certification output match file which shows the DC code he/she matched to.
- If you receive a copy of the approved application determined at the prior school, the Determining Official must re-determine the application, sign, and date it. A notification of eligibility letter must go out to the household notifying the benefit and start date of eligibility.
- The start date of eligibility is the date the DO re-determined the application.

Disclosure and Sharing Free/Reduced Eligibility Information

- The information provided by the family 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, registration fee waiver, school fees, etc. Consent must be obtained each school year. Find the [Sharing Information with Other Programs](#) template on the Free and Reduced Meal Applications and Eligibility webpage (<https://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/sharing-info-other-programs.doc>).
- For anyone, including school staff, secretaries, and administration, that have access to or are receiving eligibility information to approve students for non-food service program benefits after parental consent is received, the *Disclosure Agreement* form should be signed and on file at the district. A template [Disclosure of Free and Reduced Price Information](#) form is located on the SNT website (<http://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/disclosure-agreement.docx>).
- The household can "self-disclose" by bringing in a copy of their free/reduced approval notice or direct certification approval letter to the designated official operating the outside program. This option removes food service from these types of requests and is preferred. DPI recommends limiting the

number of staff members responsible for collecting this data (e.g., one school secretary who has been trained on confidentiality, rather than each athletic coach).

Findings and Corrective Action Needed: Certification and Benefit Issuance

- Finding #1:** One student was receiving reduced-price meal benefits with no documentation on file to support the status.

Corrective Action Needed: Notify the household, whose benefits will be decreased from reduced to paid, giving them 10 calendar days from the date of notification (date on the letter) before the reduction takes effect. Be sure to change the students' eligibility in the system, 10 calendar days from the date the notification letter was sent out. **No further action required.**

- Finding #2:** One student was receiving free meal with no documentation on file to support the status.

Corrective Action Needed: Notify the household, whose benefits will be decreased from free to paid, giving them 10 calendar days from the date of notification (date on the letter) before the reduction takes effect. Be sure to change the students' eligibility in the system, 10 calendar days from the date the notification letter was sent out. **No further action required.**

Verification

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

- Verification was completed prior to the November 15 deadline.
- The household chosen for Verification did not want to submit income documentation, which changed the student(s) to paid status. The "We Have Checked" letter was not mailed out.

Findings and Corrective Action Needed: Verification

- Finding #1:** The "We Have Checked" Verification letter was not mailed out to the household once Verification was completed.

Corrective Action Required: Be sure to send this letter to households selected for Verification, once the Verification process is complete, so the household has the change in benefits in writing. **Submit a statement of how you will ensure this letter will be mailed out next year to all households chosen for Verification.**

Meal Counting and Claiming

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

- No errors were found on the monthly claim for reimbursement of the NSLP.

Visiting Students

- School age students visiting for lunch, may take a reimbursable meal, be charged the student lunch price, and be claimed in the paid category. Keep documentation to support they took a reimbursable meal.

- If you prefer to charge the visiting student for the meal and not claim them, they do not have to take a reimbursable meal, but must be charged the adult meal price or at least charged enough to cover all costs for their items.

2. MEAL PATTERN AND NUTRITIONAL QUALITY

Commendations and Appreciations

Thank you to the Pacelli Catholic Schools school food service staff, especially the staff at St. Stephen's Elementary School. We thoroughly appreciate your time and efforts not only in preparing for this review, but also in all that you do to ensure the students have enjoyable meals every day. The food service staff and the administrative staff were very welcoming and helpful while we were on-site.

Thank you, also, to the Food Service Director for sending documentation and promptly answering questions both prior to the on-site review and during the on-site review. We very much appreciate all that you do for the students of St. Stephen's Elementary School!

Comments, Technical Assistance, and Compliance Reminders

Training:

Anyone involved with the United States Department of Agriculture (USDA) School Meal Programs is encouraged to attend 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 and reduced meal applications, meal pattern, and record keeping requirements.

Travel and meal expenses are allowable food service expenses. Information on upcoming trainings can be found on [DPI's Training Page](https://dpi.wi.gov/school-nutrition/training#up) (https://dpi.wi.gov/school-nutrition/training#up). Numerous webcasts are also available, which cover a wide array of topics. These can be found on DPI's [Webcast Page](https://dpi.wi.gov/schoolnutrition/training/webcasts) (https://dpi.wi.gov/schoolnutrition/training/webcasts).

Production Records:

Production records are intended to be useful tools to record information prior to production, during production, and following production. Accurate production records aid the menu planner with forecasting, ordering, future menu planning, and reducing both food waste and food costs.

Be specific on production records. "Muffins" and "Subs" are generic terms. Instead, list out the variety of each item planned and used. For example, "Blueberry muffin" or "Turkey and cheese sub sandwich" are more descriptive and will aid in accurate planning, production, and forecasting.

The production record template currently in use does not meet requirements. While there is no required production record template, there are some examples that may be used on our [Production Records](#) webpage. A copy of the production record requirements ("[Must Haves and Nice to Haves](#)" list) can also be found at that link (https://dpi.wi.gov/school-nutrition/national-school-lunch-program/menu-planning/production-records).

Errors identified on current lunch production records include:

- Missing required information:
 - Serving Site

- Menu type
- Planned/actual quantity prepared in purchase units
- Number of non-reimbursable (adult) meals planned and served

Information that is inaccurately or incompletely recorded:

- Actual number of servings prepared. This items is consistently not recorded on production records.
- The column headed “prepared” is sometimes used to record number of servings prepared while other times it is used to record quantity prepared in purchase units.
- On some substituted items, particularly daily fresh fruit, the serving size is not recorded in accordance to what is served. For example, on Monday, 3/4/19, bagged apple slices are served but no serving information is recorded to indicate how many bags of apple slices are to be served per student; on Wednesday, 3/6/19, Cuties were served but no serving information is recorded to indicate the quantity of Cuties offered to each student.
- Daily alternate entrees are not properly recorded. “Sub sandwich” is recorded, but there is no specificity regarding the type of sub planned and served, such as “Turkey Sub Sandwich” or “Ham Sub Sandwich.”
- Salad bar serving sizes listed on lunch production records are inconsistent with the serving sizes listed on daily salad bar production records.
- Some crediting information is incorrect on production records. Crediting information is not required on production records, though it is encouraged when there is adequate room and the information is accurate. Some examples of incorrect or inconsistent information include:
 - Fruits and vegetables are listed by quantity (such as “1 fruit” or “ $\frac{2}{3}$ vegetable”). Fruits and vegetables are credited by volume, not quantity. While it is evident the information on these production records is meant to relay information about daily requirements (for example, “ $\frac{2}{3}$ vegetable” means “ $\frac{2}{3}$ of the daily minimum serving of vegetable”) this does not accurately reflect the entire picture food service staff may encounter as students have access to the salad bar and therefore may select varying volumes of fruits and vegetables beyond those items planned and served on the main serving line. Consider listing crediting information by volume as it credits towards the NSLP. For additional accuracy, consider including the vegetable subgroups.
 - Popcorn Chicken is listed as “2 m/ma, 1 grain.” This item, as served, credits as 1.5 oz eq m/ma + 0.75 oz eq grain. (Served 3/5/19)

Errors identified on current salad bar production records include:

- Missing required information:
 - Meals planned and meals served by grade group
 - Planned/Actual quantity prepared
- Information that is inaccurately or incompletely recorded:
 - Serving Site. Production records for St. Stephen’s (a grade school) is listed “High School.”
 - Grade grouping. Not recorded.
 - Serving size for both croutons and salad dressing is not recorded.
 - g/meal-pattern).

In-House Yield:

It is important to know how menu items credit towards the NSLP. When foods do not have a corresponding entry in the [USDA Food Buying Guide](#), an in-house yield may be used to determine the quantity of these foods needed to credit towards the NSLP (<https://www.fns.usda.gov/tn/food-buying-guide-for-child-nutrition-programs>). Original documentation showing methods and procedures used to determine yield must be completed and maintained at the food service operation and will be reviewed during the school food authority's next regularly scheduled Administrative Review (AR). An in-house yield study may be warranted if your food service operation consistently gets higher or lower yield from a product than the yield specified in the FBG, or if a specific food item or size is not currently listed in the FBG. Specific and verifiable [procedures](#) (<https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/in-house-yield-study-procedures.pdf>), which must be followed, are available on the [Menu Planning webpage](#) (<https://dpi.wi.gov/school-nutrition/national-school-lunch-program/menu-planning#ihy>)

TA given onsite: 75-117 case count kiwis were served the week of review (3/7/19). Currently, there is no corresponding entry in the Food Buying Guide. An in-house yield is necessary to know how these items credit toward the NSLP. Food service staff reports cutting and measuring the kiwis prior to service on 3/7/19 to ensure that the ½ cup fruit requirement was satisfied. In the future, when the need to conduct an in-house yield arises, please use the provided resources above to conduct a full in-house yield and keep that as part of your crediting documentation,

Dietary Specifications: Full-sodium or full-fat foods Currently, various full-sodium and full-fat foods and condiments are served or used in standardized recipes. A few examples include salad dressings, condiments, and soups. While these foods do not credit towards the meal pattern, they must be included in the dietary specifications (calories, saturated fat, trans fat, and sodium), which may make it difficult to stay within the dietary specification limits if these “extras” are consistently offered on a routine basis. Occasional use of such foods is allowable and can be a nice incentive for participation for menu items with historically low sales, however frequent use of full-sodium and full-fat foods is strongly discouraged and does not align with the intention of Child Nutrition Programs to help students develop healthy eating habits.

Menu planning and Meal Pattern Compliance: Meeting daily and weekly meal pattern requirements. The meal pattern requires a minimum amount of each food component per age/grade group to be offered, regardless of what the student chooses to select. When multiple reimbursable meals are offered, it is important to make sure that each meal service line meets the daily and weekly meal pattern requirements separately because students are only able to select one entrée option.

At St. Stephen's, students typically have access to one main entree or one alternate entree; all students have access to the salad bar, which has a variety of vegetables and at least 1 oz eq meat/meat alternates (m/ma) daily. Students who elect not to visit the optional salad bar would not have met the m/ma weekly minimum requirement for K-8, 9 oz eq m/ma, for the week of review solely by selecting main line foods, which totaled to 7.75 oz eq m/ma. With the additional 1 oz eq m/ma served daily on the salad bar, all St. Stephen's students had access to the daily and weekly minimum m/ma requirement. However, if the salad bar were discontinued or m/ma no longer offered in the future, adjustments would need to be made to the menu in order to ensure all minimum requirements are satisfied.

Additionally, one entree option, popcorn chicken (served 3/5/19) credited as 0.75 oz eq grain, short of the daily 1.0 oz eq K-8 minimum requirement. This also led to a weekly grain shortage where a total of 7.75 oz eq grains were served; 8.0 oz eq is the weekly K-8 minimum requirement.

While not compulsory, it may be beneficial to use our Menu Planning Worksheets to assist with ensuring that all available entree items meet daily and weekly requirements. These may be found on the [NSLP Menu Planning](https://dpi.wi.gov/school-nutrition/national-school-lunch-program/menu-planning#menuplanningtools) webpage, under the Menu Planning Worksheets heading (dpi.wi.gov/school-nutrition/national-school-lunch-program/menu-planning#menuplanningtools).

School Breakfast Program

Consider participating in the School Breakfast Program (SBP). Participation in SBP will enable St. Stephen's School to help students start their school day with good nutrition and provide reimbursement to you for doing so. More information is available on the [School Breakfast Program](https://dpi.wi.gov/school-nutrition/school-breakfast-program) webpage (https://dpi.wi.gov/school-nutrition/school-breakfast-program). For additional assistance and questions regarding starting a breakfast program, contact DPI's School Breakfast Team: DPISBP@dpi.wi.gov.

Findings and Corrective Action Needed: Meal Pattern and Nutritional Quality

- ❑ **Finding #1: Production Records.** Current lunch and salad bar production records do not include all required information. Please see Technical Assistance for production record resources.

Corrective Action Required: Please submit three full days of completed lunch and salad bar production records, updated to reflect these requirements. See Technical Assistance for further information. Update production records to include the following missing or inaccurate information:

Lunch Production Records:

- Serving Site
- Menu type
- Planned/actual quantity prepared in purchase units
- Number of non-reimbursable (adult) meals planned and served
- Accurate actual number of servings prepared
- Accurate serving size(s)
- Fully detailed menu items
- Accurate crediting information, if using

Salad Bar Production Records:

- Meals planned and meals served by grade group
- Planned/Actual quantity prepared
- Serving site
- Grade grouping(s)
- Accurate serving sizes

- ❑ **Finding #2: Daily and Weekly Grain Shortage at lunch.** The daily minimum requirement for grain was not met for lunch on Tuesday, 3/5/19, as a result of the serving size of Popcorn chicken (10 pieces credits as 1.5 oz eq m/ma + 0.75 oz eq grain, not the 2 oz m/ma + 1 oz eq which is listed on production records). The minimum daily grain requirement for K-8 is 1 oz eq. Going forward, this item must be adjusted or bundled with another grain item so that at least 1.0 oz eq is offered each day to meet the daily minimum grain requirement. Additionally, this menu item contributed to a weekly grain shortage for the week of review: 7.75 oz eq grains were served, the minimum K-8 requirement is 8 oz eq.

Adjusting this entree item to meet daily minimum requirements would also bring the weekly grain requirement into compliance.

Required Corrective Action: Submit a statement explaining how this daily and weekly grain shortage will be fixed for the week of review. Include any necessary serving sizes, nutrition facts labels, ingredients lists, and/or crediting documentation.

[Lunch Meal Pattern Table](https://dpi.wi.gov/sites/default/files/imce/school-nutrition/lunch-meal-pattern-table.pdf), for reference on daily and weekly requirements
(<https://dpi.wi.gov/sites/default/files/imce/school-nutrition/lunch-meal-pattern-table.pdf>)

Repeat findings during subsequent Administrative Reviews will be subject to fiscal action.

3. RESOURCE MANAGEMENT

Nonprofit School Food Service Account

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

Technical assistance was provided on-site regarding breaking out all expenditures to the nonprofit school food service account, specifically nonprogram foods.

Annual Financial Report (AFR)

- All revenues (reimbursements and student payments) and expenses (including food, labor, equipment, purchased services, and the other category) need to be separated into each program; this will aid the school in calculating its “yearly” reference period for nonprogram food compliance which is highly recommended. The [Annual Financial Report instructions](https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/annual-financial-report-instructions.pdf) are located on the DPI website (<https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/annual-financial-report-instructions.pdf>).
- Refer to the webcast explaining the [Annual Financial Report](https://media.dpi.wi.gov/school-nutrition/annual-food-service-financial-report/story_html5.html) (https://media.dpi.wi.gov/school-nutrition/annual-food-service-financial-report/story_html5.html).
- Any nonprogram foods such as adult meals, catering, extra entrées, a la carte, or milk sold to students that is not being claimed for reimbursement, must be recorded as a Nonprogram Food revenue on the Annual Financial Report. You also need to calculate the expenditures related to these nonprogram foods so it can be documented on the Annual Financial Report.
- 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” (<https://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/expenditure-categories-for-food-service-annual-financial-report.doc>).
 - “Equipment” should reflect major purchases of equipment. Utensils, pans, smaller equipment such as a cart, etc., should be reported under “Other”.
 - Under “Purchased Services” report any time you pay someone for services provides such as equipment repair and health inspections.
 - Under “nonprogram foods”, report the expenses for any food items served to students that are not claimed as part of the reimbursable meal. Revenues and expenses from adult meals, a la carte, extra milk, extra entrees, and caterings would be included here.
 - When revenues are recorded from the federal reimbursement payments, make sure that you are recording the full reimbursement based on the printed claim form and not what is actually

deposited into your account. As you will note on the claim, there may be money deducted from shipping, handling and processing fees for USDA Foods. The amount deducted from your revenue should be reported as an NSLP food expenditure for private schools and a purchased service for public schools.

Allowable Costs

- Bad debt from unpaid student lunch accounts is an unallowable expense to the food service program, specifically Fund 50.
- Best practice is to collect on unpaid meal charges while the student is still enrolled in the district. Once the student is no longer enrolled and you have exhausted all options to collect the money, you must make a transfer to Fund 50 to cover the student's debt.
- Another best practice to control negative meal accounts is to have a good Unpaid Meal Charge Policy in place, clearly communicating the policy with households multiple times each year, and for it to be enforced by Administration.
- 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 on our Financial Management webpage (<https://dpi.wi.gov/school-nutrition/national-school-lunch-program/financial>).

Unpaid Meal Charge Policy

- The SFA has a policy in place but it is not being enforced. The following is technical assistance regarding the policy and alternate meals.

The following is technical assistance that was provided on-site:

- It is advised that the policy include more detailed information regarding when households will be notified of negative account balances, how often and the mode of how they will be notified. If you choose to serve alternate meals to students that have reached a certain negative account balance that should be included in the policy as well.
- Notify the households of the policy at the beginning of the school year and multiple times throughout the year so they are aware.
- Students that are free eligible may not be denied a meal even if they have a negative account balance. If a Reduced eligible or Paid student brings money in hand to buy a meal that day, and they have a negative account balance, they must be allowed to purchase a meal that day.
- You may decide (highly recommend) to disallow students from purchasing a la carte items if the account is negative, but still allow them to take a reimbursable meal. This would not allow students to take items that do not equal a reimbursable meal. For example, if a student takes a milk and a slice of pizza and they have a negative balance, they can be told that purchase isn't allowable with a negative balance, but if they added a half cup fruit or vegetable to their tray, they could get the reimbursable meal even with a negative account balance.
- You may deny a reduced or paid student a reimbursable meal if they have surpassed the negative amount set in the policy (for example, -\$20.00) and offer them an alternate meal.
- If students are not taking a reimbursable meal, they must be charged the a la carte (nonprogram food) price that covers the cost of those items as you are not getting federal reimbursement for anything but a reimbursable meal. You'll want to make sure whoever is working the point of sale that they know what a reimbursable meal is and to make sure to ask students if they want to take a half cup fruit or vegetable and/or a third component to make a reimbursable meal. The more reimbursable meals you serve, the more money you get in reimbursement for the program.
- If the policy states you will offer an alternate meal to students that surpass the negative amount set forth in the policy, you should state what the alternate meal will be and how the student will be

notified they are receiving the alternate meal. You may also want to include where the student will receive the alternate meal. Some districts call the students to the office to discreetly tell the student they will be receiving the alternate meal that day on the lunch service line, or they will call the students to the office to hand them their alternate meal.

- The alternate meal is meant to encourage students to bring money or have their parent/guardian deposit money into their lunch account. You are still feeding the student by offering the alternate meal, but offering a less desirable meal option for them. You may refer to the [Unpaid Meal Charges “In a Nutshell”](https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/unpaid-meal-charges-nutshell.pdf) to see your options regarding alternate meals. Depending on whether you claim, charge, or giveaway the alternate meals, there are rules for each option. (<https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/unpaid-meal-charges-nutshell.pdf>)
- If you decide to offer alternate meals free of charge and do not claim them, be sure to keep track of the number of alternate meals you serve throughout the year. Keep track of the food cost, labor, and other expenses as well. Make a transfer from Fund 10 or another non-federal fund (could be from donations) to Fund 50 to cover the costs of these alternate meals.
- You may have a stricter policy for the older grades than the younger grades, such as cutting the older students off from getting an alternate meal. This is a district decision.
- USDA Policy Memorandum SP 46-2016 requires all SFAs operating federal school meal programs to have a written and clearly communicated policy that addresses unpaid meal charges. For a snap-shot on what the policy must include, see the [Unpaid Meal Charges In a “Nutshell”](http://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/unpaid-meal-charges-nutshell.pdf) (<http://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/unpaid-meal-charges-nutshell.pdf>). For a more comprehensive overview, see SP 23-2017: [Unpaid Meal Charges Guidance](https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/sp-23-2017.pdf) <https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/sp-23-2017.pdf>
 - Best Practices
 - Local meal charge policy checklist
 - Sample outstanding balance letter
 - Sample robo-call script

Refunds

- 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, or the money is going to another sibling in the district.
- 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>).

Revenue from Nonprogram Foods

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

- Nonprogram foods include: adult meals, extra entrées, extra milk, a la carte, catering, daycare meals and vending machine items.
- Use the [DPI Nonprogram Food Price Calculator Tool](#) to determine what you should increase the a la carte prices to ensure all costs are being covered.
- All costs associated with nonprogram foods, including food, labor, equipment, and purchased services must be covered by revenues received from the sale of those foods. Nonprogram foods may not be supported by reimbursable meals or have a nonprogram foods loss absorbed by the food service

account. Thus nonprogram foods may never run in the negative unless non-federal funds are transferred into the food service fund to cover the deficit.

- Catering events should be billed out to include the raw food cost of each item, labor involved, along with a 5-10% total markup to cover any overhead.
- The USDA Nonprogram Revenue Tool (the formula shown below) must be completed annually, at a minimum, to ensure all costs of Nonprogram foods are being covered. Using the Child Nutrition Report from Online Services, you can retrieve this data and complete this calculation to ensure you are covering all costs of nonprogram foods.

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

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, at a minimum, SFAs must follow the **minimum** pricing guidelines in Food Nutrition Services Instruction 782-5.
- A [Wisconsin Adult Meal Pricing Worksheet](http://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/wisconsin-adult-meal-pricing-guide.doc) has been developed to assist the SFA in pricing adult meals (http://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/wisconsin-adult-meal-pricing-guide.doc).
- The SFA is charging an adequate amount for the adult meals.

Resources

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

Indirect Costs

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

- 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 an indirect cost rate. This may include utilities, rent, printing and mailing services, administrative oversight, etc.
- Allowable Expenditures assessed to the food service fund must be supported with documentation for items such as gas, electricity, waste removal, fuel, water, etc. for the school district. Examples of supporting documentation for costs assessed to food service fund could include:
 - Rent – consultation with knowledgeable resource person on appropriate charges per facility (i.e., local reality broker who has knowledge of current rates for rent of similar facilities).
 - Utility charges - separately metered or current usage study by the local utility company.
 - Labor expenditures - based on actual amount of time worked specifically for the purpose of school food service times the employee's wages and benefits.
 - Printing/publishing – documentation of actual costs or documentation to support how these costs were prorated from the district's total costs, based on volume.
 - Waste disposal services, extermination services, and laundry services - documentation of actual costs or documentation to support how these costs were prorated from the SFA's total.

Findings and Corrective Action Needed: Resource Management

- ❑ **Finding #1:** The Unpaid Meal Charge Policy must be updated to what the district plans to enforce. Clearly communicate this policy with all households, multiple times throughout the school year.

Corrective Action Required: Submit a statement of how you will ensure this policy is clearly communicated with households and enforced in all of the schools.

- ❑ **Finding #2:** Milk break milk is not being entered into the software system or tracked when the student takes a milk. Students enter their pin into the software system at lunch and the teacher records that the student had received a milk for milk break earlier in the day. Although this site is not participating in a milk program, the milk still needs to be accounted for as the students receive it. This is to ensure all milk taken is charged for accordingly and food service is not losing money. The best practice would be to have students enter in their pin as they take the milk.

Corrective Action Required: Submit a statement of what the new process of tracking and charging for milk break milk cartons will be.

- ❑ **Finding #3:** Catering events are not being billed to cover all costs incurred.

Corrective Action Required: Submit a statement of how you will bill all catering events to ensure the cost of food, labor and overhead are covered consistently.

- ❑ **Finding #4:** The Annual Financial Report was completed incorrectly for the 17-18 SY. Technical assistance was provided on site.

Corrective Action Required: Submit a statement of what the process will be moving forward to ensure all revenues and expenditures to the nonprofit school food service account are accounted for correctly and therefore documented correctly on the Annual Financial Report, annually.

- ❑ **Finding #5:** A copy of a catering invoice from the 18-19 SY and a copy of the general ledger (or equivalent) to show the expense and revenue to food service was accounted for, is needed to complete the review.

Corrective Action Required: Submit a copy of a catering invoice from the 18-19 SY along with a copy of the general ledger (or equivalent) that shows the expenditures of the catering, and the revenue that was deposited into the food service account for the catering.

4. GENERAL PROGRAM COMPLIANCE

Civil Rights

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

Civil Rights Training

- All staff involved with the National School Lunch Program must complete the Civil Rights training, annually. This is typically done prior to the start of the school year.

Civil Rights Self-Compliance Form

- The [Civil Rights Self-Evaluation Compliance](#) form is required to be completed by October 31 annually. This was done correctly by the SFA. Nice work!

Special Dietary Needs

- Keep all Special Dietary Needs forms on file.
- If accommodating students with allergies by having a specific table to sit at, it is advised to not label it “peanut free” or “allergen free”. Instead, label it “allergen aware” or “peanut aware” as you may not be able to guarantee the table(s) are free from any allergens at all times of the day. The school is recognized as “peanut free”. Consider referring to the school as “peanut aware” instead.
- The school(s) should have special procedures for special dietary needs.
- All food substitutions made outside of the meal pattern requirements must be supported by a signed medical statement from a licensed medical professional. SFAs may use the [prototype Medical Statement](#) for Special Dietary Needs posted on the DPI website, which is also available in Spanish and Hmong (<http://dpi.wi.gov/school-nutrition/national-school-lunch-program/special-dietary-needs>). Meals served to students with special dietary needs with the signed medical statement do not need to meet meal pattern requirements. Additional information on [special dietary needs](#) can be found on the DPI School Nutrition Team website (<http://dpi.wi.gov/school-nutrition/national-school-lunch-program/special-dietary-needs>). This [flow chart](#) gives guidance on special dietary needs, as well (<https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/sdn-flowchart.pdf>)
- School food service staff may make food substitutions, at their discretion, to accommodate children without a signed medical statement from a licensed medical practitioner. It is highly recommended that the SFA have a completed medical statement on file from a medical authority (which could be the school nurse) to support the request. These accommodations made for students must meet the USDA meal pattern requirements in order for the meals to be reimbursable. It is recommended that the SFA develop a policy for handling these types of accommodations to ensure that requests are equitable for everyone.
- Juice may not be substituted for fluid milk unless juice is specified as a substitution on a medical statement signed by a licensed medical practitioner. Water is available to all students, but an SFA may choose to offer lactose free milk or provide a fluid milk substitute that meets the nutritional requirements set forth by USDA. Nutrition information for a fluid milk substitute the SFA wishes to provide for students, must be approved by the SNT office. For more information on [fluid milk substitutes](#), please see our Special Dietary Needs webpage (<http://dpi.wi.gov/school-nutrition/national-school-lunch-program/special-dietary-needs>).

Findings and Corrective Action Needed: Civil Rights

- ❑ **Finding #1:** Students with a nut allergy were observed sitting at a table by themselves. Other students, without any nuts in their lunches were not permitted to join them. This is a form of discrimination and should be reviewed to determine if it is necessary.

Corrective Action Required: Per guidance from the USDA FNS *Accommodating Children with Disabilities in the School Meals Programs* on page 26, “Prior to developing a special seating arrangement, the school should determine, with input from the child’s parent or guardian and if reasonable, the licensed professional who signed the medical statement, if this type of seating arrangement is truly necessary. If the school does develop a special seating arrangement, other children should be permitted to join children

with food allergies, provided they do not bring any foods potentially dangerous to those children.” **Submit a statement for what the new procedure will be for students sitting at the allergen aware table.**

Local Wellness Policy

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

Pacelli Catholic Schools has a Local Wellness Policy in place that could use an update to include all of the requirements. Technical assistance was provided on-site. Consider using the [Wellness Policy Builder](#) to create a new Local Wellness Policy (<https://docs.google.com/forms/d/e/1FAIpQLSdNbAMtuMKDdn3O2fPHfdGbeNUdSdG70oLyN0CRD8SteFNmyA/viewform?c=0&w=1>).

The local wellness policy requirement was established by the Child Nutrition and Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) Reauthorization Act of 2004 and further strengthened by the Healthy, Hunger-Free Kids Act (HHFKA) of 2010. The final rule requires School Food Authorities (SFAs) to begin developing a revised local school wellness policy during School Year 2016-17 with full compliance of the final rule by June 30, 2017.

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 the SFA complies with the policy.

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](#) (<https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/wisconsin-wellness-putting-policy-into-practice.pdf>).

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).

Resources:

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

Findings and Corrective Action Needed: Local Wellness Policy

- ❑ **Finding #1:** The Local Wellness Policy does not contain all of the required language as listed above.

Corrective Action Required: Update the Local Wellness Policy to include everything listed above which is also listed in the [Local Wellness Policy Checklist](#). **Provide a date of when you plan to have the policy updated and compliant with the final rule.** The [Wellness Policy Builder](#) can assist you in creating the Wellness Policy if you decide to create your own instead of adopting a policy.

Smart Snacks in Schools

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

At time of review, only milk is available to students at St. Stephen’s Elementary School outside of the NSLP, which is Smart Snacks compliant. Students at St. Stephen’s Elementary School do not participate in fundraisers involving competitive foods. If the school district decides to expand competitive food sales in the future, please see our [Smart Snacks](https://dpi.wi.gov/school-nutrition/national-school-lunch-program/smart-snacks) webpage (https://dpi.wi.gov/school-nutrition/national-school-lunch-program/smart-snacks) for more information.

Buy American

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

At the time of onsite review, St. Stephen’s Elementary School utilized a Buy American non-compliant tracking tool updated to reflect products currently in storage labeled as “non-domestic.” This list is updated frequently.

It should be noted that products without country of origin labels should also be tracked or verified through the distributor that they are indeed Buy American compliant. These items often list “packed by,” “distributed by,” or “marketed by,” without specifying country of origin.

More information on the Buy American requirement can be found on the [Buy American webpage](https://dpi.wi.gov/school-nutrition/procurement/buy-american) (<https://dpi.wi.gov/school-nutrition/procurement/buy-american>).

Professional Standards

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

The Food Service Director tracks all continuing education for herself and staff, using the DPI Professional Standards Tracking Tool. Well done!

Professional Standards: New Food Service Director Hiring Requirements

- The [hiring standards for SFA directors](http://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/professional-standards-hiring-chart-by-district-size.pdf) are based on the size of the SFA and includes education, school nutrition experience and food safety training requirements (<http://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/professional-standards-hiring-chart-by-district-size.pdf>).
- 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.

Professional Standards: Training Requirements

- Annual training must be job-specific and intended to help employees perform their duties well. The required annual training hours vary according to the employee's role in the management and operation of the school nutrition program.
- Trainings can be provided in a variety of formats (online, in person, webinars) and through various providers (DPI, USDA, in-house, etc.).
- SFAs should clearly document all required training information and maintain that file including the name of staff person, date hired, title/position, brief list of core duties/responsibilities, status (full, part-time, substitute, volunteer, etc.), professional standards position (director, manager or staff). Learning codes are not required, but encouraged. A [template tracking tool](http://dpi.wi.gov/school-nutrition/training/professional-standards) is posted to our [Professional Standards](http://dpi.wi.gov/school-nutrition/training/professional-standards) webpage (<http://dpi.wi.gov/school-nutrition/training/professional-standards>).
- USDA allows a flexibility to complete the total training

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.

Food Safety and Storage

Technical Assistance

- The procedures detailed in the SOPs included in the site-specific food safety plan should be followed by all food service staff, student workers, volunteers, and any other people involved in the implementation of Child Nutrition Programs at all times.
- Any food that is a TCS food must be kept under refrigeration, on ice, or hot held (depending on the food). If not, it must be discarded after meal service.

Time/Temperature Control for Safety (TCS) Food

Milk and dairy products	Tofu or other soy protein
Shell eggs	Sprouts and seed sprouts
Meat (beef, pork, and lamb)	Sliced melons
Poultry	Cut tomatoes
Fish	Cut leafy greens
Shellfish and crustaceans	Untreated garlic-and-oil mixtures
Baked potatoes	Synthetic ingredients, such as textured soy protein in meat alternatives
Heat-treated plant food, such as cooked rice, beans, and vegetables	

Time as Public Health Control

- When using “Time as a Public Health Control”:
 - The internal temperature must be at or below 41 degrees Fahrenheit (°F) at the beginning of the holding period for cold time/temperature control for safety (TCS) food.
 - TCS food can be held up to 6 hours at an internal temperature between 41°F and 70°F under monitored conditions. Provisions must be made to discard product if the 6 hour time limit is exceeded, the temperature of the cold TCS food rises above 70°F, or the food is removed from service.
 - Hot TCS foods can be held up to 4 hours at an internal temperature greater than 70°F. Provisions must be made to discard product if the 4 hour time limit is exceeded, the temperature of the hot TCS food falls to 70°F, or the food is removed from service.
 - **There can be no leftovers and no reuse of the items covered under this plan.** Thus, if any TCS food is held without mechanical refrigeration during service, including TCS foods on garden bars, all leftover TCS food must be discarded.

Reporting and Recordkeeping

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

- Thank you for completing the required USDA and DPI reports and maintaining the paperwork in an organized manner.
- Be sure to keep all documents pertaining to the School Nutrition Programs for 3 years plus the current school year. You may shred anything from the 14-15 SY and prior.

5. OTHER FEDERAL PROGRAM REVIEWS

Summer Food Service Program (SFSP) Outreach

Pacelli Catholic Schools operates the Summer Food Service Program as an open site.

Special Milk Program (SMP)

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

- The Special Milk Program is operated at St. Bronislava. The monthly claim was consolidated correctly.

“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>).



With School Nutrition Programs!