

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

School Food Authority: Walworth County-Lakeland School

Agency Code: 64-6964

School(s) Reviewed: Walworth County-Lakeland School

Review Date(s): February 19-20, 2018

Date of Exit Conference: February 20, 2018

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

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

General Program Reminders/Updates:

- 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).
- 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 staff at the Walworth County-Lakeland School for the courtesies extended to us during the on-site review and for being available to answer questions and provide additional information. All were very receptive to recommendations and guidance. In addition, thank you for taking the time to respond to the off-site questions and requests, as well as pulling records for the on-site portion of the review.

The DPI review team appreciates the eagerness of the staff for their willingness to make changes to meet school nutrition program regulations. The staff is concerned for the nutritional well-being of their students as evidenced through the attention given food safety, menu, service, local wellness policy and organization (**especially for offering veggies first, to the students, during meal service**).

The DPI review team is confident that Walworth County-Lakeland School will continue to improve their knowledge and operation of child nutrition programs.

REVIEW AREAS

1. MEAL ACCESS AND REIMBURSEMENT

Certification and Benefit Issuance

Comments/Technical Assistance (TA)/Compliance Reminders

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. **It is also recommended that when a child is determined to be "Other Source" categorical-eligible, a letter still be sent home to the families indicating the meal benefit. The DPI approval/denial letter could be modified to suit the circumstances.**
- 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.

Findings and Corrective Action Needed: Certification and Benefit Issuance

No findings.

- Of the 102 students eligible for free or reduced price meals in January, a sample of 77 students was reviewed and zero were found to be determined incorrectly. Nice job!

Verification

Comments/Technical Assistance (TA)/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. Also, error-prone applications are defined as those that are within \$100 of monthly income as well as within \$1200 of annual income, if annual frequency used. For more information, refer to the current Eligibility Manual and DPI webcasts on Free/Reduced/Verification.
- 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.
- DPI has [verification templates](#) on the website for tracking the steps and dates involved with verification.

Findings and Corrective Action Needed: Verification

- ❑ **Finding #1:** Verification was not completed by November 15th. The verification process has specific required timeframes that must be followed by the SFA in order to be in compliance with FNS

regulations. The LEA must complete the verification activities specified in this section no later than November 15 of each school year [7 CFR 245.6a(b)(1)].

Corrective Action Needed: Provide a statement explaining how verification will be done next school year.

Meal Counting and Claiming

Comments/Technical Assistance (TA)/Compliance Reminders

- Meals may only be charged to a student upon 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.
- **With family-style meal service, students need to be offered the full reimbursable meal and encouraged to take all items. Acceptance of a certain *number* of items is not required with family-style meal service. However, a student must, at a minimum, take the ½ cup portion of fruit or vegetable for the meal to be reimbursable. It is recommended that staff have training in what constitutes a reimbursable meal and meal pattern, by grade level.**

Findings and Corrective Action Needed: Meal Counting and Claiming

- Finding #1:** Family-style meal service used. Staff are at the table with students, eat with them and record the reimbursable meal as plates of food are given to each student.
Corrective Action Need: Please train all staff on Offer versus Serve and what constitutes a reimbursable meal. As documentation, please submit the sign-roster when this training is complete.

2. MEAL PATTERN AND NUTRITIONAL QUALITY

Commendations

Thank you to all of the staff at Lakeland - Walworth School for their warm welcome, timeliness, and cooperation during this Administrative Review (AR). Thank you to the school nutrition professionals for providing information prior to coming on-site. The efforts to provide nutritious meals was very much recognized. The staff was positive, open to discussion, and worked well with the students. We enjoyed our time at your school.

Technical Assistance

Training

It is recommended that anyone involved with the School Meals Program attend DPI training classes. The classes are offered in the summer and select other times throughout the year. Travel/meal expenses are allowable food service expenses for your program. The classes provide an overview of all areas of the NSLP and SBP requirements including verification, free/reduced meal applications, meal pattern, and record keeping requirements. 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/school-nutrition/training/webcasts) (https://dpi.wi.gov/school-nutrition/training/webcasts).

Meal Pattern

The [meal pattern](https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/lunch-meal-pattern-table.pdf) (https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/lunch-meal-pattern-table.pdf) requires specific daily and weekly minimum offerings for meat/meat alternate and grains for each age/grade group. All grains offered with reimbursable meals must be whole grain-rich. The meal pattern creates separate components for fruits and vegetables with weekly requirements outlined for the five required vegetable subgroups (dark green, red/orange, beans and peas [legumes], starchy, and other). More information regarding the meal pattern can be found on the [Menu Planning](https://dpi.wi.gov/school-nutrition/national-school-lunch-program/menu-planning) webpage (https://dpi.wi.gov/school-nutrition/national-school-lunch-program/menu-planning).

Please note, P-6 and 7-LSU are not recognized grade groups, and the incorrect grade groupings was observed on the production records. There is no overlap in calorie requirements for students in grades 7-8 and those in grades 9-12. This means grades 7-LSU cannot follow the same meal pattern as grades 9-12. A K-8 and 9-12 meal pattern makes menu planning easier for school nutrition professionals, and Offer Versus Serve is in place to minimize food waste. Consider separating the grade groups as grades K-8 and grades 9-12 to simplify meal service. If grades cannot be separated, consider posting signage instructing students what serving sizes are needed for their grade level, making different size spoodles available when needed.

Findings and Corrective Action Needed: Meal Pattern and Nutritional Quality

Once I have all crediting documentation and updated standardized recipes for the week of review, it can be analyzed to determine if the meal patterns for the National School Lunch Program are being met. Until that time, the review cannot be closed. Please be aware that the possibility to conduct a weighted nutrient analysis exists if substantial errors are found. Additional errors may require additional corrective action and may also be subject to fiscal action.

Production Records

Production records are intended to be useful tools to record information prior to production, during production, and following production. The production record template currently in use is out of date and

uses columns that are not currently applicable (e.g. Time 11-12, Process 1, 2, 3). Furthermore, there is missing information, such as actual portion size (found on the food label under serving size), how the food item credits towards the meal pattern, actual milk usage by type, planned portion size, leftovers. While there is no required production record template, there are some examples that may be used on our [Production Records](http://dpi.wi.gov/school-nutrition/national-school-lunch-program/menu-planning/production-records) webpage (<http://dpi.wi.gov/school-nutrition/national-school-lunch-program/menu-planning/production-records>). A copy of the production record requirements (“Must Haves and Nice to Haves” list) can also be found at that link. Please note the FSD and the State Agency Representative walked through the how’s and why’s of the updated DPI production record on site.

Be specific on production records about the identity, brand, and description of the items served. The production records should reflect actual planned number of servings, which should be forecasted based on historical data. During the week of review, lunch production records list 225 planned servings for every item for all five days of the week. It is unlikely that this is true, especially when considering Offer Versus Serve (OVS).

Discontinue the practice of offering second entree servings free of charge to students. Offering second entree servings complicates production planning, burdens food cost, and increases dietary specifications. When students are not charged an a la carte price for second servings, the calories, saturated fat, and sodium of these portions must be included in the weekly averages. If students are still hungry, second servings may be sold a la carte.

Crediting

Crediting Leafy Green Vegetables Raw, uncooked leafy greens credit for half the volume served in their fresh forms. For example, ½ cup of fresh, baby spinach credits as ¼ cup dark green vegetable. The same crediting principle applies to romaine, iceberg, and other lettuces. If leafy greens are cooked, such as steamed spinach, they credit as the actual volume served. The leafy green blend currently being used is a mix of romaine and iceberg lettuces. The romaine credits toward the dark green vegetable subgroup as half the volume served and the iceberg credits toward the other vegetable subgroup as half the volume served. If you would like to credit the entire creditable amount toward the dark green subgroup, consider using a 100% romaine product.

A handy reference for you [Vegetable sub group list](https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/vegetable-subgroups.pdf) (<https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/vegetable-subgroups.pdf>).

Whole Grain-Rich vs. Enriched Grains

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. When determining if an item is whole grain-rich, the first word in the ingredient list needs to say whole or have a whole grain listed first. All of the current bread products offered are not whole grain rich. While it is commendable to use a local baker, as the FSD you must ensure that the products you serve as a reimbursable meal are whole grain. Please note that if

serving these ingredients alone, they will not meet the whole grain-rich requirement of 50% or more of the product needing to be whole grain.

Standardized Recipes

Use of standardized recipes is another important part of school meal programs. Any menu item that has more than one ingredient (even if it is water) should have a standardized recipe. This is defined as one that has been tried, tested, evaluated, and adapted for use by your food service. It produces a consistent quality and yield every time when the exact procedures, equipment, and ingredients are used. This will be a continuous work in progress as you modify older recipes and update with current ingredients in stock. Standardized recipe are needed for menu planning to ensure that the portions offered are actually what is intended. All standardized recipes must include detailed information about the specific ingredients, equipment, and procedures used to prepare the recipes. A standardized recipe has been tried, tested, evaluated, and adapted for use by your foodservice operation. It produces a consistent quality and yield every time when the exact procedures, equipment, and ingredients are used, which is crucial for crediting school food service recipes. Recipes should be standardized in each production kitchen to reflect the products and practices that are used in that kitchen. This same process must be done to standardize USDA's *What's Cooking?* quantity recipes, especially when substitutions are made.

Continue to use the resources on our website regarding [recipe standardization](https://dpi.wi.gov/school-nutrition/national-school-lunch-program/menu-planning/recipes) (<https://dpi.wi.gov/school-nutrition/national-school-lunch-program/menu-planning/recipes>). These include a checklist for pieces of information needed to standardize a recipe, tools to help analyze the meal component contribution, nutrient analysis tools, and templates to organize all information once obtained. These are found on the [Meal Planning](http://dpi.wi.gov/schoolnutrition/national-school-lunch-program/menu-planning/recipes) webpage (<http://dpi.wi.gov/schoolnutrition/national-school-lunch-program/menu-planning/recipes>). We encourage viewing the

Offer versus Serve

Under OVS, students must select at least $\frac{1}{2}$ cup of fruit, vegetable or a combination as one of their three components. However, in order to meet minimum meal pattern requirements, they must be offered at least $\frac{3}{4}$ cup of vegetable and $\frac{1}{2}$ cup of fruit for grades K-8 and 9th – 12th grades must be offered 1 cup of each daily.

It is important for all staff involved in lunch service to fully understand the OVS requirements. The [Offer Versus Serve Guidance manual](https://dpi.wi.gov/school-nutrition/national-school-lunch-program/menu-planning#ovs) is available on our NSLP requirement website (<https://dpi.wi.gov/school-nutrition/national-school-lunch-program/menu-planning#ovs>). It was observed during lunch service that school staff was implementing offer versus serve at the tables and through conversation with several of the staff, it was stated that they had not received any training. The DPI offers online and in person training. Online please see - [Offer versus serve training](https://dpi.wi.gov/school-nutrition/training/goal-oriented-achievement-learning-skills/training-resources/operations-staff#ovs) (<https://dpi.wi.gov/school-nutrition/training/goal-oriented-achievement-learning-skills/training-resources/operations-staff#ovs>). Summer in person trainings, please see above.

It should be noted that offer versus serve 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. With offer versus serve students can choose three of the five components offered, including ½ cup fruit, vegetable, or combination to create a reimbursable meal.

Family style meal service

According to guidance, when using family style meal service, a sufficient amount of prepared food must be placed on each table to provide the full required portions of each of the food components for all children at the table, and to accommodate supervising adults if they eat with the children. Currently serving bowls are not large enough for the food service worker to ensure that each table has the proper quantity of each item prior to meal service. Current serving bowls are not large enough to hold a 1 cup serving to offer each 9th – 12th grade student plus any adults who may also be eating lunch with the students.

Family style meal service allows children to make choices in selecting foods and the size of initial servings. Children should initially be offered the full required portion of each meal component. Supervising adults should actively encourage (but not force) children to try components and accept full portions during the meal. If a child refuses to take one or more food components, he or she should be offered that food again before the meal is finished.

Findings and Corrective Action Needed:

Finding # 1: Family Style meal service is not being implemented properly. Current serving bowls are not large enough to accommodate a full serving for each child and adult at each table.

Corrective Action Needed: Submit a plan of action to ensure each table has enough food for each child and adult to have a full serving of each item at the beginning of lunch service.

Finding #2: Production records are old, out dated, and missing information. This includes actual portion size, crediting, planned serving size, leftovers, and actual milk usage by type.

Corrective Action Needed: Submit one week of completed production records, including all missing area listed in the finding. *Please refer to the suggested, updated production record template that was located on our website and discussed.*

Finding # 3: Standardized recipes are required for all menu items that have more than one ingredient. There were no Standardized recipes for the following served onsite.

Corrective Action Needed: Please submit a standardized recipes:

- Sloppy Joes
- Baked Chicken Supreme
- Savory Potatoes

□ **Finding # 4:** Documentation provided for the week of review demonstrated a weekly grain shortage due to the required minimum amount of grains, ≥ 8 ounce equivalents (K – 8th) and ≥ 10 ounce equivalents (9th – 12th), not being met.

Corrective Action Needed: Please submit documentation, a PFS from the manufacturer with a current ingredient list stating that the products you are serving are whole grain rich and how it credits. Or what your plan of action will be to ensure you are meeting the whole grain rich requirement of ≥ 8 oz eq (K – 8th) and ≥ 10 oz eq (9th – 12th) going forward. If you change products please send all documentation associated with the new product.

□ **Finding # 5:** There was no “Beans/peas (Legume)” vegetable subgroup offered to K – 8th or 9th -12th grades during the week of review, a minimum of $\frac{1}{2}$ cup “Beans/Peas (Legumes)” vegetable required over the course of the week.

Corrective Action Needed: Please refer to the corrective action under finding # 7.

□ **Finding # 6:** Weekly shortage of red/orange vegetables offered, $\frac{1}{2}$ cup offered on Monday 01.08.18. K-8th grade students need to be offered a minimum of $\frac{3}{4}$ cup weekly and 9th – 12th grade needs to be offered 1 $\frac{1}{4}$ cup weekly.

Corrective Action Needed: Please refer to the corrective action under finding # 7.

□ **Finding # 7:** There was a daily fruit shortage for 9th – 12th grade which also led to a weekly fruit shortage during the week of review:

- Wednesday 01.10.18 - $\frac{3}{4}$ cup of fruit in the fruit custard
- Thursday 01.11.18 – $\frac{3}{4}$ cup (apple) or $\frac{1}{2}$ cup (orange)
- Friday 01.12.18 – $\frac{3}{4}$ cup mixed fruit cocktail.

This resulted in a weekly total of 4 cups and a minimum of 1 cup fruit is required daily/5 cups weekly for 9th – 12th grade.

Corrective Action Needed: Please refer to the corrective action under finding # 8.

□ **Finding # 8:** Salad was the only vegetable served on Wednesday 01.10.18 and was incorrectly credited resulting in a daily shortage.

- K – 8th was offered $\frac{3}{8}$ cup which is less than $\frac{3}{4}$ cup daily minimum.
- 9th – 12th was offer $\frac{1}{2}$ cup which is less than 1 cup daily minimum.

Corrective Action Needed: for Findings #4-8

Please submit a menu planning worksheet for Lunch for each age/grade group listed below for the *week of review (January 8th -12th, 2018)*, showing that all quantities will be met. Condensing the grade groups to K-8 and 9-12 for lunch was discussed on-site. Please fill out menu planning worksheets to reflect this change.

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

- Please fill out a Menu Planning Worksheet for K-8 Lunch *for the week of review* (October 9-13, 2017): [K-8 Lunch Menu Planning Worksheet](https://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/menu-planning-worksheet-lunch-k-8.doc) (<https://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/menu-planning-worksheet-lunch-k-8.doc>)
- Please fill out a Menu Planning Worksheet for 9-12 Lunch *for the week of review* (October 9-13, 2017): [9-12 Lunch Menu Planning Worksheet](https://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/menu-planning-worksheet-lunch-9-12.doc) (<https://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/menu-planning-worksheet-lunch-9-12.doc>)

3. RESOURCE MANAGEMENT

Nonprofit School Food Service Account

Comments/Technical Assistance (TA)/Compliance Reminders

- The consultant addressed financial topics with the Business Manager including, the requirement of breaking expenses down by program and category for the AFR. Also mentioned the [resources for tracking expenses](https://dpi.wi.gov/school-nutrition/national-school-lunch-program/financial) on the DPI website (<https://dpi.wi.gov/school-nutrition/national-school-lunch-program/financial>).

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 new [16-17 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>).
- 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”. While we commend your staff for the fiscal viability of the child nutrition programs, federal regulations limit net cash resources to an amount not to exceed a three month average of operating expenses to remain in compliance with a non-profit status.
- These categories of the AFR that should be addressed when tracking revenues and expenditures include:

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

FSMC

- **Because of the Nonprogram Revenue Rule, expenses must be broken out by actual Labor, Food, Purchased Services, Equipment, or Other, and not all placed into Purchased Services as was previously done for SFAs with FSMC contracts.**
- SFAs must annually be provided information on food costs and revenues from Food Service Management Companies (FSMC). The information must include food cost for reimbursable meals, food cost for non-program food, revenue from nonprogram food, and total revenue to determine SFA compliance with nonprogram food revenue requirements.

Allowable Costs

- The nonprofit school food service account is to be used for the operation of the school meal program including food, supplies, equipment and personnel.
- The nonprofit school food service account may not be used to purchase land and/or buildings unless approved by FNS.
- Allowable costs are defined in 2 CFR 200 Subpart E and should be necessary, reasonable and allocable. More information on allowable costs can be found within the [Indirect Costs guidance](http://dpi.wi.gov/school-nutrition/national-school-lunch-program/financial) (<http://dpi.wi.gov/school-nutrition/national-school-lunch-program/financial>).
- Bad debt is an unallowable expense to the food service program. A transfer must be made from non-federal funds to cover student account write-offs. [SP23-2017 Unpaid Meal Charges guidance Q & A](https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/sp-23-2017.pdf) may be found our [Financial Management](https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/sp-23-2017.pdf) webpage (<https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/sp-23-2017.pdf>; <https://dpi.wi.gov/school-nutrition/national-school-lunch-program/financial>).

Unpaid Meal Charge Policy

- USDA Policy Memorandum SP 46-2016 requires all SFAs operating federal school meal programs to have a written and clearly communicated policy that addresses unpaid meal charges. For a snap-shot on what the policy must include, see the [Unpaid Meal Charges In a “Nutshell”](http://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/unpaid-meal-charges-nutshell.pdf) (<http://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/unpaid-meal-charges-nutshell.pdf>). For a more comprehensive overview, see SP 23-2017: [Unpaid Meal Charges Guidance](https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/sp-23-2017.pdf) <https://dpi.wi.gov/sites/default/files/imce/school-nutrition/pdf/sp-23-2017.pdf>
 - Best Practices
 - Local meal charge policy checklist
 - Sample outstanding balance letter

- Sample robo-call script
- Funds in student meal accounts are considered a liability until a meal is purchased. When the funds are left “unclaimed”, they cannot be used to offset another student’s negative account, unless *paid* households have *chosen to donate* those funds to the school food service account. All funds left in any student meal account which cannot be contacted must be turned over to the Wisconsin Department of Revenue (DOR) as unclaimed property. The DOR has rules concerning [unclaimed property](#) that must be followed (<https://www.revenue.wi.gov/DOR%20Publications/pb82.pdf>).

Findings and Corrective Action Needed: Nonprofit School Food Service Account

- ❑ **Finding #1:** On the 16-17 Annual Financial Report, the expenses were only allocated to Purchased Services under NSLP and Other for the SMP.
Corrective Action Needed: Please submit a statement of understanding that the 17-18 AFR will be submitted with expenses broken out by program and expense category.
- ❑ **Finding #2:** Second entrees are offered to students which are not part of the reimbursable and are considered nonprogram foods. Because of this, these entrée costs may not be absorbed by the non-profit food service account. Either the items need to be charged to the students at nonprogram food prices, or the items need to be tracked and a transfer of funds made from non-federal sources into the food service account for the full cost of items offered.
Corrective Action Needed: Please submit a plan as to how these nonprogram second entrée costs will be covered at Walworth County-Lakeland school for the 17-18 school year.

Paid Lunch Equity (PLE)

Comments/Technical Assistance (TA)/Compliance Reminders

- Thank you for completing the Paid Lunch Equity tool each year and adhering to the pricing requirements.
- Great job running this tool! The SFA’s current weighted average for 2017-18 SY tool is \$2.99.
- The Paid Lunch Equity tool must be completed annually and prices raised accordingly with a maximum annual increase of \$0.10 (of the weighted average price) as required by regulation.
- Refer to the [PLE ‘In a Nutshell’](#) for more information on the PLE tool.
- Refer to the most recent [memo](#) from DPI.
- Refer to the most recent [guidance memo](#) from USDA.
- Step by step instructions to completing the PLE tool can be found on our [financial website](#) under Paid Lunch Equity.

Revenue from Nonprogram Foods

Comments/Technical Assistance (TA)/Compliance Reminders

- 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 costs associated with nonprogram foods, including food, labor, equipment, and purchased services must be covered by revenues received from the sale of those foods. Nonprogram foods may not be supported by reimbursable meals or have a nonprogram foods loss absorbed by the food service

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

- Nonprogram Food costs and revenues must be separated from Program food costs and revenues.
- Since nonprogram foods include Adult Meals and extra milk, these expenses and revenues must be separated from Program foods.
- 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>).

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

- 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 the SFA in pricing adult meals (<http://dpi.wi.gov/sites/default/files/imce/school-nutrition/doc/wisconsin-adult-meal-pricing-guide.doc>).
- Districts need to assess adult meal prices annually prior to contract submission to ensure student reimbursements are not being used to subsidize adult meals. The current reimbursement rates (2017-18 SY) should be used to determine adult prices.
- **With family-style meal service, adult meals of teachers who sit and eat the meal with the students at the table can be a cost absorbed by the nonprofit food service account.**

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>)

Indirect Costs

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

4. GENERAL PROGRAM COMPLIANCE

Civil Rights

Comments/Technical Assistance (TA)/Compliance Reminder

And Justice for All Poster

- **Current “And Justice for All” poster needs to be posted in public view where the program is offered.**

Civil Rights Training

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

Findings and Corrective Action Needed: Civil Rights

- Finding #1:** One food service employee has not completed Civil Rights Training

Corrective Action Needed: Please have employee watch Civil Rights power point and submit scan of her signature on sign-in log.

Local Wellness Policy

Comments/Technical Assistance (TA)/Compliance Reminders

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

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](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).

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:** SFA LWP meets some but not all requirements as stipulated above. Local Wellness Policy must have content to address the marketing of food and beverages on the school campus.
Corrective Action Required: Please submit a timeline for getting the language added to the LWP.

Professional Standards

Comments/Technical Assistance (TA)/Compliance Reminders

- The Professional Standards regulations in 7 CFR 210.30 established hiring standards for new school nutrition program directors, hired on or after July 1, 2015, that manage and operate the National School Lunch and School Breakfast Programs. In addition, the regulations established annual training standards for all school nutrition program directors, managers, and staff which must be tracked.
- Each SFA must designate at least one staff member as a program “director”. A program “director” is the person designated to perform or oversee the majority of the program duties such as sanitation, food safety, nutrition and menu planning, food production, procurement, financial management, record keeping, customer service, nutrition education, and general day-to-day program management.
- The [hiring standards for SFA directors](#) 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 (including hours/day or week), substitute, volunteer, etc.), professional standards position (director, manager or staff)**. Learning codes are not required, but encouraged. A template tracking tool is posted to our [Professional Standards](#) 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 #1:** Professional Standards Tracking tool missing some required information—hours/day or week per employee must be noted.
Corrective Action Required: Please submit the updated training tracker.

Food Safety and Storage

Comments/Technical Assistance (TA)/Compliance Reminders

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

Food Safety Inspections

- Every school operating USDA School Child Nutrition Programs must have two food safety inspections during each school year: including food safety inspection and a review of the site's Food Safety Plan.
- Food safety inspection reports must be posted in public view. Posting the food safety inspection report in the same location as the "And Justice For All" poster can be a convenient way to have both items publicly visible.

Temperatures

- All cooling equipment must have internal temperatures taken and recorded daily on temperature logs. Posting them directly on the equipment makes recording convenient and a regular part of daily routines.

Food Safety Plans

- The Food Safety Plan was available for review. It was obvious in observing the food service manager/director at work that they are very knowledgeable about food safety practices and safe food handling. All temperature logs, calibration logs, and sanitizing solution logs were up-to-date.
- All schools must have a comprehensive, site-specific food safety plan on-site which includes all process 1, 2, and 3 items, all applicable standard operating procedures (SOP), all equipment, and a listing of food service staff at that site. The food safety plan must be reviewed annually. A prototype food safety plan template as well as template SOPs may be found on the [SNT Food Safety](#) webpage. (<https://dpi.wi.gov/school-nutrition/food-safety>)
- The site-specific food safety plan should include SOPs for all programs and procedures utilized at the site.
- 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.
- SFAs are required to update food safety programs based on Hazard Analysis Critical Control Point (HACCP) principles to cover any facility where food is stored, prepared, or served for the purposes of the NSLP, SBP, or other FNS programs. This means the food safety program should contain standard operating procedures (SOP) for safe food handling on school buses, in hallways, school courtyards, kiosks, classrooms, or other locations outside the cafeteria.
- Thank you for maintaining a food safety plan which includes all process 1, 2, and 3 items, all applicable standard operating procedures (SOP), all equipment, and food service staff.

Food Employee Reporting Agreements

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

Storage

- SFAs are required to ensure that facilities for the handling, storage, and distribution of purchased and donated foods are properly safeguarded against theft, spoilage, and other loss (7 CFR 210.13(d)). The on-site and/or off-site storage areas were reviewed, including freezers, refrigerators, dry good storage rooms and other areas

❑ **Finding:** Missing Food Employee Reporting Agreements.

Corrective Action Needed: Completed on-site for food service employees. No further action necessary. Complete all missing agreements for school student workers. Submit copies of completed agreements as an attachment to assigned DPI Nutrition Program Consultant via email.

Summer Food Service Program (SFSP) Outreach

Comments/Technical Assistance (TA)/Compliance Reminders

At the beginning of the school year, if participating in the SBP, the SFA must notify families of the availability of breakfast and schools should send reminders regarding the availability of the SBP multiple times throughout the school year.

Summer Meals

A goal of USDA Child Nutrition Programs is to ensure all students have access to healthy and nutritious meals year-round. **Though a summer feeding program is not operated at the Walworth County-Lakeland School, USDA requires all SFAs to inform families of where their students can receive a free meal in the summer months.** SFAs can inform families of summer meals via the following methods:

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

Resources:

- To access an inclusive map of all potential participating sites in your area, see the [interactive map](http://www.fns.usda.gov/capacitybuilder) on the SFSP website (<http://www.fns.usda.gov/capacitybuilder>).
- For more information on Summer Feeding option contact:
Amy J. Kolano, RD, CD, Summer Food Service Program Coordinator
Phone: 608.266.7124; e-mail: amy.kolano@dpi.wi.gov

Findings and Corrective Action: SBP and SFSP Outreach

❑ **Finding #1:** No summer food service outreach was provided to students.

Corrective Action Needed: Please provide a statement that the Walworth County-Lakeland School will notify households of how to find the nearest Summer Foodservice Program using the [DPI program finder](#).

Wisconsin School Day Milk Program (WSDMP) Comments/Technical Assistance (TA)/Compliance Reminders

- Wisconsin School Day Milk Program requires the distribution of free milk to students eligible for free and reduced priced meals, but only for students in K-5th grade.
- Point of Service Counts (POS) for the Wisconsin School Day Program and the Special Milk Program must be recorded by who “did” take milk not by marking who “did not” take one.
- Per the Agreement for the WSDMP in the points the SFA agrees to, number 3 states that schools will serve Wisconsin-produced milk. Please check with your distributor to see if they can verify that and perhaps include that stipulation in the SFA’s milk bid.

Dr. Tony Evers, State Superintendent of Wisconsin Department of Public Instruction, shares a vision that every student will graduate prepared for college and career. His goals are for students to have the knowledge, skills, and habits that will allow them to succeed in life after high school. Access to quality nutrition plays a major role in developing those life-long habits.

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

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

