

Administrative Review (AR) Overview

The Healthy, Hunger-Free Kids Act of 2010 (HHFKA) amended the Richard B. Russell National School Lunch Act requiring a unified accountability system designed to ensure that participating sponsors comply with National School Lunch Program (NSLP) and School Breakfast Program (SBP) requirements. The new Administrative Review provides a comprehensive evaluation of school nutrition programs, and includes both Critical and General Areas of Review. Also, included in the review are the new HHFKA program requirements and other Federal programs. The following is a breakdown of the review sections:

Meal Access and Reimbursement (Critical Area – Performance Standard 1)

- Certification and Benefit Issuance
- Verification
- Meal Counting and Claiming

Nutritional Quality and Meal Pattern (Critical Area - Performance Standard 2)

- Meal Components and Quantities
- Offer or Serve
- Dietary Specifications and Nutrient Analysis

Resource Management (General Areas)

- Maintenance of Non-Profit School Foodservice Account
- Allowable Costs
- Paid Lunch Equity (PLE)
- Revenue from Non-Program Foods
- Indirect Costs

General Program Compliance (General Areas)

- Civil Rights
- Sponsor On-site Monitoring
- Local School Wellness Policy
- Competitive Food Services
- Water
- Food Safety
- Reporting and Recordkeeping
- School Breakfast Program and Summer Food Service Program Outreach

Other Federal Program Reviews (Critical and General Areas)

- Afterschool Care Snack Program
- Fresh Fruit and Vegetable Program
- Special Milk Program

KSDE must conduct Administrative Reviews of all schools participating in the NSLP and/or SBP at least once during each three-year review cycle period. The Administrative Review process is designed to allow KSDE to conduct specified aspects of the review off-site and other aspects on-site. Under an off-site component, KSDE will collect information from what we have available or directly from the sponsor. This process allows KSDE to gain a better understanding of a sponsor's operations prior to the on-site review, thus providing for a more robust on-site review while decreasing KSDE's on-site review time. The on-site portion of the Administrative Review is intended to validate the information collected off-site and provide an opportunity for KSDE to observe the operation of the school nutrition program in selected schools. The objectives of the new Administrative Review are the same as the former CRE and SMI objectives: determine whether the sponsor meets program requirements; provide technical assistance; secure any needed corrective action; and assess fiscal action, if applicable. KSDE looks forward to this new approach to collaborative compliance.



Child Nutrition & Wellness

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900 SW Jackson Street, Suite 251
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January 15, 2015

Peggy Inglehart
USD 289
602 Walnut Street
Wellsville, KS 66092

ADMINISTRATIVE REVIEW RESULTS AND FINDINGS

An Administrative Review (AR) of the School Nutrition Programs was conducted in D0289 Wellsville on January 13-14, 2015 by Julie Henry. The site reviewed was Wellsville High School. Review findings were discussed during the exit conference on January 14, 2015 with you and Superintendent Jerald Henn, Liz Wilmarth, and Susan McCarty.

The Administrative Review consisted of five review areas. The areas reviewed were Access and Reimbursement, Meal Pattern & Nutritional Quality, Resource Management, and General Program Compliance.

The Access and Reimbursement findings and required corrective actions that must be implemented Sponsor-wide are as follows:

1. Finding: 6 applications were approved with missing income. Income must be obtained for all household members or an indication that they don't have income (zero income box checked). If a household member is missing income, the application may not be approved until the household has been contacted to obtain the missing information.

Corrective Action: Obtain missing income information and document date of correction on SFA-1 & SFA-2 forms. Scan and upload completed forms to consultant.

2. Finding: 5 applications were approved with annual income listed without follow up to ensure that income listed was due to seasonal work or self-employment.

Corrective Action: Obtain missing income information and document date of correction on SFA-2 form. Scan and upload completed form to consultant.

3. Finding: 3 applications were found to be processed incorrectly resulting in students receiving benefits for which they were not eligible. One application was processed as free and should have been reduced, and two applications were processed as reduced and should have been denied.

Corrective Action: Re-process applications and notify families of benefit changes. Confirm date of Correction on SFA-1 & SFA-2 forms. Scan and upload completed forms to consultant.

4. Finding: 1 application was found to have been incorrectly denied. Application should have been processed as reduced.

Corrective Action: Re-process applications and notify families of benefit changes. Confirm date of Correction on SFA-2 form. Scan and upload completed form to consultant.

The Meal Pattern & Nutritional Quality findings and required corrective actions that must be implemented Sponsor-wide are as follows:

1. Finding: Tortilla chips served as a part of salad bar meal and animal crackers served with cereal at breakfast were not whole grain rich (WGR). All creditable grains served must be WGR.

Corrective Action: Develop and implement a plan to ensure that all creditable grains served are WGR. Get a list of WGR product available from your vendor as a part of this process. Email list provided by vendor to consultant to document your access to WGR products in the future.

2. Finding: Sponsor was missing Product Formulation Statement (PFS) for cereal bars and sausage crumbles. PFS or CN labels must be on file for all items. Sponsor obtained PFS during on-site review.

Corrective Action: **Corrected on site. No further corrective action needed.**

3. Finding: PFS for sausage crumbles showed different crediting than what was being used in gravy recipe. Sponsor corrected recipe to reflect change in crediting. Change in crediting did not negatively impact the sponsor's adherence to the meal pattern.

Corrective Action: **Corrected on site. No further corrective action needed.**

4. Finding: Sponsor's menu states that MS/HS students must take 1 cup of fruit or vegetable with each meal. Federal requirement for a reimbursable meal is ½ cup fruit or vegetable plus two other components. Please update menus to reflect the regulation correctly.

Corrective Action: Update menu and send consultant a copy to demonstrate compliance.

5. Finding: Breakfast combo bar only contains .5 g/b. 1 full serving of grain/bread must be served at breakfast before meat/meat alternate can be counted towards the grain requirement. Change menu to ensure that breakfast option contains 1 full serving of grain/bread. FSD added granola bar (.5 g/b) to this meal, and showed consultant documentation during on-site review.

Corrective Action: **Corrected on site. No further corrective action needed.**

6. Finding: Royal brownie bite was cut into 8x10 pieces instead of 10x10 pieces as the original recipe indicated. No component calculation was done to document the appropriate crediting of the brownie. FSD estimated brownie bite to credit at .75 g/b. Component calculation was done during onsite review according to an 8x10 cut, and showed that crediting of brownie should be .625 g/b, which rounds down to .5 g/b. Change in crediting did not negatively impact the sponsor's adherence to the meal pattern.

Corrective Action: **Corrected on site. No further corrective action needed.**

The *Resource Management* findings and required corrective actions that must be implemented Sponsor-wide are as follows:

1. Finding: The KS 10A form (Income, Sales, & Deposit Report) is not being filled out correctly, which results in the program being unable to monitor its finances appropriate and ensure that sponsor is in compliance with the revenue from non-program food requirements. Technical Assistance was provided regarding how to appropriately fill out the 10A and then submit the information into the Monthly Financial Report in KN-CLAIM.

Corrective Action: Complete district-level 10A forms for the month of January 2015 and December 2014. Submit completed 10A forms to consultant.

There were no findings in the area of *General Program Compliance* that require corrective action. Technical assistance was provided in this area.

Corrective action establishes the extent of the fiscal action taken, so corrective action should be implemented in a timely manner. Using the enclosed Request for Corrective Action Form, record corrections which were made and the date they were completed. Sign the form and return the form to me at 900 SW Jackson St., Topeka, KS 66612-1212 by February 14, 2015.

You and your staff have done a great job providing nutritious meals to your students. I would like to thank everyone for the assistance and cooperation that was provided during the review. If you have questions concerning the review, feel free to contact me at jhenry@ksde.org or at 785-296-2276.

Sincerely,



Julie Henry, Child Nutrition Consultant
Child Nutrition & Wellness
Kansas State Department of Education

Enclosure

C: Jerald Henn, Superintendent



Child Nutrition & Wellness

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February 16, 2015

CERTIFIED MAIL

Peggy Inglehart
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Wellsville, KS 66092

ADMINISTRATIVE REVIEW FISCAL ACTION

On January 13-14, 2015 the Administrative Review (AR) was conducted in D0289 Wellsville. During that review it was noted that there were errors in application processing, menu crediting & planning errors, and errors in the reporting of non-program revenue. Based on findings submitted to Child Nutrition & Wellness and the corrective action taken by D0289 Wellsville, School Finance will be instructed to enter the adjusted overpayment on the KN-CLAIM Meal Payment System.

The adjustment will be deducted from a future reimbursement payment. Please watch for the claim report indicating the amount of the adjustment. The overpayment was computed to be approximately \$550.00.

If you have documentation indicating the findings are incorrect, you may request a review by submitting a written request for review to Child Nutrition & Wellness within 15 calendar days after receipt of this notice. If you elect to request a review, you must submit written information indicating why the findings are incorrect. The written information must clearly identify the issues being appealed and must specifically state the reasons you believe the findings are incorrect. Supporting documentation, if available, must be attached to the written information and appropriately identified.

The written information must be submitted to Child Nutrition & Wellness not later than 30 calendar days after receipt of this notice. The written information will be forwarded to the Review Official for his consideration. Written information received after that date will not be considered by the Review Official.

In addition to submitting written documentation, you may also request a hearing regarding the findings. If you wish to request a hearing, the hearing will be held in Topeka, Kansas. Further information concerning the procedures to follow in requesting a review is located in *Food Service Facts*, Chapter 15 – Reviews & Audits. This publication is available at www.kn-eat.org, School Nutrition Programs, Food Service Facts.

If you do not request a review, the adjustment will be entered in the KN-CLAIM Meal Payment System. The overpayment amount will be adjusted and noted on the claim return report that accompanies your reimbursement check or the electronic payment advice.

We appreciate your cooperation during the review.

Sincerely,



Julie Henry, Child Nutrition Consultant
Child Nutrition & Wellness
Kansas State Department of Education

C: Jerald Henn, Superintendent

Cheryl Johnson, Director, Child Nutrition & Wellness