

Iowa Department of Education
Bureau of Nutrition and Health Services
State Review Summary Report
Waco Comm School District (67000000)
Review dates: November 13-15, 2018

Program Year: 2019
Month of Review: October
Lead Reviewer: Cheryl Benson
Org Representative(s): Kristi Merida

Org - Level Findings

Area	Findings ID	Finding Description	Required Corrective Action	Corrective Action Response
100 - Certification and Benefit Issuance	V-0100	Benefit issuance errors: (1) Four students were not removed at the end of the 30-day rollover period and were still receiving free benefits when they should have been moved to paid status October 10. (2) One student went from free to reduced. The student was certified with another student but incorrectly awarded free eligibility instead of reduced. (3) Two students went from reduced to free. They live in a household with another student who is certified as free, so the free status carries to all students in the household.	For your response, submit copies of the letter of notification to households of the change in eligibility status. When decreasing benefits, the household must be given ten calendar days to appeal. When increasing benefits, the benefits must be increased within three days.	
1200 - Professional Standards	V-1200	At least one person in each district must be designated as the Food Service Director, FSD. That person must have at least eight hours of food safety training every five years, and the training must occur within 30 days of hire. The current FSD has not had the required eight hours of food safety training.	For your response, submit documentation that at least eight hours of food safety training has been completed.	
RMCR - Nonprofit School Food Srvc Acct	V-RMCR	In order for the Non-Profit Food Service Account or CN Fund to be considered non-profit, the balance must remain below 3 months' operating expenses unless permission has been granted by the state agency to exceed that amount for specific reasons. Currently the SFA's account exceeds 3 months and there has been no contact to request permission.	For your response, submit a plan to decrease the balance of the CN Fund below the 3 months' operating expenses, and/or request permission to exceed the balance for a specific purpose(s). (Refer to technical assistance for recommendations.)	
RMCR - Revenue From Nonprogram Foods	V-RMCR	The finance report on IowaCNP indicates that insufficient funds were collected in SY2018 for nonprogram foods. The percentage of funds spent on nonprogram food was 15% while revenue was 11%. The percentage of revenue must be equal to, or greater than, the percentage of food costs.	If the SFA believes the original calculation of non-program revenue/costs is incorrect, the SFA may recalculate and submit a copy of the USDA Non-Program Revenue Tool. If submitting a revised calculation, indicate how the calculation was changed to provide a more accurate picture of revenue and costs than the finance report. If the SFA believes the	

Iowa Department of Education
Bureau of Nutrition and Health Services
State Review Summary Report
Waco Comm School District (67000000)
Review dates: November 13-15, 2018

			original calculation of non-program revenue/costs is correct, the SFA must submit a plan to increase revenue and/or decrease costs so that there is sufficient revenue to cover food costs.	
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Site - Level Findings: Waco High School (0109)

Area	Findings ID	Finding Description	Required Corrective Action	Corrective Action Response
400 - Meal Components and Quantities - Lunch	V-0400	(1) The meal pattern overlaps in all areas for grades K-5 and 6-8, so it is possible to serve the same menu and portions to those grades. However, the calories for grades 9-12 for lunch do not overlap with any other grade group. Therefore if the SFA is serving grades 9-12 the same as grades 7-8 as Waco is doing, then either calories for 6-8 are too high or calories for 9-12 are too low. (2) There are daily and weekly minimums for grains. The Chef Salad offered at the high school does not meet the minimum daily grain for grades 9-12 or the weekly minimum grains for grades 7-8 and 9-12.	For your response, (1) please submit a plan to differentiate the menu/serving sizes for grades 7-8 and 9-12 to meet meal pattern requirements. (See technical assistance) (2) Indicate how grains will be increased to meet both daily and weekly minimums.	
1100 - Smart Snacks in School	V-1100	All food sold to students from midnight the night before until a half hour after the end of the school day must meet Smart Snack regulations. In schools where grade groups are mixed, beverages must meet requirements for the younger students. The vending machine in the high school that serves students in grades 7-12 is selling unallowable beverages for grades 7-8 and in one case the beverage was not allowable for any grade.	The principal has indicated that the machine can be moved to a room that is accessible to only students in grades 9-12, and that cameras and staff will supervise to ensure only students in grades 9-12 access the machine. For your response, indicate how this room is restricted to the older students, where it is located, and the date the change was made. Also submit calculator readouts for all beverages in the machine and indicate who will be responsible for ensuring all future beverages are allowable. Finally indicate what steps will be taken if students in grades 7-8 are purchasing beverages from the machine.	

Org - Level Technical Assistance

Area	Question	Comments
100 - Certification and Benefit Issuance	103 At the beginning of the school year, how is benefit status handled for children who have not submitted an application for the current school year?	It is highly recommended that the SFA have a back-up reminder to remove students from benefits if they have not applied at the end of the 30-day rollover. Students changed to paid status at the end of the rollover period are not eligible for the 10-day appeal period.
100 - Certification and Benefit Issuance	107 a. When and how are households notified of students' certified eligibility?	Households that apply for free or reduced benefits must be notified of the results of their application for benefits. Households that are approved for free or reduced meals can be notified orally or in writing. Denied households must always be notified in writing.

Iowa Department of Education
Bureau of Nutrition and Health Services
State Review Summary Report
Waco Comm School District (67000000)
Review dates: November 13-15, 2018

100 - Certification and Benefit Issuance	141 Does the SFA account for benefits that have been extended to students living in a household that is receiving SNAP, TANF, or FDIPIR benefits?	Technical assistance was provided on indicating other students in a household where only one student in the household is on the direct certification list. Since all students in the household are also certified for benefits, the SFA must in some way indicate how those other students qualify for benefits. The names can be entered on the DC list as others in the household, or a separate list of DC students and who is in the household can be kept on file.
200 - Verification	208 When a confirmation review was conducted:	Prior to sending the notification of verification letter to a household, the application must be re-determined by someone other than the person who did the original determination. That person then signs and dates the application as the confirming official. This is done in order to ensure that the original determination was correct. If the original determination was not correct, then a replacement application may need to be selected. This was a repeat error from the last review.
700 - Resource Management	701 At the end of the SFA's RM review period, did the food service have net cash resources that exceeded three months' average expenditures?	There was a discussion about implementing either a salad bar meal or a fruit/vegetable bar at the high school as a way to spend down some of the account balance and to offer more meal choices. The consultant does not recommend the salad bar meal since that is normally only used by very few people which ends making the per-meal cost high and results in a lot of food waste. Offering a fruit and vegetable bar that could be used by all students and staff would make more economic sense and be less wasteful. At the current time with only two staff, adding the fruit/veg bar would be difficult to manage timewise since it is labor intensive. It is recommended that the SFA consider adding a part-time person if this is implemented. The bar would also need to be before the POS in order to credit, so it may need to be placed where the milk is currently located or traffic may need to be routed differently.
700 - Resource Management	705 Did the SFA have internal control procedures in place to ensure that only allowable costs were charged to the nonprofit school food service account?	Technical assistance and resources were provided on procurement. There are three methods of procurement--Micro Purchase, Small Purchase, and Formal Procurement. (1) When using Micro, the SFA does not have to obtain any price quotes; he or she simply goes to a store or vendor and purchases the item or items as long as they are under the Micro threshold which for Waco was \$3500 last year and is \$4000 this year. However, when using Micro, the prices must be reasonable and purchases must be spread around as evenly as possible among qualified vendors. While Micro may seem like an easy method, ensuring that purchases are spread around can be difficult. On the SFAs information, they indicated chemical purchases using Micro 15 times from the same vendor. In the future, the SFA must either purchase from other vendors or conduct Small Purchase or Formal Procurement. (2) When using Small Purchase method, the SFA would obtain price quotes. The Small Purchase threshold for Waco is 25,000. Price quotes must be obtained and documentation maintained for specifications of what is being procured, vendors contacted, prices offered, and how the awardee was selected. All applicable terms and conditions must be included, such as Buy American, debarment certification, termination for cause, etc. It is highly recommended that the 3 Bids and a Buy prototype in download forms be used for Small Purchases such as bread and dairy. (3) The only Formal Procurement that Waco is currently doing is via a purchasing group. In this case, the SFA is responsible for maintaining all documentation from the procurement process including the RFP, final contract, any amendments or addendums, a copy of the advertisement, all specifications, price lists for 3 years plus the current year, etc. If the SFA needs to conduct other Formal Procurement, there are

Iowa Department of Education
Bureau of Nutrition and Health Services
State Review Summary Report
Waco Comm School District (67000000)
Review dates: November 13-15, 2018

		IFB and RFP prototypes in download forms. (4) When doing a bottom line bid such as Waco did for bread and milk, the prices bid should be multiplied out by the estimated number needed and then all of those totals should be added together. There is a spreadsheet in download forms that can be used for this purpose. (5) Be sure specifications are detailed, such as ounces for buns and bread. (6) Always include any conditions that you want met such as clean, locking milk coolers that maintain a temperature between x and x.
800 - Civil Rights	805 What procedures are in place for accommodating students with disabilities?	Technical assistance was provided on accommodating Special Diets. When a household indicates that a student requires a special diet for medical reasons, the accommodation must be made as soon as possible if it can be made within the meal pattern. It is up to the district whether a Diet Modification Form is required or not, but the accommodation is not to be withheld due to the form. However, when a household requests a diet modification for medical reasons that cannot be accommodated within the meal pattern, then the SFA must wait until a Diet Modification Form that is signed by a medical professional who can prescribe medicine is obtained. If the modification is made before obtaining the form, the meals cannot be claimed. When a household requests a modification for personal reasons or religious reasons, it is up to the SFA whether they want to accommodate the modification or not, but they are encouraged to do so if it is not a hardship.
1000 - Local School Wellness Policy	1000 Provide a copy or appropriate web address of the current Local School Wellness Policy.	Technical assistance was provided on some changes that should be made to the Wellness Policy the next time the committee meets. The policy mentions the SMI (School Meals Initiative) review, but that review no longer exists since it was rolled into the new Administrative Review. There were also some items mentioned for Smart Snacks that do not meet regulations. A folder with some resources was also provided.
1100 - Smart Snacks	1101 What is the SFA's process for determining compliance with non-packaged or recipe food items (combination foods that do not have a label)?	Information was provided on allowable items for a coffee shop. The beverages would have to be limited to students in grades 9-12 and they would have to meet Smart Snack regulations. Each beverage and food item would need a calculator print out from the Smart Snacks calculator.
1200 - Professional Standards	1206 a. Have the school nutrition staff met the annual training requirements for the current school year including part-time, full-time and any staff hired after January 1?	It is recommended that a regular training schedule be set up for the school year for food service staff. The frequency could be every week, every month, or quarterly. Time could be spent discussing issues, going over problems, suggestions, what is working, what isn't working, etc. Standard Operating Procedures, SOP, from the food safety plan could be divided between staff, reviewed, revised, and discussed. There are short webcasts as well as longer webinars on the DE website that could be viewed. If new equipment is purchased, the vendor could provide training on its use. Having the time set aside can help ensure that training hours are met while also giving staff a time and place to discuss the programs.
1400 - Food Safety	1403 a. Did a review of agricultural food components indicate violations of the Buy American provision (7 CFR 210.21(d)) either during review of products on-site at reviewed schools or at off-site storage facilities as applicable?	Technical assistance was provided on correctly documenting exceptions to the Buy American clause. The exception log included the date and product, but the reason for the exception was not indicated. USDA recognizes two exceptions: 1) The product is not made in sufficient quantities in America, or 2) the price of the American commodity is significantly higher.
RMCR - Nonprofit School Food Srvc Acct	10 Excluding equipment purchases made with USDA grants, did the SFA purchase equipment during the RM review period that cost at or above the capitalization level	Technical assistance on equipment purchases. Any piece of equipment that will cost \$5,000 or more must be approved by the state agency prior to procuring the equipment.

Iowa Department of Education
Bureau of Nutrition and Health Services
State Review Summary Report
Waco Comm School District (67000000)
Review dates: November 13-15, 2018

	established by the State or SFA for financial statement purposes or at or above \$5,000 (whichever was less)?	
RMCR - Nonprofit School Food Srvc Acct	3 Did the SFA's net cash resources exceed its 3 month average monthly expenses?	Technical assistance was provided on ways to spend down the excess funds in the non-profit account. Some of the ideas discussed were--the SFA can purchase equipment, increase wages/benefits, hire more staff, purchase higher quality food, offer more fresh fruits and vegetables, pay for reduced students' meal charges, offer free breakfast to all students either daily or occasionally, and updates to cafeteria seating.
RMCR - Revenue From Nonprogram Foods	11 After assessing its compliance with the nonprogram foods revenue/cost ratio, an SFA that sells a limited number of nonprogram foods with an identifiable per-serving cost (i.e. milk) may find that it must still add funds to its nonprofit school food service account despite selling its nonprogram foods at prices that cover its full costs. State agencies may review these SFAs to determine if the compliance assessment does not fully represent the SFA's pricing practices for nonprogram foods and if it does not, the SA may instead base compliance on whether or not the SFA is recovering more than the per-serving food cost of these nonprogram food items (See Q&A #3 in FNS Policy Memo 20-2016).	Technical assistance was provided on calculating non-program revenue. It is recommended that the SFA work with the Business Manager to make the Non-Program Revenue section of the Financial Report on IowaCNP accurate so that the USDA Tool would not be necessary.

Site - Level Technical Assistance Waco High School (0109)

Area	Question	Comments
400 - Meal Components and Quantities - Lunch	406 If the school is serving multiple menus and/or age/grade groups, is the meal service structured to comply with the required age/grade group meal pattern requirements?	Technical assistance was provided on ways to differentiate the meal pattern between grade groups 7-8 and 9-12. Additional grain, such as bread, whole grain chips, and the occasional grain dessert can be added for grades 9-12. They can also be offered larger entrée portions and additional fruits and vegetables. There may also be meals where less food could be offered to grades 7-8. Since the 9th grade is co-mingled with grades 7-8, this adds another level of difficulty. It is recommended that signage be added to indicate when an item is only for 9th grade. The cashier could assist in enforcing the rule by charging a la carte if students in grades 7-8 take an item. (2) Some grains that might be added to the Chef Salad are: croutons, additional salad crackers, goldfish crackers, graham crackers, taco shell bowl, or sliced bread.
400 - Meal Components and Quantities - Lunch	410 a. Do planned menu quantities meet meal pattern requirements for the review period?	When kiwi fruit is offered as a separate fruit choice (and not included in a mixed fruit salad or cup), it is important to provide sufficient kiwi to equal a half cup. One whole kiwi credits as one half to three-fourths cup of fruit. From food production records on October 22, it appears that only half the amount of kiwi needed for the planned servings was provided. (Approx. 117 kiwi was used for 170 servings. Should have been 227 to 340 kiwi.) If the kiwi are large, that information should be documented on production records.
500 - Offer versus Serve	502 Is there signage explaining what constitutes a reimbursable meal to students including the requirement to select at least 1/2 cup fruit or vegetable?	Signage at lunch must indicate which food items fulfill which component. For example, the meat/meat alternate is a hamburger, grain is the bun, fruit is an orange, and vegetable is broccoli. The high school had signage indicating the five components and that three of them must be selected but was missing the sign that indicates the food items. Signage was provided for the SFA to use.
1100 - Smart Snacks in School	1107. Are exempt SBP and NSLP leftover entrees only sold the same day, or the day after, they are initially offered?	Entrees from both breakfast and lunch can be sold a la carte the same day they are menued plus the following day without passing through the Smart Snack calculator as long as they are documented on production records.

Iowa Department of Education
Bureau of Nutrition and Health Services
State Review Summary Report
Waco Comm School District (67000000)
Review dates: November 13-15, 2018

		However, any other food item served with the entrée is not exempt. If seconds on fruits, vegetables, and grains are sold, they must have a calculator print out to show they are allowable.
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Org - Level Commendations

Description
APPLICATIONS/BENEFIT ISSUANCE: Benefit documents, as well as all paperwork, were well organized. The current application form and guidelines were used, direct certification is downloaded twice a month as required, benefits are accurately and frequently transferred to the POS system, and denied applications were correctly determined. A correct and current benefit issuance list was available. Over 200 applications were reviewed and all reviewed applications were signed and dated by both a household member and the SFA, applications were complete with SSN's and case numbers, and all applications were determined within ten days. Access to benefit information is correctly limited. Free meals are extended to all members in the household. The SFA has a back-up system for benefit issuance documents and system.
CIVIL RIGHTS: The And Justice for All civil rights poster was posted in the cafeteria in a location where participants can read information on the poster. Annual civil rights training was provided food service staff and documented. A copy of the district's public release was on file, documenting that it was submitted to local media. Ethnic/racial information is collected and the form has been completed and filed. No discrimination was observed. SFA on-site monitoring for SY2018 was completed to ensure that all schools are meeting program requirements. The current state and federal non-discrimination statements are provided on all material describing the program including letters, pamphlets, and the school's website.
COMPETITIVE FOODS (SMART SNACKS/HKA): Students may purchase a second entrée, meal, and/or a second milk at lunch. Second entrees are correctly documented on production records.
PROCUREMENT: The off-site procurement tool was completed, and board purchasing policy and vendor paid lists were submitted. The SFA had a completed SY2018 written Procurement Plan that includes federal and local thresholds, procurement methods and documentation for all purchases, the plan indicates those responsible for rewarding, reviewing, documenting and monitoring procurement events, and specifications were well-written and comprehensive. The SFA also has a written Code of Ethics/Conduct. The district is a member of a Group Purchasing Organization, and the head cooks regularly check invoices against bid prices. Bread and milk bids were also available for review.
PROFESSIONAL STANDARDS: Tracking and documentation for required Professional Training hours were provided. Most of the staff already have enough training hours for the school year.
RESOURCE MANAGEMENT & RECORD KEEPING: Financial records that were reviewed, indicated appropriate and allowable expenditures. The district has a sufficient system of safeguards and accountability practices in place to ensure the safety of the account. There were no unresolved findings from the previous Administrative Review or from a state audit. The Paid Lunch Equity, PLE, tool was completed and prices were increased as indicated by the PLE tool. The district does not charge indirect costs to the food service program. Money is not transferred out of the account to support other programs. The SFA effectively utilizes its USDA entitlement for commodities. Reports are filed on time, and all records are maintained for at least three years plus the current year.
SBP & SFSP OUTREACH: School Breakfast Program, SBP, outreach was sent out at the beginning of the year to inform families of the availability of the program including times and locations. Reminders of the SBP were also sent out throughout the school year. Outreach included announcements, weekly parent letter, social media, etc. Summer Food Service Program, SFSP, outreach was sent out to families at the end of last school year to inform the families of the availability and location of free meals in the summer. The information was shared via website, flyers, parent newsletter, posters in English and Spanish, etc.
VERIFICATION: The correct number of applications were verified and were correctly selected from error prone applications. All income sources were verified with at least one month's income, and the process was completed on time.
WELLNESS POLICY: The district has a current wellness policy on file. There are guidelines for foods sold on the campus and goals to promote student health, nutrition promotion, nutrition education, and physical activity. The wellness policy, the latest review of the wellness policy, and the most recent assessment of policy goals are available to the public. Potential stakeholders are made aware of their ability to participate on the wellness committee, and all required stakeholders participated.

Site - Level Commendations Waco High School (0109)

Description
HACCP/FOOD SAFETY: The SFA has a district-wide written Food Safety plan. A copy of the written plan was available at the site reviewed, and Standard Operating Procedures, SOPs, have been implemented in each kitchen. The latest Health Inspection Report was posted in a publicly visible location, and two inspections have been requested for each serving site. There were no critical areas noted on the report. Temperature logs are maintained for all coolers-including milk coolers, freezers, food served, dishwasher, and thermometer calibration. Good food safety procedures were observed.

Iowa Department of Education
Bureau of Nutrition and Health Services
State Review Summary Report
Waco Comm School District (67000000)
Review dates: November 13-15, 2018

MEAL COUNTING & CLAIMING: Meal counts during the on-site review were reasonable when compared to the review month counts. Meal count totals for the month of October were accurate and complete. Point of Service, POS, counts and filed claims appear accurate. There was a POS for all students, and the POS was organized and orderly; most students provide the cashier with a bar code that is then scanned. Students are not overtly identified as free, reduced, or paid during the meal counting process or during meal observation. Food Production Records, FPRs, were on file for all meals claimed for reimbursement for the review period. All students observed selected a reimbursable meal.

MEAL REQUIREMENTS & COMPONENTS: Reviewed menus met the meal pattern for reimbursable meals. All meal components were available at the beginning of service and throughout meal service on the days of observation. Documentation such as food production records, labels, inventory, standardized recipes, and purchase receipts indicated that meals contained the required components. CN labels and Manufacturer's Statements, as well as nutrition facts and ingredient labels used for producing meals were on file. A variety of entrees, fruits, and vegetables were offered throughout the review period for lunch. Water was available as required, and at least two types of milk were offered. Offer vs. Serve, OVS, was correctly implemented. Many low fat and low sodium food items were observed in storage. Students had sufficient of time to eat after receiving meals, and the behavior of students in the cafeteria was excellent. Food service staff was polite and respectful to students, other staff, and each other. The Food Service Director completed the Menu Worksheet(s) for each school selected for review for a specified week during the review period. Nutrient analysis was not required.