

July 14, 2014

Agreement No.
31-045-3000-26

Michael T. Bregy
Community Unit School District 300
300 Cleveland Avenue
Carpentersville, Illinois 60110-1977

Dear Dr. Bregy:

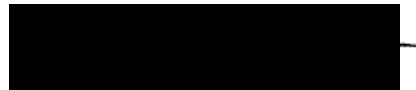
Enclosed is the report of the School Meals Programs administrative review conducted on April 21 through 25, 28, 29, and May 1, 2014. The report identifies the problems cited during the review and the corrective action recommended.

A corrective action plan to the review report must be received in our office by August 13, 2014. This response must detail the specific actions taken to correct any problems cited and must be signed by the appropriate school official.

As a result of this review, an overclaim of meals was identified; adjustments will be made to future Claims for Reimbursement or repayment may be requested by letter. If you do not agree with the overclaim, you have the right to appeal. A copy of the appeal procedures is enclosed.

Technical assistance materials and/or training opportunities may be available to assist in correcting problems identified in the review. The cooperation of personnel during this visit was appreciated. If you have any questions, please contact Paul Hansen at 800/545-7892.

Sincerely,



Mark R. Haller, SNS
Division Administrator
Nutrition and Wellness Programs

Enclosure

cc: Paul Hansen

SCHOOL MEALS PROGRAMS

ADMINISTRATIVE REVIEW REPORT

This report summarizes the results of the administrative review of the School Meals Programs sponsored by Community Unit School District 300, Agreement # 31-045-3000-26, conducted on April 21 through 25, 28 and 29, and May 1, 2014, by Paul Hansen and Jeanette Andrews, Principal Consultants.

The results of the review were discussed at an exit conference on April 29, 2014, with the following:

- Meri Ann Besonen, Finance Director
- Michelle Kovar, Student Finance Leader
- Linett Starch, Food Service Director - Aramark

The following schools were visited during this review:

- Lakewood Elementary
- Perry Elementary
- Algonquin Middle School
- Liberty Elementary

The purpose of the review was to monitor the school food authority's compliance with the federal and state program regulations. The following areas of program compliance were evaluated:

- Certification and Benefit Issuance
- Verification
- Meal Counting and Claiming
- Meal Components and Quantities
- Offer Versus Serve
- Dietary Specifications and Nutrient Analysis
- Civil Rights
- On-Site Monitoring
- Local School Wellness Policy
- Competitive Food Services
- Water
- Food Safety
- Reporting and Recordkeeping
- Outreach
- Afterschool Snack
- Fresh Fruit and Vegetable Program

During the review, technical assistance was provided in the following areas:

- Certification and Benefit Issuance
- Meal Counting and Claiming
- Meal Components and Quantities
- Offer versus Serve
- SFA On-Site Monitoring
- Afterschool Snacks

Problems cited may require a joint corrective action effort between the sponsor and the contractor of the meals. The sponsor must establish the necessary procedures to ensure that the contractor works cooperatively to develop corrective action for those specific problems.

As a result of the review, the following problems were identified. All other areas were found to be in compliance with program requirements.

Certification and Benefit Issuance

Six household eligibility applications were approved in the wrong category. The following application errors were identified:

- One application was approved free and should have been reduced price.
- Five applications were approved reduced price and should have been denied.

A procedure must be established to ensure household eligibility applications are approved in the appropriate category according to the current income guidelines.

Three students were incorrectly given direct certification status by the sponsor's computerized point of sale system/application approval status (Horizon Software) without adequate documentation on file. All students directly certified must have appropriate documentation on file.

Benefits were issued in error. Two students were approved as reduced price based on their web application; however, were receiving free benefits. Benefits must be issued in the category in which each student was approved. A procedure where the approved categories of students are compared to the benefit issuance document must be established.

Although a procedure has been established to extend benefits to all children in a household when one or more children are eligible for free meals through SNAP/TANF, the sponsor's approval signature and date was not documented. Benefits must be extended to all children who are part of a household. When benefits have been extended to other children in an eligible household, adequate documentation including the sponsor's approval signature and date must be included and available for review.

Meal Counting and Claiming

The local education agency has not implemented a daily meal count edit system. The daily meal counts were not edited. All information to conduct the edit was available; however, the data was not evaluated by the sponsor. Prior to submitting the monthly Claim for Reimbursement, procedures must be implemented to perform edits of daily meal counts for each site. The daily number of free, reduced-price, and paid meals must be compared to the number of current eligibles and the attendance-adjusted eligibles. In addition, the total number of meals claimed must be compared to the maximum number of meals, per category.

SFA On-site Monitoring

Annual on-site reviews were not conducted by February 1 for all schools. Cambridge Lakes Elementary was reviewed after February 1. These reviews must be conducted by February 1 of each year to ensure that site claims are based on a daily meal count, by category, taken at the point of service.

SFA's Contracting with FSMC's

The school food authority did not have documentation on file to ensure all applicable health certifications and necessary state and local regulations are being met by the food service management company. The school food authority must maintain all applicable health certifications and ensure all state and local regulations are being met by the food service management company.

An advisory board for menu planning has not been established. The LEA must ensure an advisory board is created for the purpose of menu planning.

Algonquin Middle School

As a result of the review at Algonquin Middle School on April 23, 2014, the following problems were identified. All other areas were found to be in compliance.

Meal Counting and Claiming

The site has not utilized an acceptable meal counting system for breakfast and lunch. Milk was offered after the point of service. All meal counts must be taken on a daily basis at the point of service, which is where a determination can accurately be made that a free, reduced-price, or paid lunch has been served to an eligible child.

Meal Components and Quantities

The menu for the selected week of review did not contain an adequate number of servings of grains/breads. The smallest entrée offered daily during the week of review did not meet the minimum required grain/bread ounce equivalent servings for the week. Menus must contain a minimum of eight grain/bread servings per week for grades K-8.

Liberty Elementary

As a result of the review at Liberty Elementary on April 22, 2014, the following problems were identified. All other areas were found to be in compliance.

Meal Components and Quantities

Portion sizes were not served as planned on the day of review. The planned portion size of the carrots was a $\frac{1}{2}$ cup; however, the actual serving size observed on the day of review was not a $\frac{1}{2}$ cup. The portion sizes as planned must be served.

The menu for the selected week of review did not contain an adequate number of servings of grains/breads. The smallest entrée offered daily during the week of review did not meet the minimum required grain/bread ounce equivalent servings for the week. Menus must contain a minimum of eight grain/bread servings per week for grades K-5.

Lakewood Elementary

As a result of the review at Lakewood Elementary on April 23, 2014, the following problems were identified. All other areas were found to be in compliance.

Meal Components and Quantities

Portion sizes were not served as planned on the day of review. The planned portion size of the cucumbers was a $\frac{1}{2}$ cup; however, the actual serving size observed on the day of review was less than a $\frac{1}{2}$ cup. The portion sizes as planned must be served.

The menu for the selected week of review did not contain an adequate number of servings of grains/breads. The smallest entrée offered daily during the week of review did not meet the minimum required grain/bread ounce equivalent servings for the week. Menus must contain a minimum of eight grain/bread servings per week for grades K-8.

Offer Versus Serve

"Offer versus Serve" has not been implemented correctly. Children were not allowed to select enough side items to meet the minimum required daily portion sizes of vegetable and fruit. When implementing "Offer versus Serve", students must be allowed to select all required components that meet the daily minimum portions sizes.

Although cafeteria staff was trained on Offer vs. Serve, additional training is needed to identify all reimbursable options. All cafeteria staff must be re-trained on correct "Offer versus Serve" requirements for lunch and breakfast.

After School Snacks

An on-site review was not conducted during the first four weeks of operation for Lakewood Elementary. The local education agency is required to conduct two on-site reviews for each site on an annual basis. The first review must be conducted within the first four weeks of operation. An additional review must be conducted within the school year.

The number of snacks claimed for reimbursement for March 2014 was not accurate because the "tick marks" on the daily meal count sheets were incorrectly counted. The sponsor claimed 1675 snacks but it should have been 1602 for a difference of 73 snacks. All daily count sheets must be checked for accuracy and correctly claimed for Reimbursement.

Snack menus for March 2014 were reviewed and it was determined that per the production record for March 11, 2014, the orange served was only creditable for a $\frac{1}{2}$ cup fruit but needs to be $\frac{3}{4}$ cup. Snacks must contain two of the following components: a meat/meat alternate, grain/bread, vegetable/fruit/100% juice, or milk. In addition, if juice is served, milk cannot be the other component.

Perry Elementary

As a result of the review at Perry Elementary on April 24, 2014, the following problems were identified. All other areas were found to be in compliance.

Meal Counting and Claiming

The site has not utilized an acceptable meal counting system. The following problems were identified:

- Meal counts were not taken at the point of service in the four classrooms (3 Pre-K and 1 Kindergarten) that ate in their classroom.
- Classroom teachers did not ensure that all children received a reimbursable meal and that all tickets were collected at the time meals were distributed.

All meal counts must be taken on a daily basis at the point of service, which is where a determination can accurately be made that a free, reduced-price, or paid lunch has been served to an eligible child.

Meal Components and Quantities

The portion sizes observed did not appear to be correct on the day of review. The following problems were identified:

- The portion size of the carrots for the students eating in the cafeteria was not a $\frac{1}{2}$ cup, which was the planned portion size.
- The portion size of the carrots ($\frac{1}{4}$ cup) which was served to the students eating in their classrooms was inadequate.

The minimum serving size of the vegetable must be $\frac{1}{2}$ cup.

On the day of review for the breakfast meal service the site only offered one type of milk (1% white). The site did not offer two fat-free (unflavored or flavored) or a low-fat (1% milk fat or less) unflavored and a fat-free milk (unflavored or flavored). Students must be offered the appropriate milk choices.

The menu for the selected week of review did not contain an adequate number of servings of grains/breads. The smallest entrée offered daily during the week of review did not meet the minimum required grain/bread ounce equivalent servings for the week. Menus must contain a minimum of eight grain/bread servings per week for grades K-5.

Offer Versus Serve

On the day of review for the breakfast meal service, it was observed that "Offer versus Serve" was not implemented correctly. Children were allowed to select a smaller portion size (1 package of graham crackers instead of the planned 2 packages) than what was planned. When implementing "Offer versus Serve" at breakfast children must select at a minimum three of the four items offered.

Although cafeteria staff was trained on “Offer vs. Serve”, additional training is needed for breakfast and lunch. Cafeteria staff must be re-trained on “Offer vs. Serve” requirements for lunch and breakfast.

Better signage is needed to assist students in understanding what a reimbursable meal is under Offer vs. Serve for both breakfast and lunch. When implementing “Offer vs. Serve”, adequate signage must be posted to explain what constitutes a reimbursable meal.

Fiscal Action

As a result of the problems cited, an overclaim for March and April 2014 has been identified for the following programs:

- National School Lunch Program (which includes the Afterschool Snack Program) - \$1,744.65.
 - o Revised Claims for Reimbursement must not be submitted for those months in which errors were found. Fiscal adjustments for the National School Lunch Program and Afterschool Snack Program overclaims will be made by the Illinois State Board of Education to future Claims for Reimbursement or repayment may be requested by letter. If you participate in the Seamless Summer Option (SSO) and an overclaim is identified with a future SSO Claim for Reimbursement, the overclaim amount will be added to the above assessments and a new fiscal adjustment amount will be calculated and assessed.
- School Breakfast Program - \$328.17.
 - o Federal regulations allow this office to waive overclaims less than \$600.00; therefore, the School Breakfast Program overclaim will not be assessed. However, if you participate in the Seamless Summer Option (SSO) and an overclaim is identified with a future SSO Claim for Reimbursement, the overclaim amount will be added to the above assessment and a new fiscal adjustment amount will be calculated. If the new assessment exceeds the \$600.00 threshold, fiscal action will be required.

Appeal Procedures National School Lunch Program

If you do not agree with the administrative decision made by the Illinois State Board of Education regarding your organization's participation in the National School Lunch Program, you have the right to appeal that decision. You may either request 1) to have records reviewed; 2) a hearing which you may attend in person; or 3) records review and a hearing. The following are the appeal procedures with strict timelines.

- You must make a formal written request to have records reviewed or to have a hearing within fifteen (15) calendar days from the date you receive our notice of action.
- Mail your request to the Nutrition Programs, Illinois State Board of Education, 100 North First Street, Springfield, Illinois 62777. The State Superintendent or his designee will act as the review official and acknowledge the receipt of the request for appeal within ten (10) calendar days. The review official will be an independent and impartial officer other than, and not accountable to, any person authorized to make decisions that are subject to appeal.
- If you request a review of records, you must submit the written documents to the review official. In order to be considered, the written documents must be filed with the review official not later than thirty (30) calendar days after you receive our notice of action.
- You may retain legal counsel or be represented by another person.
- A hearing will be held by the review official, in addition to or in lieu of a review of written information submitted by you, only if you so specify in the letter of request for review.
- Any information on which our action was based shall be available to you for inspection from the date of receipt of the request for review.
- You will be notified by certified mail, return receipt requested, at least ten (10) calendar days prior to the time and place of the hearing.
- Failure by you or your representative to appear at a scheduled hearing shall constitute your institution's waiver of the right to a personal appearance before the review official unless the review official agrees to reschedule the hearing.
- The review official shall make a determination based on information provided by this office, by you, and according to program regulations.
- The review official will inform you of his/her decision of your appeal within sixty (60) calendar days of your request for a hearing.
- Our action will remain in effect during the appeal process. However, participating school food authorities, institutions and facilities may continue to operate under the program during an appeal of intent to terminate unless the action was based upon imminent dangers to the health or welfare of children. If this is the case, it will be specified in our notice of action.
- The determination by the state review official is the final administrative determination to be afforded to you.