



CSIS California School Information Services

West Sonoma County Union High School District

Food Service Review

December 20, 2011



Joel D. Montero
Chief Executive Officer







CSIS California School Information Services

December 20, 2011

Keller McDonald, Superintendent
West Sonoma County Union High School District
462 Johnson Street
Sebastopol, CA 95472

Dear Superintendent McDonald:

In June 2011, the Fiscal Crisis and Management Assistance Team (FCMAT) entered into an agreement with the West Sonoma County Union High School District for a review of the district's food service program. Specifically, the study agreement states that FCMAT will complete the following:

1. The West Sonoma County Union High School District is requesting the FCMAT Team to conduct an in depth comprehensive review of the food service program. The Team will conduct a review of the current child nutrition program which serves breakfast and lunch to approximately 2,300 students. The review will include food preparation, ordering, inventory, cash management, staffing, policies and procedures, federal and state compliance, menu planning; warehousing and food storage, purchasing and facilities. The team will provide recommendations for enhancing revenues or implementing changes needed to support the program and provide a more efficient operation.

This final report contains the study team's findings and recommendations in the above areas of review. We appreciate the opportunity to serve the West Sonoma County Union High School District and extend our thanks to all the staff for their assistance during fieldwork.

Sincerely,



Joel D. Montero
Chief Executive Officer

C: Steve Jorgensen, Assistant Superintendent, West Sonoma County Union High School District

FCMAT

Joel D. Montero, Chief Executive Officer

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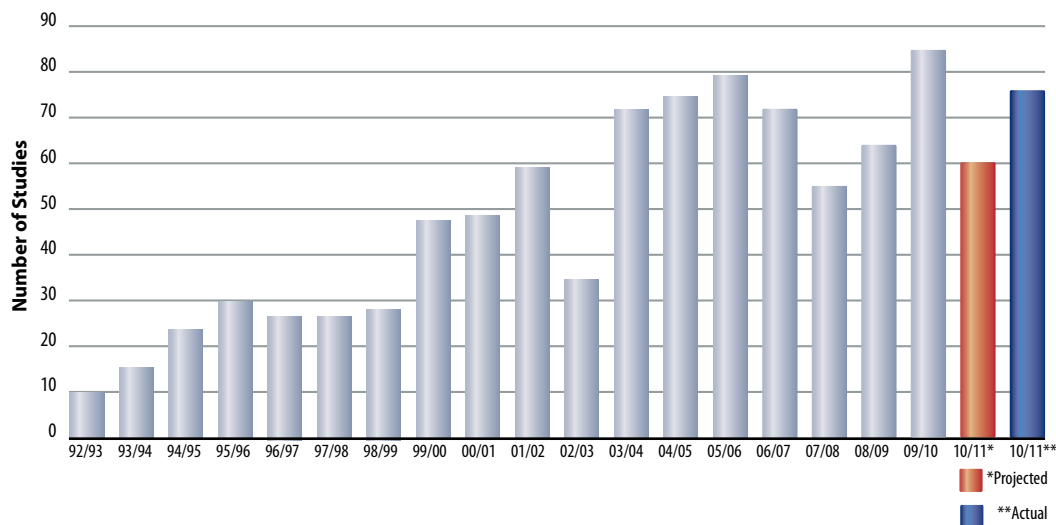
About FCMAT

FCMAT’s primary mission is to assist California’s local K-14 educational agencies to identify, prevent, and resolve financial and data management challenges. FCMAT provides fiscal and data management assistance, professional development training, product development and other related school business and data services. FCMAT’s fiscal and management assistance services are used not just to help avert fiscal crisis, but to promote sound financial practices and efficient operations. FCMAT’s data management services are used to help local educational agencies (LEAs) meet state reporting responsibilities, improve data quality, and share information.

FCMAT may be requested to provide fiscal crisis or management assistance by a school district, charter school, community college, county office of education, the state Superintendent of Public Instruction, or the Legislature.

When a request or assignment is received, FCMAT assembles a study team that works closely with the local education agency to define the scope of work, conduct on-site fieldwork and provide a written report with findings and recommendations to help resolve issues, overcome challenges and plan for the future.

Studies by Fiscal Year



FCMAT also develops and provides numerous publications, software tools, workshops and professional development opportunities to help local educational agencies operate more effectively and fulfill their fiscal oversight and data management responsibilities. The California School Information Services (CSIS) arm of FCMAT assists the California Department of Education with the implementation of the California Longitudinal Pupil Achievement Data System (CALPADS) and also maintains DataGate, the FCMAT/CSIS software LEAs use for CSIS services. FCMAT was created by Assembly Bill 1200 in 1992 to assist LEAs to meet and sustain their financial obligations. Assembly Bill 107 in 1997 charged FCMAT with responsibility for CSIS and its statewide data management work. Assembly Bill 1115 in 1999 codified CSIS’ mission.

AB 1200 is also a statewide plan for county office of education and school districts to work together locally to improve fiscal procedures and accountability standards. Assembly Bill 2756 (2004) provides specific responsibilities to FCMAT with regard to districts that have received emergency state loans.

In January 2006, SB 430 (charter schools) and AB 1366 (community colleges) became law and expanded FCMAT's services to those types of LEAs.

Since 1992, FCMAT has been engaged to perform nearly 850 reviews for LEAs, including school districts, county offices of education, charter schools and community colleges. The Kern County Superintendent of Schools is the administrative agent for FCMAT. The team is led by Joel D. Montero, Chief Executive Officer, with funding derived through appropriations in the state budget and a modest fee schedule for charges to requesting agencies.

Introduction

Background

The West Sonoma County Union High School District is located in Western Sonoma County, which extends from north of Petaluma to the coastal areas near Fort Ross. The largest residential area in the district is the city of Sebastopol, located fifty miles north of San Francisco and 10 miles west of Santa Rosa. The district lies within the world famous wine, grape, and apple producing region of Sonoma County. North of Sebastopol, students also come from the communities of Forestville, Cazadero, Graton, Guerneville, Occidental and Monte Rio.

The district serves approximately 2,200 students in grades 9-12. Students who enter the district's high schools come from 10 elementary districts spread across the western part of the county. The district's schools include Analy and El Molino High Schools, and Laguna Continuation High School. The district also operates a community day school.

In June 2011, the district entered into a study agreement with the Fiscal Crisis and Management Assistance Team (FCMAT) for an in-depth comprehensive review of the district's food services program. Areas for review included food preparation, ordering, inventory, cash management, staffing, policies and procedures, federal and state compliance, menu planning, warehousing and food storage, purchasing, and facilities. The agreement requested that FCMAT provide recommendations for increasing revenues or implementing changes needed to support the program and provide a more efficient operation.

Study Guidelines

A FCMAT study team visited the district on September 20-21, 2011 to interview staff, collect data, review documents and visit facilities. This report is the result of those activities and is divided into the following sections:

- I. Executive Summary
- II. Fiscal Issues
- III. Menus and Meal Program
- IV. Eligibility, Participation and Meal Service
- V. Staffing
- VI. Purchasing
- VII. Facilities and Equipment
- VIII. Cash Handling and Internal Controls
- IX. Coordinated Review Effort Readiness
- X. Appendices

Study Team

The study team was composed of the following members:

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Nipomo, CA

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Bakersfield, CA

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Paso Robles, CA

*This consultant was not representing his employer but was working solely as an independent contractor for FCMAT.

Executive Summary

The West Sonoma County Union High School District participates in the National School Lunch Program and serves breakfast and lunch at Analy, El Molino and Laguna High Schools. The food services department is committed to promoting healthy food choices and is dedicated to providing students with nutritious meals to support their academic success. Although the district's primary fiscal focus is the general fund, the district operates many other funds including the cafeteria fund. The district's fiscal goal for the food services department is to establish an operating budget that does not require a contribution from the unrestricted general fund.

The district's food services department has required an annual contribution from the unrestricted general fund for the last four years and is projected to require a contribution of \$80,000 in the current fiscal year, as shown in the following table:

Fiscal Year	Total Contribution
2007-08	\$72,431
2008-09	\$86,723
2009-10	\$ 131,028
2010-11	\$ 120,069
2011-12	\$80,000

Ideally, food costs and expenditures for labor should each equal approximately 40-45% of revenue for a total of approximately 80-90% of budgeted revenue. However, the district's total labor costs are approximately 70% of revenue, and the total combined operating costs are 118% of the budgeted revenue. This is part of the reason the department requires an annual contribution to support the program. The total operating costs are high compared to current averages for high school districts. At a time when school districts across the state are facing additional budget reductions and cash deferrals, it is critical that the food service department address this issue.

Because of the continuing general fund contributions to the food services budget, the district should review with its independent auditor the possibility of setting up a long-term liability in the cafeteria fund so that when a contribution is no longer required the district's general fund may be able to recapture some of the lost revenue from the current or prior three fiscal years.

The menus offered at the district's high schools are appropriate for high school students and appear to meet guidelines of the National School Lunch Program's Enhanced Food-Based Menu Plan. However, it is not known whether the calories and other nutritional requirements are being met because the district is not conducting its own analysis.

The FCMAT study team observed food service during lunchtime and breaks at each high school. Most students took the required number of items, but not all. If students do not select the required number of items, the meal is not in compliance with federal and state regulations and is not eligible for reimbursement. Therefore, staff and students need a periodic review of the requirements. During a state review, the district will be required to delete incomplete meals from meal totals on submitted reimbursement claims.

The food services department is directed by a food service coordinator who was hired in the spring of 2010. This employee had no prior food service experience but has accepted the high learning curve of this assignment in an exceptional manner. The National School Lunch Program is complex and combines the need to understand a myriad of state and federal regulations and procedures in the areas of nutrition, free and reduced price meal eligibility determination, food safety, food production and service, employee supervision, and financial management. The coor-

dinator should seek and the district should encourage additional training opportunities to further increase knowledge.

Meals per labor hour (MPLH) is an industry-standard measurement used to calculate appropriate staffing levels in a food service program. Calculations may vary depending on the types of menu items served and the production method. Food services departments that prepare meals or some items from scratch instead of using prepackaged meals or heat-and-serve items will require more labor hours.

FCMAT performed MPLH calculations for Analy and Laguna high schools combined because Laguna depends on Analy for food production and meal service. El Molino High School was analyzed separately even though they receive some prepared food from Analy. A monthly sample calculation for August 2011 shows that the MPLH was 22 at Analy/Laguna and 27 at El Molino; both of these numbers are lower than the industry-recommended MPLH of 30 and indicate that staffing is somewhat high.

The California Department of Education (CDE) is required by the United States Department of Agriculture (USDA) and National School Lunch Program (NSLP) regulations to conduct a Coordinated Review Effort (CRE) Administrative Review (7 CFR 210.18) at all participating Local School Food Authorities (LSFAs) once every five years. The district's next CRE and School Meal Initiative (SMI) review is scheduled for the spring of 2012.

In preparation for the CRE, the district should develop a system to double-check applications for free and reduced-price meals to ensure that eligibility determinations are accurate and that all applications on file are complete. A new production record form will need to be in place and staff will need to review a copy of the previous state food service audit, Coordinated Review Effort/School Meal Initiative (CRE/SMI). During FCMAT's site visit, the department could not locate the previous report.

Findings and Recommendations

Fiscal Issues

The district's adoption budget is a planning document that links educational goals to financial decisions and is the annual plan for maintaining the district's financial solvency. Although the district's primary fiscal focus is the general fund, the district operates many other funds including the cafeteria fund. The primary goal of the cafeteria fund is to provide students with healthy meals to help support student achievement and the district's academic programs. The district's fiscal goal for the food services department is to establish an operating budget that does not require a contribution from the district's unrestricted general fund.

For the past four years, the district's food services department has required an annual contribution from the unrestricted general fund, and is projected to require a contribution in the current fiscal year. In addition, because of the current contribution, the district has not charged direct and indirect costs to the food service fund. At a time when school districts across the state are facing additional budget reductions and cash deferrals, it is critical that the food service department address this issue and ensure that its budget is balanced.

The comparative object summary budget report provided by the district shows the food services department's deficit spending for the last four years and the projected deficit amount for the current fiscal year, as indicated in the following table:

General Fund Contributions to the Cafeteria Fund, 2007-08 through 2011-12 (projected)

Fiscal Year	Total Contribution
2007-08	\$ 72,431
2008-09	\$ 86,723
2009-10	\$131,028
2010-11	\$120,069
2011-12 (projected)	\$ 80,000

The district's 2010-11 unaudited actuals indicate some of the issues that are causing the ongoing food service program deficit. Total revenue for the cafeteria fund during 2010-11 was \$27,529 less than the prior year and \$35,000 less than four years prior. Revenues have been decreasing for the last several years. The termination of the district's food service contract with the Forestville School has contributed to the continuing revenue reductions.

Although revenue from reimbursable meals has increased during this same period, the revenue from other meals and a la carte sales has decreased significantly. Over the past four years, revenue from sales of nonreimbursable meals and a la carte items has decreased by \$111,617. Many schools throughout California have experienced a similar decline because of new nutritional requirements regarding what schools can offer in a la carte meals. During the past seven years, state and federal mandates have restricted the sales of food and snack items that have high student appeal such as soda, potato chips and fried foods. The new items offered as replacements are more nutritious but students buy fewer of them.

Ideally, food costs and labor costs should each account for approximately 40-45% of food service program revenue, for a total of approximately 80-90% of budgeted revenue. FCMAT's review of salaries and benefits indicates that the district's total food costs last year were 48% of revenue,

and labor costs (including benefits) were 70% of revenue, for a total of 118% of the cafeteria fund's budgeted revenue. This is higher than the ideal and higher than current averages for high school districts statewide. This is part of the reason the food services department requires an annual contribution from the general fund.

Districts that produce meals from scratch typically have higher labor costs and lower food costs, while districts such as West Sonoma that use many prepared foods typically have lower labor costs and higher food costs. One factor that increases the district's labor costs is that it pays 100% of health and welfare benefits for many of its five-hour per day food service employees. In the food service industry it is rare for staff members who work less than eight hours per day to receive fully paid benefits. Most districts pro-rate the amount the district pays for benefits based on the number of hours worked and require an employee contribution for the balance.

Because of the contribution it requires from the district's unrestricted general fund, for the past several years the food service department has not paid either indirect or direct support costs that are charged to the district's other funds and restricted programs.

The California State Accounting Manual (CSAM) provides for the transfer of monies from the general fund to the cafeteria fund. However, because of the continued general fund contributions to the cafeteria fund, the district would benefit from reviewing with its independent auditor the concept of setting up a long-term liability. Under such an arrangement, if the cafeteria fund no longer requires an annual transfer of funds, the district's general fund may be able to recapture some of the lost revenue from the current or prior three fiscal years.

The district has a board policy that requires closed campuses during the lunch period. However, this policy is not enforced or followed, and many students leave campus during the lunch period to purchase food, so in practice the campus is largely open. While this type of policy is extremely difficult to monitor, optional policies such as allowing only students in grades 11 and 12 to leave campus or similar policies that would keep more students on campus during the lunch hour may help increase food sales. To facilitate this option, the department will need to compare menu options with products sold locally and design an advertising program to capitalize on the nutritional value.

Recommendations:

The district should:

1. Increase revenue to compensate for decreased food sales by improving the menu offerings and promoting their nutritional value.
2. If revenue is not increased, decrease staff expenses; engage in collective bargaining negotiations to reduce salary and benefits costs if needed.
3. Charge the food service program both direct and indirect costs to ensure that it is accounting for all costs of this program.
4. Establish a goal to reduce food costs by 3%.
4. Ensure that board policy is consistent with district practices.
5. Evaluate the district's practice of an open campus during the lunch period and review multiple options that for keeping more students on campus, such as allowing only students in grades 11 and 12 to leave campus.

6. Review with its independent auditor the possibility of setting up a long-term liability in the cafeteria fund to recapture some of the unrestricted general fund revenue lost over the past four years.

Menus and Meal Program

The district participates in the National School Lunch Program (NSLP) and serves breakfast and lunch at Analy, El Molino and Laguna High Schools. The NSLP is a federally assisted meal program that operates in public and nonprofit private schools and residential child care institutions. The program provides students with nutritionally balanced low-cost or free lunches each school day. The program was established when the National School Lunch Act was passed in 1946.

The district follows the United States Department of Agriculture's (USDA's) Enhanced Food-Based Menu Planning Option and the offer-versus-serve option, which lets students turn down foods they do not plan to eat but requires that they take a certain number of items in various food groups. The enhanced menu option requires specific portion sizes for meal components from each of the following food groups: meat, breads, fruits, vegetables and milk. Complete USDA guidelines for each food group is available online at www.fns.usda.gov/cnd/menu/menu_planning.doc

The following table summarizes the requirements of the offer-versus-serve option:

National School Lunch Program Offer Versus Serve Enhanced Food-Based Menus
<ul style="list-style-type: none"> • All five food items must be offered to all students. • Serving sizes must equal the minimum required quantities for the appropriate grade group. • Lunch must be priced as a unit. • Students have the option of which item(s) to decline. • Students must take a full portion of at least <i>three</i> of the five food items: <ul style="list-style-type: none"> ○ One serving of meat, meat alternative, milk or grains/breads and ○ Two servings of vegetables and fruits.

Meals are also required to meet standards for calories, proteins, fats and certain vitamins and minerals based on the students' grade in school. Under the Enhanced Food-Based Menu Planning program, the district is not required to perform a nutritional analysis of the menus, but state officials will conduct an analysis when the district receives its state compliance review, and the menus must meet nutritional standards. The following table illustrates the different caloric and nutrient standards for students in preschool, grades K-6 and grades 7-12.

Lunch Calorie and Nutrient Standards for Enhanced Food-Based Menu Planning Options (Average School Week), by Grade Level

Nutrients and energy allowances			
	Preschool	Grades K-6	Grades 7-12
Energy Allowances (calories)	517	517	825
Total Fat (g) ³	17 ¹	22 ¹	28 ¹
Total Saturated Fat (g) ³	6 ²	7 ²	9 ²
Protein (g)	7	10	16
Calcium (mg)	267	286	400
Iron (mg)	3.3	3.5	4.5
Vitamin A (RE)	150	224	300
Vitamin C (mg)	14	15	18

1. Total fat is not to exceed 30% of calories over the course of a school week
2. Saturated fat is to be less than 10% of calories over the course of a school week
3. Grams of fat will vary depending on the number of calories

The menus offered at the district's high schools are appropriate for high school students and appear to meet the Enhanced Food-Based Menu Planning Option guidelines. However, it is not known whether the calories and other nutritional targets are being met because the district is not conducting its own analysis.

The FCMAT study team's observations of food service during lunchtime and breaks at each high school indicate that most but not all of the students are taking the number of items required to qualify as a reimbursable meal. Staff and students need to be provided with a review of the requirements because if the required number of items are not selected the meal is not in compliance and thus not eligible for reimbursement. During a state review, the district will be required to delete incomplete meals from meal totals on submitted reimbursement claims.

The food services department offers a variety of foods that are attractively presented and are appropriate for the student population. At each meal several entrees are offered as well as salads, fruits, breads and milk. All menu items are available either as a complete meal or a la carte. In addition, a large variety of beverages and snack foods is sold in the meal lines

Meals and A La Carte Sales

Items sold a la carte must meet different nutritional requirements than reimbursable meals. A la carte snack items must have 250 calories or less, with no more than 35% of calories from fat or sugar. A la carte entrees can have no more than 400 calories and four grams (36 calories) of fat per 100 calories. Allowable beverages are milk, water with no sweeteners, unsweetened fruit juice and electrolyte replacement beverages that meet specific guidelines.

The USDA announced plans to revise nutrition standards for meals subsidized by the federal government. The new rules, released on January 31, 2011 are the first major revisions to the standards in more than 15 years and will include the following:

- A decrease in the amount of starchy vegetables such as potatoes, corn and green peas (item proposed but was repealed 10/21/11).
- A requirement to serve only unflavored 1% milk or fat-free flavored or unflavored milk.
- An increase in offerings and variety of fruits and vegetables.
- An increase in whole grains. There is no requirement at present.

- A requirement to use products that have zero grams of trans fat per serving.
- A reduction of the sodium in meals over the next 10 years that would eventually reduce total sodium by more than 50%.
- The establishment of calorie maximums and minimums, instead of maximums only, by grade level.

A summary of these guidelines is included in Appendix A. Additional detailed information is available from the California Department of Education (CDE) website at <http://www.cde.ca.gov/ls/nu/he/mealmenu.asp>.

The food service coordinator is aware of the meal and a la carte requirements and has tried to ensure that items sold meet these requirements. Most items appear to be in compliance. However, a few items do not meet the standards, such as the nachos and cheese sauce, which are too high in fat and calories, and the frozen lemonade cups, which are too high in calories and sugar.

The amount of variety of a la carte items may need to be reviewed. Although the wide array of snack foods and beverages sold provides students with many options, it can slow lines while students try and decide what to buy. It can also increase costs and complicate inventory and purchasing. Items could be rotated at different times to offer variety and prevent redundant offerings, potentially increasing student interest.

The food services department staff indicated that the department has no method for deciding the prices of a la carte items other than doubling the price. Much thought needs to be given to the price charged for a la carte and snack items. If prices are too high, students will not buy them; if prices are too low, the district will not make enough money to pay for the labor that goes into selling the products, and food costs will be too high.

A review of invoices for 11 randomly selected snack items revealed some variances. For example, bottled water was purchased for \$0.29 and sold for \$0.75, yielding a food cost of 39% which is profitable when including labor. However, fudge bars were purchased for \$0.52 and sold for \$0.75, yielding a food cost of 69%, which is too high based on industry standards. Among the 11 items selected for review, the food cost percentage varied from 33% to 82%.

Because the lunch period provides a limited time to sell food and complete transactions, the district could also benefit from a review of the revenue generated per sale. For example, it takes the same amount of time to sell a \$0.50 item as a \$2.00 item, but the higher cost items will generate more profit. It is best practice to maintain a balance between finding food items that can be sold for a substantial mark-up and keeping prices competitive with items that can be purchased off campus.

There are some simple techniques and forms that can be used to achieve proper pricing in an organized fashion. These include the food cost analysis (see Appendix B), which helps establish the true food cost of an item, and the competitive sales analysis (see Appendix C), which helps staff understand and compare what other convenience stores and markets are charging for items identical or similar to what the district is selling. Although food cost may vary from product to product, the goal is for food costs to be less than 45% of revenues.

The district is required to complete and keep daily menu production record forms that indicate the types and amounts of food served to students and adults. The coordinator is aware of this requirement and is directing her staff to complete these forms. The department is changing the format of the forms but is frustrated with the redundancy and tediousness of the current forms.

Many formats are available for these forms, and several examples are given on the CDE website at <http://www.cde.ca.gov/ls/nu/he/mnprodfrm.asp>, but use of a particular form is not required. As long as all the required information is completed, the district can use any form it desires. The information required for the production records is listed on the School Meal Initiative (SMI) checklist and includes the following:

- Number of meals planned and number served
- All planned menu items used to meet the required meal pattern, as well as condiments, and non-creditable desserts
- Serving size of each food item
- Total amount of food prepared for the number of students
- Actual number of students and adults served
- Number of a la carte and adult meals planned and served
- Leftover usage records, substitution lists and dates

The FCMAT study team shared a simplified production record form with the food service coordinator; this form is included in the Appendix D.

Recommendations

The district should:

1. Periodically review breakfast and lunch menus and adjust items and/or rotate in new items based on popularity.
2. Review the nutritional requirements for a complete reimbursable meal with staff to ensure that they are guiding students to take adequate amounts. Students should also be educated in the requirements.
3. Assess the a la carte menu and reduce the number of items offered to reduce inventory costs and speed up lines.
4. Review the nutritional requirements for a la carte snacks and entrees; ensure that all items sold meet requirements.
5. Simplify the production record form to streamline the reporting process for staff. Continue to direct staff in completing production record forms daily.
6. Develop a system to ensure that the proper amount is charged for each item so that customers are not overcharged and the district can produce enough revenue to cover its costs. Compare the cost of identical and similar items at nearby businesses.

Eligibility, Participation and Meal Service

Twenty-one percent of the district's students are eligible for free and reduced-price meals. This is the same percentage as during the past few years. However, the percentage of eligible students differs significantly among the three schools. September 2011 eligibility information shows that 14% of students at Analy High School are eligible, 28% at El Molino High School, and 49% at Laguna Continuation High School. The administration at Laguna High School feels that many more of its students would qualify if the parents would fill out the application. Offering snacks as incentives can sometimes help students remember to turn in applications.

The district is using direct certification, which is a state program that helps the district directly qualify eligible students for the free and reduced-price meal program. This reduces the number of families that need to submit applications and the number of applications that need to be verified annually. The district has also begun offering online applications to simplify the process for families and make it more confidential. However, as is the case in most high school populations, families often do not apply. Promoting the benefits of the program and the availability of applications all year long may help increase the number of applicants and consequently the number of eligible students.

A review of the number of students participating in the free or reduced-price meal program at each school reveals that Analy High School serves 41% of its eligible students at breakfast and 55% at lunch; Laguna Continuation High School serves 56% of its eligible students at breakfast and 44% at lunch; and El Molino High School serves 55% of eligible students at breakfast and 70% at lunch.

Eligibility and Participation, September 30, 2011

Schools	Analy	Laguna	El Molino	District Totals
Enrollment & Eligibility	1324	102	784	2210
Number / Percentage of Free Students	160 / 12%	44 / 43%	177 / 23%	17%
Number / Percentage of Reduced Students	36 / 3%	6 / 6%	40 / 5%	4%
Percentage of Free and Reduced Students	15%	49%	28%	21%
Participation				
Number / Percentage of Free Breakfasts /Day	69 / 43%	25 / 56%	99 / 56%	
Number / Percentage of Reduced Breakfasts /Day	10 / 27%	3 / 50%	21 / 53%	
Percentage of Free & Red Breakfasts /Day	40%	56%	55%	
Number / Percentage of Free Lunches /Day	92 / 58%	19 / 43%	120 / 68%	
Number / Percentage of Reduced Lunches /Day	16 / 44%	3 / 50%	31 / 78%	
Percentage of Free and Reduced Lunches /Day	55%	44%	70%	
Number of Paid Students	1128	52	567	
Paid Breakfasts Served	17 / 1%	34 / 65%	14 / 3%	
Paid Lunches Served	40 / 4%	0	25 / 4%	

El Molino High School is feeding a greater percentage of its eligible students than the other sites. These are acceptable participation percentages for a high school meal program, but increasing participation among eligible students would significantly increase revenue. It is important that all school sites work to eliminate the stigma of eligibility for free or reduced-price meals when promoting the food service program by marketing the menu using terms such as "combo meals" or "meal deals." Meeting with students to discuss perceived food service needs can also benefit the program and increase participation.

Participation among students who pay full price for meals is approximately 1% to 4% districtwide for all meals except for breakfast at Laguna Continuation High School, which is very low. At Laguna Continuation High School breakfast, 65% of the students who are not eligible for free or reduced-price meals participate, but none of these students participate at lunch because it is at the end of the school day. Students may respond to target marketing or special lunch deals if they are presented correctly. However, students who pay full price often only want a la carte choices, so continuing to offer popular items that comply with nutrition regulations can help increase total revenue even if it does not increase meal participation.

Analy High School

The Analy High School cafeteria has two double-sided food lines with four cashiers during the lunch hour. This is the only location on campus where food is served. Full meals and a la carte items are sold in the same lines. Students are required to enter their student identification (ID) number in the point of sale system for a la carte items and for meals. Cashiers enter the food items chosen into the computers (e.g., pizza, chips, milk, etc.) when sold as a la carte. This practice causes lines to be very slow and could be contributing to reduced participation. The time taken for several of the point of sale transactions was 30-45 seconds each. When students entered numbers for full meals only (no cash involved), the time was reduced to 3-5 seconds. If more prepaid full meals were sold, the average time per transaction time would decrease, which could result in more food products sold.

Employees allow students to purchase up to \$10 of a la carte items on credit with the food services department. This practice benefits students but creates significant financial risk for the department and could upset parents if their student charges \$10.00 without their knowledge. Without parental consent, the department's recourse in collecting unpaid accounts is limited.

The cafeteria has an adequate and well-designed snack bar adjacent to the meal lines. It would greatly speed up lines if the main lines were for meals only, or for meals and a very limited variety snacks or beverages but no a la carte entrees. Selling all a la carte entrees and most a la carte snacks at the snack bar and perhaps also at an outdoor food cart would speed and possibly increase both meal and a la carte sales. The requirement for computers and student identification numbers could also be eliminated to help speed and increase a la carte sales.

In interviews, staff indicated that separating the meal sales from a la carte sales was tried before and the food service coordinator felt that students did not participate in the snack bar. The coordinator also feels that the current system helps avoid the stigma of meal lines being for students who are eligible for free and reduced-price meals. However, many districts separate these sales successfully. The stigma will not happen if the meal lines are presented as a positive meal-deal and marketed to all students; a complete meal offers more food for less money than a la carte if items are priced correctly. Having different menu items in the two lines can increase the number of transactions. In addition, certain lunch specials could be offered only with a meal. A la carte entrees could be the same daily and kept to a small variety including items such as pizza, burritos, burgers and other items to increase ease and speed of sale. Limiting the variety of snack items could also speed transactions. The meal lines could offer extras such as salads, fruit and popular bread items such as garlic bread or bread sticks.

Salad bars and self-serve hot food bars can also be a draw for students who pay full price as well as those who qualify for free or reduced-price meals. The district's menus currently offer some of these choices. Marketing techniques that other districts use successfully and that could help the

district increase participation include offering bonuses such as a free small bottle of water or a cookie with the purchase of a meal, and meal deals such as “buy 10 meals and get one free.”

El Molino High School

El Molino High School has one double-sided meal line inside the cafeteria and two mobile food carts outside to serve student lunches. The menu items (meals and a la carte) are identical in all areas. As with Analy, lines are slow and congested. It may be advantageous to separate a la carte sales from meal sales. The inside line could offer meals and perhaps a very few a la carte items such as beverages and cookies. Outside carts could offer only a la carte items and not require the use of computers or student ID numbers.

At both Analy and El Molino high schools, one staff member operates a computer for each meal line. At El Molino, two computers are at the end of the double-sided meal line; at Analy, each line has its own computer. The computer system being used has the capacity to allow two pin pads to be connected to one computer so that two lines can be serviced with just one staff person. Many school districts use this method to reduce staff hours. Once a person is trained in this method and has some experience, the same number of students can be served with half the staff.

Laguna Continuation High School

Meals for Laguna Continuation High School are served from a snack bar in the quad. The majority of daily food sale activity occurs during the morning snack time. Lunch consists of sack lunches delivered for the school’s site staff to hand out. After the sack lunches are handed out, the students are allowed to leave campus. This is against state and federal regulations, which state that all student reimbursable meals must be eaten on campus before the student leaves. It is important that the district address this problem and find a solution, particularly with the state Coordinated Review Effort (CRE) scheduled for this school year. Concerns raised by site staff include a lack of menu choices and the fact that non-food service site staff are required to perform food service duties.

The snack bar has space for two servers to assist students. Previously, the school used student helpers at one of the two snack bar point of sale windows but has stopped this practice this year because of union concerns in light of recent staff layoffs. As a result, only one person now serves students and the snack bar lines are congested. Meal sales are low: only approximately 30 students participate at brunch. However, snack sales make the lines busy, and having only one person makes it difficult to meet students’ needs. The difficulty in solving this issue is that a second person is only needed for about 15-20 minutes. The district could post a position for 15 minutes to see if a current part-time employee wants to work this additional time. Another possibility is to see if someone from the Analy High School staff can come to Laguna to help for 15 minutes as part of their current schedule, not as additional hours. If current staff do not apply for the position, the district may want to reinstitute the use of student help. Students who work these types of positions learn valuable skills that can help them the rest of their lives.

As with the other schools, Laguna Continuation High School requires students to use their ID numbers to purchase snacks and would benefit from discontinuing this practice, which slows the line and reduces the number of transactions completed. Because there is no requirement to enter a la carte sales into the computer, student ID numbers are not needed. The food service coordinator prefers using student ID numbers so that sales can be tracked, and so that students can be allowed to have money on account if they wish. Students should be allowed to keep money on

account, but cash sales do not need to be entered in the computer at the point of sale. Cash sale totals can be entered into the computer after the meal time for accounting purposes.

Even if the district decides not to separate food service lines so that one serves primarily meals and the other only a la carte items, it would benefit greatly from eliminating the requirement for a student ID and computer entry for a la carte items at the point of sale.

If the district wants to reduce cash transactions, it could do as some school districts have done and offer students and staff prepaid cards. The cards can include a discount (e.g., 10%) as an incentive for using them. Best practice is to make cards wallet sized and printed with various small cash amounts (e.g., \$1.00, \$0.25 and \$0.50) that add up to the total paid plus the discount percentage (e.g., \$22 for a card costing \$20). Staff can deduct the amount spent from the cards by marking through the appropriate printed cash amount(s) with a permanent marker. Advantages of using cards such as these include reduced cash transactions and thus faster sales, and the option for parents to still have some control over cash given to students for meals.

Best practice also includes designing the cards to prevent easy counterfeiting and warning students that the cards are the same as cash and that losing a card is the equivalent of losing cash.

Food Preparation

Some of the methods used to prepare and package foods take too much time. Examples include the following.

- Pizza is separated into slices, placed on serving tissues on trays, kept hot in the warmers and then placed on serving lines. This takes time, requires space for many trays, and creates extra pans to wash. Keeping the pizza in the original boxes in thermal bags and having a student helper serve it on the meal line would eliminate many unnecessary steps.
- Fresh baked cookies are cooled and then wrapped individually in bags, but could be kept on trays and served to students with food tissues.
- Chef salads are served in clear plastic clamshell containers. To save money on the containers, staff have been cutting them in half and wrapping the salads with plastic wrap. This may save money on the containers but is much more labor-intensive. With expanded salad bars, self serve chef salads can be offered in the salad bar rather than individually portioned.

Recommendations

The district should:

1. Conduct an ongoing campaign to encourage families to complete meal applications.
2. Market the benefits of the meal program to all students.
3. Consider separating meal lines from lines for a la carte items at Analy and El Molino high schools. At El Molino, sell a la carte items on mobile carts and meals in the cafeteria. At Analy, use the current meal lines for complete meal sales only and the snack bar and or mobile carts for a la carte sales.

4. Consider using one computer with two pin pads in the dual lines to reduce staff hours or enable workers to be assigned to other duties.
5. Ensure that Laguna Continuation High School stops the practice of allowing students to leave campus with complete meals.
6. Analyze the current staffing and duties at Analy High School to determine if it is possible to have a staff member assist in the snack line at Laguna Continuation High School, or post a job opening for this 15 minutes of work to fill this vacancy. If neither of these options is successful, consider reinstating student helpers.
7. Eliminate the practice of requiring students to enter their ID numbers in the point of sale system for a la carte sales. Track these food sales using inventory sheets that record the number of food items at the beginning and end of the serving period instead.
8. Create a prepaid card system to reduce the number of cash transactions for food. Offer a discount on the card to increase sales.
9. Discontinue the practice of allowing students to charge up to \$10 of a la carte items on credit with the food services department.
10. Implement the suggestions above for increasing the efficiency of food preparation, and continue analyzing work habits and procedures to gain ideas of how to increase efficiency of production and cleanup. Encourage staff to participate in this analysis and share ideas.

Subsequent Events

Subsequent to FCMAT's fieldwork and before issuance of this final report, the district began implementing a number of recommendations in the area of meal service. Changes included separating lines for meals and a la carte sales at Analy and El Molino high schools by reopening snack bars and using mobile carts for a la carte sales, and using cafeteria lines for meals only. In addition, the district has begun consolidating point of sale stations by using two pin pads per station to free up staff to operate snack bars and serve hot food. Finally, the district has made some a la carte lines cash only and provided point of sale units at others so that students with money on account can purchase snacks.

These are positive developments that should benefit the district and increase efficiency and cost-effectiveness.

Recommendation

The district should:

1. Consider using prepaid cards in place of, or in addition to, the point of sale machines to speed transactions.

Staffing

The food services department is directed by a food service coordinator who was hired in the spring of 2010. This employee had no prior food service experience but has accepted the steep learning curve of this assignment in an exceptional manner. She has been to several food service trainings and is self-motivated to learn the program. She is quickly learning the job and the leadership role it includes. The coordinator has developed a good relationship with food service staff and other district employees.

Leading a school nutrition department requires multiple skills. The National School Lunch Program is complex and combines the need to understand a myriad of state and federal regulations and procedures in the areas of nutrition, free and reduced-price meal eligibility determination, food safety, food production and service, employee supervision, and financial management. It is very unusual for a person with no former food service or nutrition background to take on such a task and achieve a good understanding of the program quickly.

The food services department has eight staff members, who prepare meals and feed students at the three sites. The food service department has undergone staffing reductions and reorganization this fiscal year in an effort to reduce the need for contributions to the program from the district's unrestricted general fund. These changes have caused transitional issues among the staff, but they are capable and are very nurturing toward the students. The general feeling among department staff is that the department is short-staffed; however, initial observations and a review of meal counts indicate that staffing is more than adequate. Some organizational changes could be made and some training provided in the area of efficiency. Time can be saved by making even small changes, such as placing cookies that will be served immediately on waxed food tissue rather than bagging them individually. Meal counts and food sales are low at Analy and Laguna high schools and need to increase in order to justify the department's current staffing hours and labor costs. El Molino High School is serving more of its students but could also increase efficiencies.

Meals per Labor Hour

Analyzing the number of meals served compared to labor hours is a valuable tool for evaluating productivity and staffing needs for each school site. The meal counts used in FCMAT's labor analysis were derived from the average number of meals served per site from August 2011 through September 2011.

Meals per labor hour (MPLH) is an industry-standard tool used to calculate appropriate staffing levels based on the total number of meals served each day. Calculations may vary depending on the types of menu items served and the production method. Food service departments that prepare meals or some items from scratch instead of using prepackaged meals or heat-and-serve items will require more labor hours. The district's food services staff prepare some food items from scratch, but most items are ready-made; therefore, the expected industry average is 30 meals for each labor hour. It can be more difficult to achieve this efficiency standard at the high school level because high school students do not usually participate in the meal program as readily as elementary students, and most high schools have multiple points of sale, requiring more staff. However, 30 MPLH is still a valid goal by which to measure the department's efficiency.

The FCMAT study team collected information on meal counts and food sales based on the district's reimbursement claim forms and reports from the NUTRIKIDS point of sale program.

To properly calculate MPLH, all meals are counted, and sales of a la carte items are converted to meal equivalents to determine a per-meal cost based on a standard unit of production. The

MPLH calculation normally includes daily breakfast and lunch meal totals for school sites as well as an a la carte meal equivalent factor. Several methods can be used to calculate the a la carte equivalent. The most common method, and the one used in this analysis, divides the total income from a la carte sales per day by the average cost of a breakfast and lunch meal, which is \$2.38 (the average of \$1.75 for breakfast and \$3.00 for lunch). The daily a la carte meal equivalent total is added to the daily totals for breakfast and lunch to arrive at the total meal equivalents per day. The daily meal equivalents are then divided by the total number of staff hours allocated to the individual school site to calculate the MPLH.

FCMAT's MPLH calculations combined Analy and Laguna high schools because Laguna depends on Analy for food production and meal service. El Molino High School was analyzed separately even though some prepared food is sent there from Analy.

As shown in the table below, calculations for August 2011 show that the MPLH for Analy and Laguna combined is 22 and the MPLH for El Molino is 27, indicating that staffing is somewhat high for the number of meals produced.

Meal and Labor Comparisons, August 2011

Schools	Analy	Laguna	Analy/Lag	El Molino	District Totals
August 2011 (21 days)					
Total Breakfasts	2018	715	2733	2814	5547
Breakfasts/Day	96	34	130	134	264
Total Lunches	3112	458	3570	3694	7264
Lunches/Day	148	22	170	176	346
Total Meals/Day	244	56	300	310	610
A la Carte \$	11554	753	12307	10786	23093
A la Carte \$/Day	550	36	586	514	1100
A la Carte Equivalents/day	231	15	246	216	462
Total Meal Equivalents/day	475	71	546	526	1,072
Labor Hours/day			24.5	19.25	43.75
MPLH			22	27	25

For approximately two hours per day, the food service coordinator helps with food service tasks that should be performed by food service staff and that would lower the MPLH slightly if included in FCMAT's calculation.

In addition, staff members work extra hours that are being counted as trade time, which is equivalent to compensatory time. From August 1 to the time of the FCMAT's fieldwork on September 20, the food service staff at Analy High School worked an additional 77 hours; the staff at El Molino worked an additional 39 hours; and the coordinator worked an additional 107 hours. If this time had been included in FCMAT's MPLH calculation, the MPLH figures would be considerably lower. The department needs to look for more efficient ways for staff to perform their tasks or to simplify the menu. It is common for food preparation methods to be developed and practiced without evaluating new and more efficient methods; if this is true in the district's case, the district could increase efficiency by performing such an evaluation.

The food services department has already reduced staffing hours this year, and it would be helpful to try to increase meal and snack sales before looking at further staffing reductions. However, because the department's budget receives significant contributions from the general fund and because salary and benefit costs are at 70% of revenue, this low productivity cannot

be ignored. Revenues need to be increased and/or costs reduced to meet the district's goal of a balanced food service budget.

The district is evaluating the feasibility of adding a middle school (grades 7 and 8) program. This could add needed revenue to the department and curb reductions in staff hours. When planning for this possible increase in participation, the department will need to look first at using existing labor hours. Schedules may need to be revised and some increases in hours made, but only after making every effort to increase production without increasing staff hours. The goal should be to attain 30 meals per labor hour.

Recommendations

The district should:

1. Ensure that the food service coordinator analyzes the menu, serving methods and staff efficiencies to find ways to increase efficiency.
2. Survey students for ideas regarding how to attract more students to participate in order to increase meals and a la carte sales and thus the MPLH.
3. Focus on increasing participation and consider reducing staffing further only if these efforts do not succeed. The coordinator should meet with staff to brainstorm ways to be more efficient and attract more students.
4. If a new middle school is added to the district, ensure that the department does not increase labor hours until MPLH goals are reached.
5. Ensure that the food service coordinator discontinues working two hours per day on tasks that should be performed by staff.

Purchasing

The district's purchasing program works but is receiving slightly higher than average pricing on products compared to other districts. The district works with Slick Co-Op for many of its USDA commodity items. This company has affordable prices and does most of the tracking, organizing and shipping of commodities. The company will also give volume rebates on purchases. The district purchases all other noncommodity items from standard purveyors at normal off-the-shelf prices.

The majority of the commodity items purchased through Slick Co-op are from commodities sent to processors to be made into preprocessed foods. These items offer ease of use and are slightly less expensive than paying full price for noncommodity foods. Greater savings can be realized by purchasing USDA commodity brown box items. These are food items that come directly from the USDA and are not sent to a processor. They cost a little more than \$3.00 per case and include commonly used items such as sliced American cheese, hamburgers, ham and fajita chicken. The food services department would benefit from reviewing last year's purchases of foods similar to those on the brown box list, spending its commodity entitlement dollars on these items first and using the remaining money to purchase items that are sent to processors.

The FCMAT study team selected and reviewed a sample of purchasing invoices for August and September 2011 and found that prices are average for a district that does not go out to bid annually. Milk prices tracked the California markets as they should. Bread and grocery prices were slightly high compared to prices paid by other districts. However, this is likely to change because the district is considering competitive bidding.

The district has now started seeking bids from purveyors for commonly purchased items. There are several advantages to doing this annually or biannually. Purveyors such as Sysco often normally charge a set markup over their cost on food items; however, if a district asks for a school bid the company will ask manufacturers for special school prices. For example, the district purchased baked chips in August for 29.52 per case, but many districts are paying \$24.35 per case because of special school pricing. Similarly, the Pillsbury whole grain pancakes that the district purchased for \$34.24 could have been acquired for \$30.95 with special school pricing. Although these savings may appear small when viewed individually, when applied over time and in quantity, the savings from bidding will be substantial.

Another advantage to establishing bid pricing is that many of the prices can be locked in for six months to a year and a list of these items produced and distributed to prevent staff from purchasing more expensive items from other purveyors. For example, the district recently purchased sliced cheese from Sysco for \$57.03 and from Buchanan Food Service for \$56.20 during the same period. Locking in bid pricing could prevent this type of unnecessary expense. Again, while the individual savings appear minimal, in quantity and over time they are substantial.

The district purchases only its commodity food items from a special cooperative (co-op); it is not a member of a general purchasing co-op. A general purchasing co-op is a group of school districts or businesses that goes out to bid as a group on items that all entities in the group are currently purchasing. There are nearby school districts that may already be part of, or may be willing to form, a general purchasing cooperative. The main advantage of this type of co-op is that it has greater purchasing power so the participating districts can expect significantly lower pricing than if they were bidding on their own. Manufacturers will give purveyors better pricing if they know that a group will be purchasing a large amount of a specific product. In addition, when serving

a co-op, many distributors will deliver items to areas that they would not deliver to absent the co-op and its purchasing power.

Recommendations

The district should:

1. Evaluate the cost savings of purchasing more of the USDA brown box foods.
2. Continue to work to implement competitive bidding to obtain better product pricing.
3. Research the feasibility of forming or joining a general purchasing co-op to purchase food items in bulk.

Facilities and Equipment

El Molino High School

The kitchen facility at El Molino High School is outdated compared to current facilities used by K-12 school districts. Storage space, especially for refrigerated and frozen items, is about half the size it needs to be for a school of this size.

Because of the lack of storage space, food items are transported daily from Analy High School, which increases costs and takes much of the staff's time. Both the walk-in freezer and refrigerator could be increased in size by moving the walls into the adjacent storage areas. The ovens are antiquated but are adequate for current needs; however, plans need to be made for the future. The kitchen could also use a new heating cabinet, which would help on days when there are more items cooked from scratch than the existing ovens can accommodate.

The Multipurpose room at El Molino High School shows signs of age and wear and should be included in plans to upgrade facilities. The floor space has been reduced to allow space for the drama department and could be reconfigured to provide more space. The room needs new lighting and various refurbishing such as removing old tape on walls, refinishing wood and enclosing loose wiring on the walls, which is a potential safety hazard.

To get water hot enough to meet health code requirements, the staff must let the hot water faucet run for approximately 20 minutes. This is a significant waste of water (approximately 35 gallons each time it occurs) at the same time that the school is not watering lawns to conserve water. Staff reported that they need to allow the water to run in the mornings and sometimes at other times of the day to get water hot enough to meet health code requirements.

Adding a water-circulating pump would solve this problem. This type of pump circulates water from the hot water heater to the farthest faucet. This would deliver hot water almost instantly to each faucet, saving water and its associated costs. This type of pump can be put on a timer so that it operates only when needed, conserving electricity and reducing costs.

Analy High School

Much of the food service equipment at Analy High School is not functioning properly and needs to be replaced. The facility has two double-stack ovens, one of which is estimated to be 40 years old and the other 25-30 years old. The oldest oven is not heating correctly and its doors do not close correctly, so it is using more energy than needed. Staff stated that this oven's thermostat is not working correctly and as a result some items are ruined. This piece of equipment needs to be designated as surplus and another more efficient unit purchased.

The kitchen also has one full-sized and one small countertop heating cabinet. The full-sized cabinet takes close to an hour to heat up and does not maintain the temperature needed for production; it needs to be designated as surplus and replaced with a more efficient unit. The kitchen also has a very old food processor called a Buffalo Chopper that works but is seldom used; a newer, faster and more versatile food processor called a Robo Coup is next to it. The older equipment needs to be removed and placed in storage or sold as surplus. This would also create more work space.

All of the ovens at Analy High School out of calibration and as a result are cooking hotter or cooler than the thermostats indicate. Many utility companies offer free calibration checks and minor repairs of equipment through their commercial service departments. If repairs are needed,

often only the cost of parts is charged. Contacting the utility company immediately for this service would improve product quality and save staff time.

Vending Machines

The district has several vending machines on each of its campuses that produce revenue. The company that provides the machines is responsible for stocking and maintaining them. All cash is collected by the vending operator, who then pays the district an agreed upon percentage of the net income via a monthly check. Although maintaining these machines requires no district staff time, one large vending machine such as these, located outside of a building, can use approximately \$40 worth of electricity per month. Because of this, the district could benefit from a survey to determine how much revenue each machine is producing. If a vending machine is costing more in electricity than it is producing in revenue, it needs to be removed.

Recommendations

The district should:

1. Increase freezer and refrigerator space at El Molino High School.
2. Install a hot water circulating pump at El Molino High School.
3. Refurbish the multipurpose room at El Molino High School. Review the facilities requirements with the district's architect to ensure that any upgrades and new construction are included in the district's modernization plans.
4. Replace the oldest oven and warming cabinet at Analy High School as soon as possible. These could be considered safety items because of the nutritional guidelines for heating and serving meals.
5. Create a list and develop an equipment replacement plan for items that are not working and are too old to repair so that purchases can be made when funding is available.
6. Immediately contact the local gas utility company for complimentary calibration checks and service of the ovens at Analy High School.
7. Conduct a survey to determine the revenue generated by each vending machine to ensure that it exceeds the cost of electricity to operate the machine.

Cash Handling and Internal Controls

Practices

All money is collected at each point of service and entered into the NUTRIKIDS point of sale system, which is the hardware and software system used by the district's food services department. Each student receives a personal ID number that is entered into the system by means of a keypad. At the end of each meal, the cashier removes all money from the till and returns the original amount of money to the till. The excess cash from each till is placed in separate bags, which are then placed in the refrigerator or freezer. During the day these areas are locked with padlocks.

The following day, the money is removed from the locked areas and counted by the site lead in the presence of another worker. The site lead reconciles the cash with a printout produced by the point of sale system. Any discrepancies in the reconciliation are resolved at this time. After the reconciliation process is complete, the site lead prepares a deposit slip for the bank and places the deposit in a bag. The food service coordinator then picks up the completed bags from each site and takes them to the bank.

The food service program's cash handling and cash collection practices include appropriate checks and balances, separation of duties and acceptable protocols for the custody of cash. Cash handling and cash management practices meet acceptable standards as outlined in generally accepted accounting principles (GAAP) and therefore pose no serious risk to the integrity of the internal control system governing cash. The district's process includes the proper separation of duties with regard to authorization, custody and recordkeeping related to cash handling and management.

Policies and Procedures

The district has policies and procedures for cash handling at the school sites but does not have any written cash handling procedures or protocols for the food service department. FCMAT also could not locate any board policies related to this area.

The district would benefit from developing a policy and administrative regulations to provide guidance in this area as well as a food service department manual that includes a detailed section on specific cash handling protocols and procedures.

At a minimum, best practice is to ensure that these procedures include proper separation of duties such as collecting, receipting and recording cash; double custody of cash counts; preparation of the daily deposit on prenumbered deposit slips; verification procedures from the bank to daily sales detail; and monthly bank reconciliation.

Internal Controls

Internal controls are the foundation of sound financial management and help protect a district from material weaknesses, serious errors and fraud. An integral part of an organization's internal control system involves establishing effective preventive controls in each sector of operations. Because the food services department handles substantial amounts of cash, a well-defined system of cash handling and cash management policies and procedures is vital.

To build a reliable internal control structure, districts need to ensure that the following elements are part of the transactions and reporting processes:

System of checks and balances

This includes formal procedures to initiate, approve, execute, record and reconcile transactions. The procedures identify the employee responsible for each step and the time period for completion. Key areas of checks and balances include payroll, purchasing, accounts payable and cash receipts.

Separation of duties

This includes implementing adequate internal accounting procedures and making changes as needed to separate job duties and properly protect the district's assets. No single employee should handle a transaction from initiation to reconciliation, and no single employee should have custody of an asset (such as cash or inventory) and maintain the records of related transactions.

Staff cross-training

This ensures that more than one employee is able to perform each job. Each staff member should be required to use their accrued vacation time, and another staff member should be able to perform that staff member's duties. Inadequate cross-training is often a problem even in the largest central business offices.

Use of prenumbered documents

This includes using an outside printer to print checks, sales/cash receipts, purchase orders, receiving reports and tickets. It also requires maintaining physical controls over the check stock, cash receipt books and tickets. It is not sufficient to simply use prenumbered documents. A log of the documents and numbers should be maintained and reconciliation performed periodically.

Asset security

This includes depositing cash daily, securing computer equipment, and ensuring that access to supplies/stores, food stock, tools and gasoline is restricted to designated employees.

Timely reconciliations

This includes ensuring that bank statements and account balances are reconciled monthly by an employee who had no involvement in the original transaction and recording process. For example, the employee who processes payroll should not maintain the check stock.

Comprehensive annual budget

An adequate annual budget will include revenues and expenditures by school site, department and resource in sufficient detail to identify variances and determine whether financial goals were achieved. Material variances in revenues and expenditures should be investigated promptly and thoroughly.

Inventory records

Adequate inventory records will identify the items and quantities purchased and sold or designated as surplus. Physical inventory should be taken periodically and reconciled with inventory records. Inventoried items typically include computer equipment, warehouse supplies, food service commodities, maintenance and transportation parts, and student store goods.

To help prevent theft of cash, separation of recordkeeping, custody and authorization duties is essential. To ensure proper separation of duties, an internal control plan should specify procedures for the following duties:

- Receiving cash from individual cashiers and other school sites
- Preparing the bank deposit
- Delivering the deposit to the bank
- Verifying the receipted deposit from the bank
- Posting cash receipts in the financial system
- Reconciling the bank statement

Recommendation

The district should:

1. Continue its current cash collection practices and develop a board policy and administrative regulations regarding cash handling procedures and a written procedures manual that includes the proper separation of duties, internal controls and board policies.

Coordinated Review Effort (CRE) Readiness

The California Department of Education (CDE) is required by the United States Department of Agriculture (USDA) and National School Lunch Program (NSLP) regulations to conduct a Coordinated Review Effort (CRE) Administrative Review (7 CFR 210.18) at all participating Local School Food Authorities (LSFAs) once every five years. The CRE includes a comprehensive on-site evaluation of the LSFA to ensure compliance with NSLP regulations.

The statute establishes the scope of the CRE, which includes application, certification, verification, meal counting, and meal claiming procedures. These areas are covered by CRE Performance Standard 1 (PS 1) and the verification component of the review. The most significant items reviewed include the accuracy of qualifying free and reduced-price meal applications; the accuracy of the count of and claims for meals served; the compliance of menus with program requirements; and whether meals served to students qualify for reimbursement. A lack of compliance in these areas can reduce the district's revenue. The district's CRE is scheduled for the spring of 2012.

The district will need to have a new production record form in place by the time of the review, and staff will need to review a copy of the previous state food service audit, Coordinated Review Effort/School Meal Initiative (CRE/SMI). During the FCMAT study team's site visit, the food service coordinator could not locate the previous report.

The CRE/SMI is a comprehensive review and can have fiscal implications. Because the food service coordinator is new to the program, she has not experienced this type of review; however, she is aware of its implications. The state reviewers offer a CRE workshop for districts scheduled for reviews, and FCMAT strongly advises that the coordinator attend. The CDE's website has information about the CRE and the SMI including a detailed checklist of what the audit will entail. This is a good guideline for the coordinator to review in preparation for the CRE.

The accuracy of the district's free and reduced-price meal eligibility determinations is unknown. To prepare for the CRE, it would benefit the district to develop and implement a system for double-checking applications for free and reduced-price meals to ensure that eligibility determinations are accurate and all applications on file are complete. This would include verifying that all required information is present and that family size and income calculations are correct. If student eligibility is not determined accurately and meals were claimed for the students, the district may be required to reimburse the state for those meals.

Guidelines for completed applications can be found in the *Eligibility Manual for School Meals*, which is available on the USDA website at <http://www.fns.usda.gov/cnd/guidance/EliMan.pdf>. Additional information is available on the CDE's website at <http://www.cde.ca.gov/ls/nu/>. The manual contains detailed information about the regulations and procedures for determining and verifying school meal eligibility, and the CDE's website also contains a wealth of information regarding operation of a child nutrition program.

The district's menus appear to meet the nutritional requirements of the Enhanced Food-Based Menu Planning option; however, it is not possible to determine this without a nutritional analysis. The CRE will include such an analysis and determination.

The NUTRIKIDS point of sale program tracks meal counts in the proper eligibility categories as long as there is accurate eligibility information from direct certification and application processing. The program also produces reports to be used for filing reimbursement claims.

Although the food services staff are aware of what constitutes a complete reimbursable meal, some students leave serving lines without complete meals. If this is observed during an audit, those meals will be disqualified from reimbursement. The importance of carefully tracking complete meals needs to be reviewed with staff and students.

Recommendations

The district should:

1. Encourage the food service coordinator to attend workshops related to the CRE process and other training that will help her continue to increase her skills. The coordinator should also review documents on the CDE's website related to the CRE process.
2. Review menus to ensure that portions meet the requirements of the Enhanced Food-Based Menu Planning option, and educate staff regarding these requirements.
3. Monitor meal lines to determine whether students are taking all meal components required by the Food-Based Menu Planning option.
4. Ensure that the food service coordinator obtains and reviews a copy of the previous CRE report.
5. Ensure that the food service department reviews applications for free and reduced-price meals before the upcoming CRE.

Appendices

Appendix A

Enhanced Food-Based Menu Planning Guidelines

Appendix B

Food Cost Analysis Form

Appendix C

Competitive Sales Analysis Form

Appendix D

Sample Food Production Record

Appendix E

Food Sales Regulations

Appendix F

CRE Administrative Guidance Document, 2010

SMI Review Guidance, 2010

Appendix G

Study Agreement

Appendix A

California Department of Education Nutrition Services

MEAL PATTERN FOR LUNCH – ENHANCED FOOD-BASED MENU PLANNING						
		AGES 1-2 YRS	PRE- SCHOOL	GRADES K-6	GRADES 7-12	GRADES K-3*
Meat/ Meat Alternate	Per day serving of the following food items or a combination of these items to provide at least the quantity listed. The quantities are the edible portion as served.	1 oz	1-1 ½ oz	2 oz	2 oz	1-1 1/2 oz
Fruits/Vegetables	At least two different vegetables and/or fruits must be offered. Minimum requirements per day...	½ cup	½ cup	3/4 cup** **plus an extra ½ cup over a week.	1 cup	¾ cup
	Must be enriched or whole grain or contain germ or bran. A serving is: A slice of bread or an equivalent serving of biscuits, rolls, etc. OR ½ cup cooked rice, macaroni, noodles, other pasta products or cereal grains. Up to one serving per day may be a grain-based dessert. (This applies only to Grades K-12, not to Ages 1-2 and PreSchool) Minimum per WEEK Minimum per DAY In this chart, a week equals 5 days. If there are 7 days in the week, increase servings of Grains/ Breads per week by: 5 servings for Grades K-6 to a total of 17 servings 6 servings for Grades 7-12 to a total of 21 servings Increasing the number of servings of Grains/Breads is critical to the success of meeting the calorie requirements and implementing the Dietary Guidelines recommendations for dietary fiber.					
Grains/Breads		5 serv ½ serv	8 serv 1 serv	12 serv 1 serv	15 serv 1 serv	10 serv 1 serv
Milk (Fluid)	Must be served as a beverage.	6 fl oz	6 fl oz	8 fl oz	8 fl oz	8 fl oz

*Grades K-3: This is an optional age/grade group. USDA recommends using it along with others.

Revised March 2001

School Breakfast Meal Pattern

Traditional and Enhanced Food-Based Menu Planning Options for School Breakfast Program.

Components	Food Items/Servings	AGES 1-2 YRS	PRE- SCHOOL	GRADES K-12	GRADES 7-12*
Grains/Breads**	<ul style="list-style-type: none"> Serve one of the following items or combine them to meet the requirements: whole-grain or enriched bread, biscuit, roll, muffin, or cereal. Examples of serving sizes can be found in the United States Department of Agriculture (USDA) Food Buying Guide (Outside Source). 	½ serving	½ serving	1 serving	1 serving
Meat/ Meat Alternates**	<ul style="list-style-type: none"> Serve one of the following items or combine them to meet the requirements: meat, poultry, fish, cheese, egg, or yogurt. Examples of serving sizes can be found in the USDA Food Buying Guide (Outside Source). 	½ ounce	½ ounce	1 ounce	1 ounce
Fruits/Vegetables	<ul style="list-style-type: none"> Include a minimum of one serving. A serving can be fruit or vegetable or both, or full-strength fruit or vegetable juice. 	¼ cup	½ cup	½ cup	½ cup
Milk (Fluid)	<ul style="list-style-type: none"> Served as a beverage or on cereal, or both. 	4 fl oz	6 fl oz	8 fl oz	8 fl oz

* Grades 7-12: This is an optional age/grade group under the Enhanced Food-Based Menu Planning Option. Recommended, but not required.

**Select one serving from each of the two components to equal one grain/bread *AND* one meat/meat alternate *OR* select two servings from one of the components to equal two grains/breads *OR* two meat/meat alternates.

Questions: Nutrition Services Division | 800-952-5609

This institution is an equal opportunity provider.
Esta institución es un proveedor igual de la oportunidad.

California Department of Education
1430 N Street
Sacramento, CA 95814

Last Reviewed: Wednesday, July 21, 2010

Appendix B

FOOD COST ANALYSIS

Account Name		Unit	Name	Manager			Date		
1. Product Name	2. Ingredients	3. Ingredient Portions	4. Ingredient Cost	5. Total Product Cost	6. Selling Price	7. Product Cost % (5/6)	8. Gross Margin (6-5)	9. Indirect Cost	10. Contribution \$ (8-9)

Appendix C

COMPETITIVE SALES ANALYSIS

Account Name	Unit Name		Food Service Manager	Date
1. Item	2. Our Price	Competitor	Competitor	Competitor

Appendix D

Menu Production Record For Enhanced Food Based Meal Plan

Date: _____ Site: _____ Grades 9-12 Offer vs. Serve: yes

	Students		Adults				Total		Number of Student Servings	Number of Ala Carte & Adult servings	Leftover servings	Notes*
	Estimated Meals (planned)	Actual Meals (served)										
Menu Item and form used	Estimated Portions	Recipe or product (name, number, code)	Planned portion size (by weight or portion)	Contribution to meal pattern				Amount of food used (purchase unit-lb/qty)				
				M/MA Oz.	G/B serv	V/F cups	Milk Oz.					
Meat/Meat Alternate (Record temperatures for hot foods)												
Grains/Breads												
Vegetables/fruits												
Milk (Record Temperatures) 1% White Non-Fat Chocolate												
Extra foods												

* Notes column can be used for information such as plans for leftovers (toss or use next day), substitutions made in menu, etc.

Appendix E

**LAWS REGARDING FOOD SALES TO STUDENTS
FOOD AND BEVERAGE REQUIREMENTS SB 12 & SB 965
EFFECTIVE JULY 2007**

FOOD SALES AT ALL SITES

- Must have sales approved by the Governing Board
- Must comply to the California Health Code Regulations
- May not be prepared on campus or in private homes (only commercially prepared and packaged food)
- Must meet the Food and Beverage requirements in SB 12 & SB 965 if sold during school day (see below)
- Foods that do not meet SB12 & SB965 may be sold either off campus or 1/2 hour after end of school day
- Laws apply to cafeteria sales, student and organization sales and vending machines

ELEMENTARY SCHOOLS

- No food sales at lunch or lunch recess
- Limited to 4 sales/year and one food item per sale.
- Food item cannot duplicate food sold in school cafeteria on that day.

MIDDLE & HIGH SCHOOLS

- 1 organization per day (e.g., student store/ASB) may sell everyday (no more than 3 types of foods.)
- 4 days during the year, multiple organizations may sell approved foods (all on the same 4 days).
- Food item cannot duplicate food sold in school cafeteria on that day

SB 12 / SB 965:

Restricts food & beverages sales
during the school day to the following:

Full Meals or:

A la carte items, (individual portion sizes) of

- Nuts/seeds, eggs, cheese, fruit, & non-fried vegetables.

Dairy and grain products

(e.g., yogurt, ice cream, muffins granola bars)
may be sold a la carte, if:

Maximum of:

- 175 calories
- 35% of calories from fat
- 10 % of calories from saturated fat
- 35% of weight from sugar

Beverages:

- Water with no sweeteners added
- Low fat or non fat milk, including flavored milk
- Vegetable & fruit juice: min. 50% juice & no added sweeteners

SB 12 / SB 965:

Restricts a la carte food & beverage sales
during the school day to the following:

SNACKS are limited to a maximum of:

- 250 calories per item.
- 35% of calories from fat (exception of nuts, nut butters, seeds, eggs, single serving cheese, fruit, & non-fried vegetables)
- 10% of calories from saturated fat
- 35% of weight from sugar

ENTREES are limited to maximum of:

(except in a reimbursable meal)

- 400 calories
- 4 grams of fat per 100 calories (36% fat)
- Must be categorized in the National School Lunch or breakfast program as an entrée.

Beverages:

- Same as elementary plus:
Electrolyte replacement beverage
(max 42 grams sugar/20 oz.)

Appendix F

NSLP Coordinated Review Effort

ADMINISTRATIVE REVIEW GUIDANCE

THE INFORMATION BELOW WILL HELP YOU PREPARE FOR REVIEW:

- Column (1) lists the Compliance Areas that will be reviewed.
- Column (2) details the documents you must make available to the reviewer.
- Column (3) is provided for you as a checklist for documents that are ready.
- Column (4) gives additional information to help you prepare for review.

PLEASE HAVE RECORDS FOR SITES SELECTED FOR REVIEW:

- Organized by site.
- Available at a central location, such as the agency office.

(1) COMPLIANCE AREA TO BE REVIEWED	(2) THE AGENCY SHOULD HAVE THESE DOCUMENTS AVAILABLE	(3) AGENCY (✓) CHECKLIST	(4) ADDITIONAL INFORMATION																		
<p>SITE SELECTION</p> <p>The number of sites to be reviewed is determined by Table A.</p>	<p>ATTACHMENT A, "Site Selection Worksheet"</p> <p>ATTACHMENT B, "Site Selection-Schools With Tracks"</p> <p>TABLE A</p> <table border="1"> <tr> <td>Total Number of Sites</td> <td>Minimum Sites to be Reviewed</td> </tr> <tr> <td>1 - 5</td> <td>1</td> </tr> <tr> <td>6 - 10</td> <td>2</td> </tr> <tr> <td>11 - 20</td> <td>3</td> </tr> <tr> <td>21 - 40</td> <td>4</td> </tr> <tr> <td>41 - 60</td> <td>6</td> </tr> <tr> <td>61 - 80</td> <td>8</td> </tr> <tr> <td>81 - 100</td> <td>10</td> </tr> <tr> <td>101 or more*</td> <td>12</td> </tr> </table> <p>*plus 5% of the number over 100</p>	Total Number of Sites	Minimum Sites to be Reviewed	1 - 5	1	6 - 10	2	11 - 20	3	21 - 40	4	41 - 60	6	61 - 80	8	81 - 100	10	101 or more*	12		<ul style="list-style-type: none"> • All sites must be reviewed which meet CRE's criteria of a free Average Daily Participation (ADP) of 100 or more and a free Participation Factor (PF) of 100% or more (100/100). The total of the sites to be reviewed may exceed the number of sites to be selected using Table A. • If the number of sites using USDA's 100/100 criteria is less than the number to be selected using Table A, then: <ul style="list-style-type: none"> o Selection of additional sites to meet the minimum number required must be based on an free ADP of 100 or more and a free PF of the following: <ul style="list-style-type: none"> ▪ 97% for elementary schools ▪ 87% for combination (of elementary and high) ▪ 77% for high schools (PF = meals claimed divided by number of serving days divided by the number eligible) • If the required minimum number of sites to be reviewed (based upon the total number of sites in the agency) is not met by the above criteria, additional State Agency (SA) criteria will be used to select the remaining number of sites required.
Total Number of Sites	Minimum Sites to be Reviewed																				
1 - 5	1																				
6 - 10	2																				
11 - 20	3																				
21 - 40	4																				
41 - 60	6																				
61 - 80	8																				
81 - 100	10																				
101 or more*	12																				
<p>CRITICAL AREA</p> <p>PERFORMANCE STANDARD 1</p> <p>PART 1</p> <p>CERTIFICATION AND BENEFIT ISSUANCE</p> <p>Each child's application for free and reduced-price lunches is correctly approved or denied in accordance with the application provision of 7 CFR Part 245</p>	<p>A. Eligibility applications for each site selected for review for the month of review.</p> <p>B. Any CalWORKS, FDIPIR, Kin Gap, Migrant, Homeless or Food Stamp direct certification documentation.</p> <p>C. Any migrant homeless or runaway approved documentation.</p> <p>D. Rosters or other benefit issuance documentation for the review month for sites selected.</p> <p>E. Copy of current guidelines and instructions for correct completion of applications.</p> <p>F. The letter to parents explaining the free and reduced price policy.</p> <p>G. Eligibility rosters from home school districts/sites for inter-session/visiting students included in meal counts.</p> <p>H. School year calendar with serving days by site and, if applicable, track.</p>		<ul style="list-style-type: none"> • Sites with year round education: Applications must have an indication of the appropriate track. • Agencies that file applications by family for children at multiple sites: Include original or copies of applications for the children attending the site reviewed. • All sites: <ul style="list-style-type: none"> o Include applications for students who have withdrawn or transferred out since the review month. o Include applications pulled for verification for the review sites. o Include list of students directly certified. Include County Welfare Department's official certification. Include migrant homeless or runaway approval documentation. o Rosters must show changes to eligibility made within the required time frames (within 3 operating days for increased benefits, must give 10 calendar days for decreased benefits, i.e. F to D, R to D, and F to R). o It is helpful if the filing system used for applications matches the roster order. <p>Reference: 7 CFR 210.18</p> <p>FISCAL ACTION MAY BE TAKEN IF:</p> <ul style="list-style-type: none"> • A site's eligibility applications or other certification documentation relevant to the review month are not complete, correct and available for review. • Rosters or other benefit issuance documents for each month are not consistent with eligibility documentation. 																		

Legend of Acronyms: 7 CFR = Title 7 Code of Federal Regulations
 CRE = Coordinated Review Effort
 EC = California Education Code
 FNS = Food and Nutrition Service
 MB = Management Bulletin
 NSD = Nutrition Services Division
 NSLP = National School Lunch Program
 SHAPE = Shaping Health as Partners in Education
 USDA = United States Departments of Agriculture

(1) COMPLIANCE AREA TO BE REVIEWED	(2) THE AGENCY SHOULD HAVE THESE DOCUMENTS AVAILABLE	(3) AGENCY (N) CHECKLIST	(4) ADDITIONAL INFORMATION
CRITICAL AREA PERFORMANCE STANDARD 1 PART 2 COUNTING AND CLAIMING All free, reduced price, and paid lunches claimed for reimbursement are served only to children eligible for free, reduced price, and paid lunches, respectively; and are counted, recorded, consolidated and reported through a system which consistently yields correct claims.	A. The completed reimbursement claim form for all the months in the current program year. B. Daily meal count records and monthly meal count totals reported separately by site, for all months from the first month in session after June 30 through the review month for the current year for sites selected for review. C. Written collection procedures which describe adequate meal count systems as implemented at the sites selected for review. D. Agency's average daily attendance figure for the entire district and/or sites selected for review, if used for edit checks.		<ul style="list-style-type: none"> An adequate counting system is one that meets the following criteria: <ul style="list-style-type: none"> Provides accurate point-of-service (the point at which it may be determined that a complete, reimbursable meal HAS BEEN SERVED) meal counts of the number of reimbursable free, reduced price, and paid meals served to eligible children on a daily basis. Records and reports those counts accurately to the agency; Prevents overt identification of the eligible needy; and, Is monitored by agency to ensure internal controls exist. Reference: 7 CFR 210.18 FISCAL ACTION MAY BE TAKEN IF: A site's meal count system fails to meet the above criteria.
CRITICAL AREA PERFORMANCE STANDARD 2 MEAL ELEMENTS Lunches claimed for reimbursement contain meal elements (food items and components, menu items or other items) as required under 7 CFR 210.10	A. Daily listed menus for the month of review listing all required food items and components or menu items. B. Menu records or other documentation for the review period that clearly indicate that all required food items and components or menu items are offered for daily and weekly requirements.		<ul style="list-style-type: none"> Ensure that for all sites and meal types the menu planning option is correct in the CNIPS. Meals observed during review must contain required number of food items and components or menu items according to the menu planning option for the site(s). Lunches claimed provide adequate calories and other nutrients as required by program regulations References: 7 CFR 210.10 and 210.18 FISCAL ACTION MAY BE TAKEN IF: A site's menu or meal service fails to meet the above criteria.
GENERAL AREA 1 FREE AND REDUCED PRICE PROCESS AND VERIFICATION	A. Free and reduced price policy statement (Include ATTACHMENT C Meal Count/Collection Procedures for Lunch and Breakfast). B. ATTACHMENT D – District or Agency Verification Summary C. ATTACHMENT E – Verification Findings by Individual Student. Include the following: <ol style="list-style-type: none"> Copies of the free and reduced-price applications selected for verification Documentation used to verify each application prior to November 15 of each year. Electronic verification summary submitted to the State and backup documentation. Records showing that eligibility changes are made within required number of days – 3 operating days for increased benefits (R to F), 10 calendar days for decreased benefits (F to R, F to D or R to D). D. Evidence of no overt identification of the needy students.		<ul style="list-style-type: none"> Policy Statements and Agreements MUST BE KEPT UNTIL REPLACED by new documents. Since these documents have no expiration date they are valid until replaced. Renewal Annual Participation Statements and other yearly documentation must be available for 3 years plus the current year. Collection Procedures need to on hand as reference documents at each site. The district's plan for direct certification should be included. The County Welfare Department's official certification letter with a signature and date should be available for review. Changes to collection procedures must be sent to the reviewer. Provide annual verification report submitted to the State. Reference: 7 CFR 245 FISCAL ACTION MAY BE TAKEN IF: Benefit changes from verification are not made within required time frames.

(1) COMPLIANCE AREA TO BE REVIEWED	(2) THE AGENCY SHOULD HAVE THESE DOCUMENTS AVAILABLE	(3) AGENCY (✓) CHECKLIST	(4) ADDITIONAL INFORMATION
<p>GENERAL AREA 2 MEAL PATTERNS/ NUTRIENT STANDARDS</p>	<p>A. Menu Planning Approach chart or elements/nutrient standard chart that is followed at each site. B. Menu Production and Transport Records for the month selected for review including portion size and quantity of food used. C. Current specifications or product analyses for commercial prepared food items used for the review month. D. Standardized recipes used in food preparation for the month of review. E. Food purchase Invoices and inventory records for the foods served in the month of review. F. Nutrient analyses for review period and day of review, if applicable</p>		<ul style="list-style-type: none"> Agency shall ensure the following: <ul style="list-style-type: none"> Sufficient quantities of food are planned and produced so that lunches provided contain all the required meal elements in at least the amounts indicated in the appropriate site lunch pattern. The weight and portion size of grain/bread servings are documented. Records are kept to prove that lunches contain adequate calories and other nutrients as required by program regulations. Foods as part of the reimbursable meal must not be fried and contain less than .5 grams artificial trans fat. Ed Code 49430.7, MB NSD-NSP 04-2008 <p>NOTE: This area will be covered in depth in the School Meals Initiative Review. References: 7 CFR 210.18 and <i>Healthy School Meals Training Manual</i></p>
<p>GENERAL AREA 3 CIVIL RIGHTS AND CHILDREN WITH SPECIAL NEEDS Agencies shall comply with requirements of Title VI of the Civil Rights Act of 1964, the Americans with Disabilities Act of 1991, and Section 504 of the Rehabilitation Act of 1973.</p>	<p>The Civil Rights Coordinator for the agency should be prepared to answer questions about the following: A. Civil rights poster prominently displayed (to program participants). B. Program materials showing the non-discrimination statement. C. Public release announcing the availability of the lunch program as sent to public media and community/grass roots organizations. D. Foreign language translations of program materials when a significant number of persons in the population speak only a foreign language. E. Written complaint procedure for Child Nutrition Programs to handle complaints alleging discrimination. F. Evidence that admission procedures do not restrict enrollment of minority persons. G. Evidence to prove that minority applications are denied correctly and appropriately. H. Racial/Ethnic data of participants by site. CBEDS reports are acceptable. I. Evidence that handicapped students have equal access to the Program. J. Medical documentation on file for special diets for children with specific food needs. Documentation on menu production sheets/transport records for special dietary foods served.</p>		<ul style="list-style-type: none"> The following nondiscrimination statement is to be posted in all administrative office and food service areas and included in program materials: In accordance with Federal law and United States Department of Agriculture (USDA) policy, this institution is prohibited from discriminating on the basis of race, color, national origin, sex, age, or disability. To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410 or call (202) 720-5964 (voice and TDD). USDA is an equal opportunity provider and employer. The following short statement may be used on a one page flyer, public service announcement, the Internet or other media: "This institution is an equal opportunity provider" The non-discrimination statement does not have to be on menus References: MB 99-600 (Contains a current sample of the "AND JUSTICE FOR ALL" poster, must post 11x17) , MB USDA CMP 03-2008 (Nondiscrimination Statement), MB 99-601 (Complaint Procedures) and MB 03-107 (Special Dietary Needs)

(1) COMPLIANCE AREA TO BE REVIEWED	(2) THE AGENCY SHOULD HAVE THESE DOCUMENTS AVAILABLE	(3) AGENCY (✓) CHECKLIST	(4) ADDITIONAL INFORMATION
<p>GENERAL AREA 4</p> <p>MONITORING SITE RESPONSIBILITIES/ SANITATION</p>	<p>A. Site Monitoring of Meal Counts for Reimbursable Meals: Site monitoring reports for agencies with multiple sites, including corrective action needed and completion dates. See ATTACHMENT F for a sample monitoring report.</p> <p>B. Meal Count Edit Checks: Completed daily meal count edit checks by site for the month of review. See ATTACHMENT G and H for sample edit check formats.</p> <p>C. Safety and Sanitation</p> <ol style="list-style-type: none"> Health Permit posted in kitchen or documentation of local alternative. Public advisement that a copy of the most recent inspection report is available upon request. Reports of ongoing inspections and documentation that non-compliance findings were resolved. Two health inspections required per program year per site. If not, documentation that you requested two inspections per year from the local health department. HACCP-based food safety plan, which includes Standard Operating Procedures (SOPs) and HACCP principles. Documentation that the plan has been implemented. Evidence that at least one employee AT EACH SITE is a "certified food handler" and has passed an approved food-safety examination Documentation that the site meets the definition of a satellite food distribution facility (one that serves only prepackaged food, beverages and whole fruit is therefore exempt from "certified food handler" requirement). 		<ul style="list-style-type: none"> Site monitoring: Must be completed by February 1 in each Program year. Edit Checks: Before submitting the monthly reimbursement claim, each agency must "edit check" meal counts by comparing each site's DAILY free and reduced price meal counts with: <ul style="list-style-type: none"> Total number of children eligible by category. The number of children currently approved for free and reduced price meals times the current federal attendance factor. The site or agency attendance factor, which must exclude excused absences, may be used in place of the national attendance factor. Submitted claims will be "edit-checked" using the current National factor (times) the days meals were served (times) the number eligible by category. If you are using site specific or agency attendance factor and reported counts exceed the SA edit checks, you will receive a notice of potential overclaim. You are responsible for the analysis of supporting meal count data to determine if claim adjustment is required. Agencies must comply with the <i>California Retail Food Code</i>. Thermometers must be placed in each refrigerator and freezer. HACCP-based food safety plan may be modeled after USDA Guidance for School Food Authorities located at http://www.fns.usda.gov/fns/food_safety.htm <p>References: 7 CFR 210.13 (Food Safety Inspection) and 210.18(h)(5) (Reporting and Recordkeeping), California Health and Safety Code Division 104, Part 7, Chapter 4 and MB 99-808 on Food Safety Certification, Information Sheets #22 and #23</p>
<p>GENERAL AREA 5</p> <p>REPORTING AND RECORD KEEPING</p>	<ol style="list-style-type: none"> Agreements and policy statements. Verification procedures. Monthly enrollment, free and reduced price eligible data. Meal count data by site: edit checks, on-site reviews, internal controls. Claims for reimbursement and supporting data. Menu and food production records. Revenue and expense records including net cash resources. Audit reports and written responses. Civil rights complaints and resolutions. Corrective action documentation. Agenda and sign-in sheet from annual training of staff on civil rights and meal counting procedures. 		<ul style="list-style-type: none"> Agreements and policy statements must include: <ul style="list-style-type: none"> Copy of the SA recommended free and reduced price application or an approved alternate. Copy of the letter to households. Written collection procedures. Direct Certification Agreement, plan and procedures for free meals, if applicable. If used, request to implement Claiming Provision 1, 2, or 3. Agreements MUST BE KEPT UNTIL REPLACED by a new agreement. NSLP and SBP agreements are permanent. Agency records must be kept for a period of 3 years after submission of the final Claim for Reimbursement for the fiscal year. If audit findings have not been resolved, the records must be kept beyond the 3-year period, for as long as required for resolution of the issues raised by the audit. Net cash resources can not exceed three months' operating expenses. <p>References: 7 CFR 210.23(c) and <i>School Nutrition Program Guidance Manual</i></p>

(1) COMPLIANCE AREA TO BE REVIEWED	(2) AGENCY HAVE THESE DOCUMENTS AVAILABLE	(3) AGENCY (✓) CHECKLIST	(4) ADDITIONAL INFORMATION
PROGRAM AREA 6 STATE MEAL MANDATE (Public Schools Only)	<p>A. Evidence that meals are provided to all eligible needy pupils in kindergarten through grade twelve, including continuation high schools and other special schools or documentation of an approved waiver.</p> <p>B. Evidence that nutritionally adequate meals are available on all school days when children are present, including "Minimum Days" and field trips.</p>		<ul style="list-style-type: none"> EC Section 49550: "Notwithstanding any other provision of law, each school district and county superintendent of schools maintaining any kindergarten or any of grades 1 to 12 shall, commencing on July 1, 1977, provide for each needy pupil enrolled therein, one nutritionally adequate free or reduced-price meal during each school day..."
PROGRAM AREA 7 USDA DONATED FOODS	<p>A. USDA donated or purchased food inventory records.</p> <p>B. Records of ordering, receiving, processing, and contracts.</p> <p>C. Local health department inspection reports or a letter indicating alternative system in place.</p> <p>D. Current Storage Facility Review form. Refer to ATTACHMENT I.</p>		<ul style="list-style-type: none"> STORAGE: Facilities for the handling, storage, distribution and preparation of purchased and donated foods shall be such as to properly safeguard against theft, spoilage and other loss. RECORD KEEPING: Accurate and complete records must be maintained for the receipt, use, disposal and inventory of donated foods, including processed donated foods. <p>Reference: 7 CFR 250.48</p>
PROGRAM AREA 8 SCHOOL BREAKFAST PROGRAM For sponsors with the NSLP and the SBP Agreements, a review of the breakfast program is incorporated into the CRE review and required in a follow-up review.	<p>A. Daily meal counts by category of Free, Reduced Price, and Paid</p> <p>B. Daily Menu Production Records and Meal Pattern or Nutrient Standard followed.</p> <p>C. Free and reduced price applications by category or roster that ties to NSLP applications.</p> <p>D. SEVERE NEED BREAKFAST PROGRAM – Monthly summary meal counts for the second preceding year to substantiate the number reported on the CNIPS Site Application(s) and verify eligibility to participate. Refer to ATTACHMENT J, Severe Need Breakfast Program Verification Form</p>		<ul style="list-style-type: none"> The same type of records should be kept for the School Breakfast Program as are required under the CRE regulations for the National School Lunch Program, including but not limited to A, B, C and D at left. <p>References: 7 CFR 220.7 and 220.8</p>
PROGRAM AREA 9 AFTER SCHOOL SNACK PROGRAM Meal Supplement (After School Snack) Programs are reviewed under the same provisions as the School Breakfast Program. If not reviewed during the initial CRE they must be reviewed at the sites selected during a follow-up review.	<p>A. Documentation of site "area eligibility" or documentation from the school of students' free or reduced price eligibility.</p> <p>B. Attendance records to support meal counts at all sites.</p> <p>C. Daily meal count records at "area eligible" sites. "Point of service" meal counts by eligibility (free, reduced price, and paid) at pricing or non-pricing sites.</p> <p>D. Menu Production Records for the After School Snack Program which indicate food and quantity served to meet requirements of a minimum of two food elements in the appropriate quantity.</p> <p>E. Documentation of the structured and supervised care in an after school setting. Description of the education/enrichment activity.</p> <p>F. Records of snack program site monitoring, conducted at least 2 times per program year, with intervals no greater than 6 months. Refer to ATTACHMENT K</p>		<ul style="list-style-type: none"> "AREA ELIGIBLE SITE" - Documentation that 50% or more of students enrolled are approved for free or reduced price meals. Allows eligible site to be reimbursed at the free rate. The site may operate as "NON-PRICING" meaning no separate charge for children's snacks, but meals are counted in the eligibility category by child (free, reduced price, paid) and claimed in the appropriate category. The site may operate as "PRICING" where each child pays a snack charge and the meals are counted in the appropriate eligibility category (free, reduced price, and paid) and claimed in the appropriate category. <p>References: 7 CFR 226.16(d)(4)(iii), MB 99-111 and 00-100, and USDA FNS website http://www.fns.usda.gov/end/Care/Reqs-Policy/Snacks/Snacks_QAs.htm</p>

(1) COMPLIANCE AREA TO BE REVIEWED	(2) AGENCY HAVE THESE DOCUMENTS AVAILABLE	(3) AGENCY (✓) CHECKLIST	(4) ADDITIONAL INFORMATION
<p>PROGRAM AREA 10 SEAMLESS SUMMER FEEDING OPTION (SSFO)</p> <p>A review of the SSFO is incorporated into the CRE review. One SSFO site must be reviewed the summer before or the summer after the CRE. (If more than one site is reviewed during the school year in your district, the Seamless Summer Feeding Option site will be the one site reviewed during the summer.)</p>	<p>A. Copy of the Seamless Summer Feeding Option (SSFO) Agreement.</p> <p>B. The Agency/ Site Food Service Agreement for sites not under the direct supervision of the agency.</p> <p>C. Eligibility documents for Camps and Closed Enrolled - Not Area Eligible sites: <ul style="list-style-type: none"> • The total number of children enrolled and eligible • Applications and rosters for the SSFO sites selected for review. <ul style="list-style-type: none"> ○ Roster(s) showing student's name; eligibility category; date enrolled; withdrawal date; and official signature, if applicable. ○ Certified eligibility forms or other approved alternative documentation verifying children's eligibility. ○ Income eligibility scale for the current. </p> <p>D. Daily listed menus and menu production records for the day and month of review listing all required food items and components or menu items, serving sizes and quantity used in food preparation.</p> <p>E. Transport records, including time and temperature of potentially hazardous foods, for day and month of review.</p> <p>F. Daily meal count records and monthly meal count totals <u>reported separately</u> by site for the months of the SSFO.</p> <p>G. Daily meal counts for five days prior to the day of review (for site selected for review).</p> <p>H. Site monitoring of the SSFO within three weeks of the start of operation including documentation of site visit and corrective action. Refer to ATTACHMENT L.</p> <p>I. Copies of advertising materials promoting summer meals.</p> <p>J. Completed Reimbursement Claim. Provide documentation that the SSFO meals were claimed separate from the NSLP and the SBP claims during the school year.</p>		<p>Ensure that for all sites and meal types the menu planning option is correct in the CNIPS.</p> <p>For Area eligible sites, copies of the documentation submitted to the State Agency to document that:</p> <ul style="list-style-type: none"> ○ Open sites: Sites are located in areas whose nearby school data for free and reduced price are at least 50%. ○ Restricted open sites: Sites meet the open site criteria, explained above, but restrict the number of children that may attend for safety, control or security reasons. ○ Migrant sites: Sites serve a majority of children of migrant families according to migrant organization. ○ Closed Enrolled - Area Eligible sites: Sites meet the open site criteria but are only open to enrolled children or an identified group of children. <p>• Applications and rosters: Each roster listing all eligible students should be in the same order as the eligibility applications organized by site and session, if applicable.</p> <p>References: 7 CFR 210, 7 CFR 220, 7 CFR 225 and <i>Summer Food Service Program for Children, Administrative Guidance for Sponsors.</i></p>

(1) COMPLIANCE AREA TO BE REVIEWED	(2) AGENCY HAVE THESE DOCUMENTS AVAILABLE	(3) AGENCY (✓) CHECKLIST	(4) ADDITIONAL INFORMATION
<p>PROGRAM AREA 11 COMPETITIVE FOODS/ FMNV/ FOOD AND BEVERAGE SALES</p>	<p>A. Foods of Minimal Nutritional Value (FMNV)</p> <ol style="list-style-type: none"> Procedure in place that FMNV foods and beverages are not sold during the reimbursable meal period in areas where reimbursable meals are served and/or eaten <p>B. Food Service❖</p> <ol style="list-style-type: none"> List of all foods and beverages sold a-la-carte by food service on campus from ½ hour before to ½ hour after the end of the school day for each site selected for review Procedure in place to evaluate foods and beverages according to nutrition standards sold a-la-carte by food service <p>C. Student Organizations❖</p> <ol style="list-style-type: none"> List of all student organizations that sell foods and beverages to pupils outside of the meal program List of food and beverage items sold to pupils for each site selected for CRE review Procedure in place to evaluate foods and beverages according to nutrition standards sold by student organizations <p>D. Other Groups/Individuals❖</p> <ol style="list-style-type: none"> List of all foods and beverages sold to pupils outside of the meal program that are sold by Parent Teacher Association (PTA), Parent Teacher Organization (PTO), Regional Occupational Program (ROP), Regional Occupational Center (ROC), or any other groups/individual not mentioned above Procedure in place to evaluate foods and beverages according to nutrition standards sold by PTO/PTA, ROP/RPC, or any other groups/individuals not mentioned above <p>E. Trans Fat</p> <ol style="list-style-type: none"> Procedure in place whereby foods sold or served to pupils outside of the meal program contain < 0.5 grams artificial trans fat 		<ul style="list-style-type: none"> Applies to all entities selling foods and beverages on campus during the reimbursable meal period. Note: If food or beverage item is found on the FMNV List of Exemptions, then this rule no longer applies. <p>Reference: USDA APB: SP-01-04, 7 CFR Parts 210.11, Appendix B</p> <ul style="list-style-type: none"> CDE suggests that food service, or designee, be assigned responsibility for collecting this information. Must be able to demonstrate this procedure for each site selected for CRE review. <p>Authority provided under EC 49431(c), 49431.2(d), 49431.5(d), and 49434</p> <ul style="list-style-type: none"> CDE suggests that The Associated Student Body (ASB) or each individual student organization be assigned responsibility for collecting this information. Must be able to demonstrate this procedure for each site selected for CRE review. <p>Authority provided under California Code of Regulations, Title 5, sections 15500, and 15501 and EC 48931 and 49434</p> <ul style="list-style-type: none"> CDE suggests that a representative from PTA/PTO, ROP/ROC, or other groups/individuals, respectively, be assigned responsibility for collecting this information. Must be able to demonstrate this procedure for each site selected for CRE review. <p>Authority provided under EC 48931, 49431(c), 49431.2(d), and 49431.5(d).</p> <ul style="list-style-type: none"> Must be able to demonstrate this procedure for each site selected for CRE review. Trans fat restrictions for food in the reimbursable meal became effective July 1, 2008 (EC 49430.7). Trans fat restrictions for food outside of the reimbursable meal becomes effective July 1, 2009 (EC 49431.7) <p>Reference: EC 49430.7 and 49431.7</p>

❖ The reviewer will not evaluate whether beverages and foods sold on campuses meet requirements. However, additional information about those foods and beverages may be requested for randomly selected sites.

(1) COMPLIANCE AREA TO BE REVIEWED	(2) AGENCY HAVE THESE DOCUMENTS AVAILABLE	(3) AGENCY (✓) CHECKLIST	(4) ADDITIONAL INFORMATION
<p>PROGRAM AREA 12 WELLNESS POLICY</p>	<p>A. Wellness Policy that includes all 5 topic areas:</p> <ol style="list-style-type: none"> 1. Involvement of parents, students, school food service representatives, school board, school administrators and community in the development of the school wellness policy. 2. Goals for nutrition education, physical activity, and other school-based activities designed to promote student wellness. 3. Nutrition guidelines for all food available on each school campus during the school day. 4. Assurance that guidelines for reimbursable meals will not be less restrictive than federal regulations and guidance issued by the USDA. 5. A plan for measuring the implementation of the local wellness policy and designation of one or more persons in the district or at each school to oversee the implementation of the adopted wellness policy. <p>B. The wellness policy posted in public view within all school cafeterias or other central eating areas.</p>		<p>References:</p> <ul style="list-style-type: none"> • California School Boards Association http://www.csbba.org/AboutCSBA/CSBAFoundation/StudentWellness.aspx • Letter to the County and District Superintendents and the School Food Service Directors dated December 14, 2005, guidance for the Development of California School Wellness Policies http://www.californiahealthkids.org • School Nutrition Association (formerly ASFS) http://www.schoolnutrition.org/ • USDA Team Nutrition web site, http://www.teamnutrition.usda.gov
<p>PROGRAM AREA 13 FINANCIAL MANAGEMENT</p>	<p>A. Prior June reimbursement claim which includes revenue and expenses.</p> <p>B. Independent school district auditor report from prior year that shows net cash resources.</p> <p>C. Budget</p> <ol style="list-style-type: none"> 1. Unaudited Actuals (Cafeteria Special Revenue Fund Expenditures By Object Report for Fund 13) to include the prior year budget for unaudited expenses and revenues. 2. Proposed current year budget. <p>D. Prior month financial activity report for Fund 13 to show all expenses paid from the cafeteria fund.</p> <p>E. Payroll labor distribution for prior month for Fund 13, including names and percentage paid from the cafeteria account.</p>		<ul style="list-style-type: none"> • Bid threshold:\$76,700, effective January 1, 2009 <p>References: <i>MB 95-107</i> (Use of Cafeteria Funds), <i>00-109</i> (Use of Cafeteria Funds Update), <i>MB NSD SNP 07-2008</i> (Limitations on Fund Transfers), <i>MB NSD SNP 05-2009</i> (Cafeteria Funds FAQs), and Procurement bid threshold website http://www.cde.ca.gov/fo/ac/co/</p>

**NSLP
SCHOOL MEALS INITIATIVE (SMI) REVIEW GUIDANCE**

NOTE: Only areas related to SMI are included in this guidance (all other areas of review can be found in the NSLP CRE Administrative Review Guidance)

(1) AREA TO BE REVIEWED	(2) THE AGENCY SHOULD HAVE THESE DOCUMENTS AVAILABLE	(3) AGENCY (✓) CHECKLIST	(4) ADDITIONAL INFORMATION
SITE SELECTION			Ensure the menu planning options for each site and each meal type are correctly stated in the CNIPS. If the CRE is conducted at the same time, the SMI site(s) may be selected as one of the CRE site(s). One site for each type of menu planning used by the district will be selected. Site selection criteria includes: <ul style="list-style-type: none"> • Food Service Director request • Satellite or production kitchens • Sites that have new staff; complex serving lines; multiple menu choices; grade mix; made healthy meal changes; different cycle menus; not been previously reviewed.
ON-SITE VISIT	<ol style="list-style-type: none"> 1. Menu for the day with portion size per age/grade group. 2. Menu production records/nutrient analysis for the day. 3. Standardized recipes and processed product information for items served those day. 		Reviewer(s) will require the listed items to be provided by the food service director or site staff. The on-site visit will include observations of meal preparation and service.
NUTRITION EDUCATION	<ol style="list-style-type: none"> 1. Samples of any nutrition education to promote healthy lifestyles for children, school staff or parents. 2. Training for food services staff on SMI or related topics. 3. Team Nutrition activities or materials. 4. SHAPE California activities or materials. 5. Garden Project activities or materials. 6. Displays of the Food Guide Pyramid and the Dietary Guidelines. 7. Menu slicks with nutrition education/physical exercise promotions. 8. Outreach including school boards, community, farmer, and parent organizations. 		Nutrition Education also may include nutrition topics integrated into the curriculum, nutrition disclosure on menus or in newsletters, and local nutrition policy.

Legend of Acronyms:

- 7 CFR = Title 7 Code of Federal Regulations
- CRE = Coordinated Review Effort
- EC = California Education Code
- FNS = Food and Nutrition Service
- MB = Management Bulletin
- NSD = Nutrition Services Division
- NSLP = National School Lunch Program
- SHAPE = Shaping Health as Partners in Education
- USDA = United States Departments of Agriculture

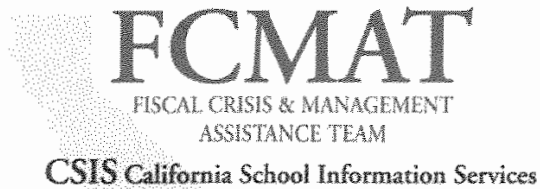
REFERENCES

1. *Healthy School Meals Training Manual*
2. 7 CFR Part 210.10 and 220.8 Menu Planning Approaches
3. *Management Bulletins:*
 - 96-113 Nutritional Analysis of USDA Quantity Recipes
 - 97-107 Grain/Bread Requirements
 - 00-113 Summary of Final Rule – Menu Planning Approaches
4. USDA FNS SMI Frequently Asked Questions, April 2007
5. *School Nutrition Programs Administrative Manual*

(1) AREA TO BE REVIEWED	(2) THE AGENCY SHOULD HAVE THESE DOCUMENTS AVAILABLE	(3) AGENCY (✓) CHECKLIST	(4) ADDITIONAL INFORMATION
<p>NUTRIENT STANDARD MENU PLANNING APPROACHES:</p> <p>NUTRIENT STANDARD MENU PLANNING (NSMP)</p> <p>SHAPE NUTRIENT STANDARD MENU PLANNING (SNSMP)</p> <p>Menus and information will be needed for both breakfast and lunch</p>	<p>1. MENUS for the Review Period and day of review listing type of menu item and portion size for each grade group.</p> <p>2. STANDARDIZED RECIPES (for each site) for items that contain more than one ingredient. See sample standardized recipe form, Attachment A. Standardized recipe must include:</p> <p>a) Name of recipe b) Yield (include serving size and number of servings) c) Documentation of type of menu item i.e. entrée or side dish d) All ingredients and type, such as fresh, frozen, and light syrup e) Correct measures, weights and/or pack size. f) Preparation instructions g) Nutrient analysis of the recipe</p> <p>3. LIST OF PROCESSED FOODS (See sample vendor product list worksheet Attachment B)</p> <p>a) Reference by manufacturer, product name, and code number from the locked USDA Database b) Nutrition information label documenting nutrient levels for Calories, Protein, Vitamin A and C, Iron, Calcium, % of Calories from Fat and Saturated Fat.</p> <p>4. MENU PRODUCTION and/or TRANSPORT RECORDS for all sites that include:</p> <p>a) Number of meals planned and number served, by grade group. b) All planned menu items used to meet the daily and weekly requirements, including condiments. c) Serving size by grade group for each food item. d) Total amount of food prepared for the number of students by grade group. e) Actual number of students and adults served. f) A la carte and adult meals planned and served. g) Leftover usage records, substitution lists and dates.</p> <p>5. AVERAGE WEEKLY AND DAILY NUTRITIONAL ANALYSES for each week meals are served by grade or age group including information for meeting all required nutrition standards, i.e., calories, protein, vitamins A and C, iron, calcium, total fat, and saturated fat.</p> <p>6. PRINTOUT OF AGE/GRADE STANDARDS used including any custom standards.</p>		<ul style="list-style-type: none"> The Reviewer will select the month and week of review. If conducted during a CRE, the review month may be different for the SMI review. Records must include type and quantity of food used, number persons served, and portion size for the month of review. Any substitutions of menu items must follow the "two week window" and be clearly documented. Ensure that all planned menu items are served in the portions which correspond to the menu items analyzed Ensure that the nutrient information for all products is current. Nutritional analyses for each week must be available for review. They may be stored as computer files or as paper printouts Provide documentation of the type and most current version of USDA approved nutrient analysis software being used. Cholesterol, fiber, and sodium levels will also be evaluated. <p>Reference: For the most current list of approved software go to the USDA Healthy Meals Resource System Team Nutrition website: http://healthymeals.nal.usda.gov/nal_display/index.php?info_c=enter=14&tax_level=1&tax_subject=234</p>
<p>ASSISTED NUTRIENT STANDARD MENU PLANNING (ANSMP)</p>	<p>1. Initial cycle menu and backup documents submitted to NSD.</p> <p>2. Approval letter of the initial cycle menu by the NSD.</p> <p>3. Name, address, contract, and qualifications of the consultant.</p> <p>4. All items required for NSMP must be available for review at the school/agency (see previous section for NSMP).</p>		<p>Reference: MB 96-111 Assisted Nutrient Standard Menu Planning</p>

(1) AREA TO BE REVIEWED	(2) THE AGENCY SHOULD HAVE THESE DOCUMENTS AVAILABLE	(3) AGENCY (✓) CHECKLIST	(4) ADDITIONAL INFORMATION
<p>FOOD BASED MENU PLANNING (FBMP) APPROACHES:</p> <p>ENHANCED (EFBMP)</p> <p>TRADITIONAL (TFBMP)</p> <p>SHAPE FBMP</p> <p>Menus and information will be needed for both breakfast and lunch</p>	<ol style="list-style-type: none"> 1. MENUS for the Review Period and day of review listing components/portion size for each grade group. 2. STANDARDIZED RECIPES (for each site) for items that contain more than one ingredient. See sample standardized recipe form, Attachment A. Standardized recipe must include: : <ol style="list-style-type: none"> a) Name of recipe b) Yield (include serving size and number of servings) c) All ingredients - the form (fresh, frozen, light syrup. Etc.) d) Correct measures, weights e) Preparation instructions f) Contribution to the meal pattern 7. LIST OF PROCESSED FOODS (See sample vendor product list worksheet, Attachment B) <ol style="list-style-type: none"> a) Manufacturer's specifications or Child Nutrition Label (CN label) b) Nutrition information label documenting nutrient levels for Calories, Protein, Vitamins A and C, Iron, Calcium, % of Calories from Fat and Saturated Fat. 3. MENU PRODUCTION and/or TRANSPORT RECORDS for all sites that include: <ol style="list-style-type: none"> a) Number of meals planned and number served, by grade group b) All planned menu items used to meet the required meal pattern, condiments, and non-creditable desserts c) Serving size by grade group for each food item d) Total amount of food prepared for the number of students by grade group e) Actual number of students and adults served f) A la carte and adult meals planned and served g) Leftover usage records, substitution lists and dates 4. Copy of nutrient analysis for the review period and day of review, if one has been conducted by the district. Analysis of menus is not required for districts using FBMP approaches. 		<ul style="list-style-type: none"> • The reviewer will select the month and week of review. If conducted during a CRE, the review month may be different for the SMI review. • The state agency will complete a nutritional analysis and give assistance to improve the quality of the meals. • Documents listed in column (2) are required to complete a week of menu analysis. • Documents may be requested in advance of the review date so that the nutrient analysis may be conducted prior to the review. • Document of which USDA approved software was used, if applicable. <p>NOTE: Districts are encouraged to complete the nutritional analysis of recipes and menus.</p> <p>Reference: For the most current list of approved software go to the USDA Healthy Meals Resource System Team Nutrition website: http://healthymeals.nal.usda.gov/nal_display/index.php?info_c_enter=14&tax_level=1&tax_subject=234</p>

Appendix G



**FISCAL CRISIS & MANAGEMENT ASSISTANCE TEAM
STUDY AGREEMENT
June 1, 2011**

The FISCAL CRISIS AND MANAGEMENT ASSISTANCE TEAM (FCMAT), hereinafter referred to as the Team, and the West Sonoma County Union High School District, hereinafter referred to as the District, mutually agree as follows:

1. BASIS OF AGREEMENT

The Team provides a variety of services to school districts and county offices of education upon request. The District has requested that the Team provide for the assignment of professionals to study specific aspects of the West Sonoma County Union High School District operations. These professionals may include staff of the Team, County Offices of Education, the California State Department of Education, school districts, or private contractors. All work shall be performed in accordance with the terms and conditions of this Agreement.

In keeping with the provisions of AB1200, the County Superintendent will be notified of this agreement between the District and FCMAT and will receive a copy of the final report. The final report will be published on the FCMAT website.

2. SCOPE OF THE WORK

A. Scope and Objectives of the Study

The scope and objectives of this study are to:

1. The West Sonoma County Union High School District is requesting the FCMAT Team to conduct an in depth comprehensive review of the food service program. The Team will conduct a review of the current child nutrition program which serves breakfast and lunch to approximately 2,300 students. The review will include food preparation, ordering, inventory, cash management, staffing, policies and procedures, federal and state compliance, menu planning; warehousing and food storage, purchasing and facilities. The team will provide recommendations for enhancing revenues or implementing changes needed to support the program and provide a more efficient operation.

B. Services and Products to be Provided

Orientation Meeting - The Team will conduct an orientation session at the School District to brief District management and supervisory personnel on the procedures of the Team and on the purpose and schedule of the study.

On-site Review - The Team will conduct an on-site review at the District office and at school sites if necessary.

1. Exit Report - The Team will hold an exit meeting at the conclusion of the on-site review to inform the District of significant findings and recommendations to that point.
2. Exit Letter - The Team will issue an exit letter approximately 10 days after the exit meeting detailing significant findings and recommendations to date and memorializing the topics discussed in the exit meeting.
3. Draft Reports - Sufficient copies of a preliminary draft report will be delivered to the District administration for review and comment.
4. Final Report - Sufficient copies of the final study report will be delivered to the District administration following completion of the review.
5. Follow-Up Support – Six months after the completion of the study, FCMAT will return to the District, if requested, to confirm the District’s progress in implementing the recommendations included in the report, at no cost. Status of the recommendations will be documented to the District in a FCMAT Management Letter.

3. PROJECT PERSONNEL

The study team will be supervised by Anthony L. Bridges, CFE, Deputy Executive Officer, Fiscal Crisis and Management Assistance Team, Kern County Superintendent of Schools Office. The study team may also include:

- | | |
|--------------------------------|---------------------------------------|
| <i>A. Anthony Bridges, CFE</i> | <i>FCMAT Deputy Executive Officer</i> |
| <i>B. Judith Stephens</i> | <i>FCMAT Consultant</i> |
| <i>C. Rodney Blackner</i> | <i>FCMAT Consultant</i> |

Other equally qualified consultants will be substituted in the event one of the above noted individuals is unable to participate in the study.

4. PROJECT COSTS

The cost for studies requested pursuant to E.C. 42127.8(d)(1) shall be:

- A. \$500.00 per day for each Team Member while on site, conducting fieldwork at other locations, preparing and presenting reports, or participating in meetings.
- B. All out-of-pocket expenses, including travel, meals, lodging, etc. The District will be invoiced at actual costs, with 50% of the estimated cost due following the completion of the on-site review and the remaining amount due upon acceptance of the final report by the District.

Based on the elements noted in section 2 A, the total cost of the study is estimated at \$11,000.

- C. Any change to the scope will affect the estimate of total cost.

Payments for FCMAT services are payable to Kern County Superintendent of Schools - Administrative Agent.

5. RESPONSIBILITIES OF THE DISTRICT

- A. The District will provide office and conference room space while on-site reviews are in progress.
- B. The District will provide the following (if requested):
 - 1. A map of the local area
 - 2. Existing policies, regulations and prior reports addressing the study request
 - 3. Current or proposed organizational charts
 - 4. Current and two (2) prior years' audit reports
 - 5. Any documents requested on a supplemental listing
 - 6. Any documents requested on the supplemental listing should be provided to FCMAT in electronic format when possible.
 - 7. Documents that are only available in hard copy should be scanned by the district and sent to FCMAT in an electronic format.
 - 8. All documents should be provided in advance of field work and any delay in the receipt of the requested documentation may affect the start date of the project.
- C. The District Administration will review a preliminary draft copy of the study. Any comments regarding the accuracy of the data presented in the report or the practicability of the recommendations will be reviewed with the Team prior to completion of the final report.

Pursuant to EC 45125.1(c), representatives of FCMAT will have limited contact with pupils. The District shall take appropriate steps to comply with EC 45125.1(c).

6. **PROJECT SCHEDULE**

The following schedule outlines the planned completion dates for key study milestones:


<i>Orientation:</i>	<i>September 19, 2011</i>
<i>Staff Interviews:</i>	<i>to be determined</i>
<i>Exit Interviews:</i>	<i>to be determined</i>
<i>Preliminary Report Submitted:</i>	<i>to be determined</i>
<i>Final Report Submitted:</i>	<i>to be determined</i>
<i>Board Presentation:</i>	<i>to be determined</i>
<i>Follow-Up Support:</i>	<i>If requested</i>

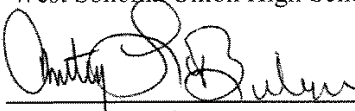
7. **CONTACT PERSON**

Name of contact person: Steve Jorgensen, Assistant Superintendent

Telephone: (707) 824-6415 FAX: (707) 823-2629

E-Mail: sjorgensen.do@wscuhd.k12.ca.us


 Steve Jorgensen, Assistant Superintendent
 West Sonoma Union High School District
 Date 6/22/11


 Anthony L. Bridges, CFE
 Deputy Executive Officer
 Fiscal Crisis and Management Assistance Team
 Date June 1, 2011