Nevada Department of Agriculture

Module 8 – Administrative Review

Target Audience

- Designated Officials/Authorized Representative
- Summer Food Service Program Administrators
- Monitors

Estimated Time Required

- 30 minutes

Objectives

- Understand the requirements for an administrative review
- Evaluate preparedness for your administrative review
- Understand the importance of outreach to the community
- Learn how to find and use resources

Tasks

- Read material
- Review Web sites and resources
- Complete and submit online quiz

State Agency Monitoring Requirements

- For new sponsors and sponsors deemed "seriously deficient", a pre-approval visit will be conducted by the Nutrition Programs Professional.
- Unannounced site reviews may be conducted by the Food and Nutrition Division Program Officer to observe the meal service, meal counting method, and claiming procedures.
- Administrative reviews will be scheduled by the Nutrition Programs Professional:
  - For all new sponsors in their first year
  - For returning sponsors at least once every three years
  - For problematic sponsors
  - As needed for the State agency to meet the federal review requirements (Larger sponsors may receive two reviews in the three-year cycle to meet federal requirements)

Purpose of an Administrative Review

- To evaluate your SFSP for compliance with federal and state regulations
- To provide technical assistance on implementing Corrective Action (CA) for program areas not in compliance
- To provide technical assistance on best practices for operating your program

Administrative Review Entrance Conference

- The Administrative Review begins with an entrance conference to discuss the program's operational areas that will be examined during the review.

The review notification letter will provide sponsors with a list of documents that will be required to be on hand for the review:

Program Eligibility – sites must meet requirements as described in the Administrative Guidance for Sponsors

- Open and closed-enrolled sites in needy area
- Eligibility documents for camps and closed-enrolled sites in a non-needy area:
  - Roster of all enrolled children with documentation of enrollment
  - Eligibility list or roster of all enrolled children with total number of children eligible
  - Certified eligibility applications in the same order as the eligibility list or other approved alternative documentation verifying children's eligibility
  - Income eligibility scale for the current year

Meal Counts

Required meal count documents include:

- For open and closed-enrolled sites:
  - Original daily meal count records by meal type for each site documenting first and second (as applicable) reimbursable meals served.
  - Separate meal count sheets for field trips.
  - Documentation of the system used to consolidate monthly meal counts prior to claim submission. A meal count consolidation report (spreadsheet) totals the number of meals counted for each site, and for each meal on a daily basis for the claim month) including meals provided for field trips). The total count on this consolidation report is used for claim validation.
  - Counts of meals served or destroyed for/due to program adults, non-program adults, damaged meals, and incomplete or other non-reimbursable meals and leftover meals.

- For camps:

Camp sponsors can only be reimbursed for meals served to children who are eligible for free or reduced price-meals.

  - The Meal Count Worksheet for Camps (a roster) can be used to take an actual count of meals served. Attachment 16, located in the USDA Administrative Guidance for Sponsors, provides a format for collecting actual meal counts by child, eligibility category, and by meals for a week.

Meal Requirements

Required documents include:

- Menus listing food items served to meet component requirement. It is recommended to include portion sizes and contribution to the meal pattern.
- Product Formulation Statement (Formerly Food Specification) for commercially prepared items

OR

- Child Nutrition (CN) labels for commercially prepared items (e.g., pizza, chicken nuggets, burritos, etc.)

Vended programs **must** have a signed and dated delivery/transport receipt that indicates the number of meals delivered or prepared by type (breakfast, lunch, snack or supper). Self-prep satellite programs **must** have a signed and dated delivery receipt that indicates the number of meals delivered to each site. The central kitchen should have records of total meals prepared by type (breakfast, lunch, snack or supper).

For self-prep sponsors, standardized recipes are recommended with quantity of food used, portion size and yield.

USDA guidance indicates daily menu production records (MPR) are not a Federal requirement. However, SFSP sponsors are required to maintain records of participation and preparation or ordering of meals to demonstrate that the appropriate number of meals were ordered and available to justify all costs and meals claimed [7Code of Federal Regulations, Section 225.15(b)(3) and Section 225.15(c)(1)]. In lieu of production records, State agencies must require that sponsors maintain records which document that all meal pattern requirements are met. State reviewers will review menus, invoices, receipts, and other food service records to ensure meal pattern requirements are met.

Administrative Review Guidance

Fiscal Accountability

Required documents include:

- Income and expense records, including documentation for receipt and disbursement of:
  - Reimbursement payments
  - Cash advance payments and interest earned
  - Funds accruing to the SFSP
- Program agreements for vended meals or for other contracted services
- Copies of all Monthly Claims for Reimbursements in the current year
- Documentation demonstrating SFSP reimbursement was spent on allowable costs:
  - Food Costs:
    - Itemized grocery receipts
    - Purchasing invoices
  - Labor Costs to include:
    - Time report & payroll records (Attachment 25 & 26) or other type of personnel activity reports (PARS) completed for staff who work less than 100% (if applicable)
    - Documentation of benefits
  - Other Costs:
    - Contracts/lease agreements
    - Mileage records
- Accounting of receipt, obligation, and expenditure of all SFSP funds
  - Invoices and payment records for purchase, storage, handling, processing, and transport of food and supplies

For camps:

All the information listed above and documentation on how the costs are allocated to reflect only the eligible meals claimed.

Administrative Review Guidance

Allowable Costs

- Operating Costs are allowable costs incurred by the sponsor for preparing and serving meals to eligible children (refer to the USDA Administrative Guidance for Sponsors)
  - Food service labor
  - Food
- Administrative Costs are allowable costs incurred by the sponsor for activities related to planning, organizing, and administering the program (refer to the USDA Administrative Guidance for Sponsors)
  - Labor for planning and oversight
  - Mileage
  - Printing and advertising

Unallowable Costs:

Unallowable costs are costs for which program funds may not be used. They include, but are not limited to:

- Costs for excess meals ordered or prepared but not served to eligible children, e.g., meals in excess of legitimate program adult meals and reimbursable meals, unless specifically approved by the State agency
- Meals served in violation of program requirements; i.e. additional foods served that are not compliant with the meal patterns, meals or components consumed off-site, second meals served in excess of the 2 percent tolerance
- Rental costs for periods beyond the close-out date for program operation
- The cost to purchase food (including coffee, etc.) for use outside of the SFSP
- The cost of meals served to administrative adult personnel, or any other adults that are not in the operation of the food service
- For vended sponsors, the cost of meals delivered by a food service management company to a non-approved site, or for meals not delivered within the agreed-upon delivery time, meals served in excess of the approved cap, spoiled or unwholesome meals, or meals that do not meet meal requirements or quality standards

- Bad debts, which are any losses arising from non-collectible accounts and other claims and related costs

- Entertainment and fundraising costs

See the USDA Administrative Guidance (USDA Guidance) for Sponsors for additional information on unallowable costs. The USDA SFSP guidance materials are available in the SFSP resource section on the NV CNP system at http://nvcnp.doe.nv.gov

Site Monitoring and Training by Sponsor

Required documents include:

- Sponsor Pre-operational Visit Worksheet (USDA Guidance, Attachment 13) for new sites and problematic sites from prior program year.

- Sponsor site monitoring visit reports
  - First Week Visit Form– (USDA Guidance, Attachment 29) completed within the first week of operation for new sites and sites with operation problems
  - Site Review Form (USDA Guidance, Attachment 30) completed during the first four weeks of operation
- Sponsor follow-up monitoring review reports as warranted

- Dates and agendas for staff training on program requirements to include staff training attendance roster with staff sign-in

- Documentation supporting additional training and corrective actions provided at sites with identified problems

Sanitation and Safety

Required documents include:

- Notification letter sent to the local health authority of the sites participating in the SFSP including addresses, contact information, dates of operation, and meal times.
- Inspection reports from local environmental health authority and evidence of corrective actions taken.
- Current health-permit posted at each facility used for preparation of meals for SFSP. Check with your local environmental health authority for posting requirement.
- Documentation to demonstrate-compliance with USDA and local sanitation and safety requirements.

Civil Rights

Required documents include:

- Civil rights complaint procedures
- Ethnic or Racial Data Form of participants at each site (USDA Attachment 21)
- Documentation for accommodating persons with disabilities or special dietary needs (medical statements)
- "And Justice for All" poster visible at all participating sites

USDA Food Program (if applicable)

Required documents for USDA Foods at self-preparation and/or food service management company sites include:

- Inventory system to monitor USDA Foods.
- Ending inventory report of USDA Foods to be utilized in other Child Nutrition Programs.
- Production records that document the delivery of the USDA Foods and the use of USDA Foods in the menu.

Vended Programs

Required documents include (if applicable):

- Contract or Agreement for purchasing meals from a commercial food vendor, school district, or other SFSP sponsor
- Contract for other services such as consultants, equipment rental, kitchen facilities, or vehicle rental
- Bid procedures for those sponsors with contracts over the current dollar threshold ($150,000) per State and federal laws

Administrative Review Exit Conference

During the exit conference the reviewer provides the Sponsor with a written Summation Report detailing any review findings and required corrective action. The reviewer will provide guidance and technical assistance on how to develop a corrective action plan to address areas out of compliance.

Administrative Review – Corrective Action Documentation

- Sponsors will submit to the reviewer written corrective action documentation within 30 calendar days to demonstrate procedures have been or will be permanently implemented to ensure compliance with regulations

- Upon receipt, the reviewer will determine if the corrective actions submitted are sufficient to correct the specific Summation Report findings. Once all corrective action is approved by the State agency, a review closure letter will be sent.

- Fiscal action adjustments will be processed for any over-claimed or under-claimed meal counts on the next submitted claim after the date of the review. If all claims have been submitted and paid before the date of the review, sponsors will be expected to repay the NDA by check for any over claims.

- The Appeal Procedure can be found in the CNP forms download section at: http://nvcnp.doe.nv.gov

Fiscal Sanctions for Unallowable Activities

The following is a list of unallowable activities that will lead to fiscal sanctions.

- Claiming meals served off-site (except for approved reported field trips with complete meals accurately claimed)
- Claiming meals served at unapproved sites or on a field trip that did not have prior approval from the State agency
- Claiming adult meals
- Serving incomplete meals (i.e. meals lacking minimum acceptable components and/or quantities)
- Serving meals outside the approved meal timeframes
- Serving meals over the site's approved daily CAP
- Claiming meals on days or at sites not approved to operate
- Claiming meals with no supporting meal count or menu record documentation

Records to Keep

Document program activities and maintain the following records for three additional years after the end of program year:

- Site Information and Eligibility
- Meal Counts
- Menus
- Fiscal Accountability documents – invoices, payroll records, receipts, etc.

- Site Monitoring and Training forms and training sing-in sheets
- Safety and Sanitation – reports, audits, corrective action(s)
- Civil rights
- USDA Foods
- Food Service Agreement/Contract

Contact Persons

Your summer food staff at the Department of Agriculture, Food and Nutrition Division is the best resource for questions you may have about SFSP requirements.

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