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TO: District Superintendents
Superintendents of Schools
Chief School Officers of Nonpublic Schools
Executive Directors of Residential Child Care Institutions
School Food Service Directors/Managers
New York City Board of Education

FROM: Frances N. O'Donnell, Coordinator

SUBJECT: Annual Self-Review To Be Completed By February 1, 2002

Regulations of the National School Lunch Program (NSLP) and the final rule (July 1991) of the Coordinated Review Effort (CRE) continue to place responsibility for the accuracy of meal counts used for claiming purposes on the school food authority (SFA). This responsibility takes the form of conducting a monthly review of each day's claim, and a once a year on-site review of each building's counting and claiming system.

SFA personnel must conduct the on-site review if the Child Nutrition Program is managed by a food service management company. Compliance with this regulation is considered an SFA responsibility.

ON-SITE REVIEWS

School food authorities with more than one school must perform a minimum of no less than **one on-site review per building prior to February 1 of each school year**, to evaluate the school's procedures for counting and claiming meals for reimbursement. In addition, regulations require that if there is a problem, for example, with the accuracy of the data, the source of the counts, incomplete meals, etc., the SFA must conduct a second review of the site within 45 days.

To perform the on-site review at each building, you may use one of the enclosed school review forms, create one of your own, or use a narrative to describe the findings of the review. Regardless of the process used, neither the review form nor the results of your self-review are to be submitted to the State Agency. Instead, all documentation must be retained in the SFA and made available to reviewer(s) during the administrative review process.

DAILY CLAIMS REVIEW - MONTHLY RESPONSIBILITY

Section 210.8 of the NSLP regulations requires SFAs to establish internal controls which ensure the

accuracy of lunch counts prior to the submission of the monthly claim for reimbursement. At a minimum, these internal controls shall include reviewing the lunch count data for each school under its jurisdiction to ensure that monthly claims include only the number of free, reduced price and paid lunches served on any day of operation to children currently eligible for such lunches.

Each on-site review should ensure that the school's counting system, as implemented, yields the actual number of reimbursable free, reduced price and paid lunches respectively, served for each day of operation.

The regulatory requirement for a specific type of edit check on daily meal counts if no meal counting or claiming problems were identified on the most recent CRE review was eliminated. Instead, an SFA can develop and implement its own system of internal control to ensure the accuracy of claims with State Agency approval. If an SFA wants to develop its own internal control procedures, the SFA must submit those procedures to the State agency for approval.

For those SFAs that had counting or claiming violations or those that are not sure what internal controls to implement, regulations governing the School Lunch Program require that prior to the submission of a monthly claim for reimbursement, each SFA shall compare each school building's daily "... counts of free, reduced price and paid lunches against the product of the number of children currently eligible for free, reduced price, and paid lunches, respectively, times an attendance factor."

Accordingly, each month before submitting your claim for reimbursement, you must compare the daily count of meals served by building against the number of attendance adjusted eligibles for free, reduced price and paid meals. For example, if a building has an enrollment of 200, an attendance factor of 93 percent, and 100 eligible free and 25 eligible reduced price students, their lunch claim for any day should not routinely exceed 93 free ($100 \times .93$), 24 reduced ($25 \times .93$), and 70 paid lunches ($200 - 125 \text{ free/reduced} \times .93$). Explanations should be noted in your records for those days exceeding the attendance factor. Statistically there will be some days when counts will be higher than the attendance factor and some that will be lower. However, on an average, for the month, counts should not exceed your attendance factor without documentation of unusual situations that substantiate the higher counts.

Information regarding this edit check is not to be included when you submit your monthly claim for reimbursement to the Department. Instead, it should be retained on file for examination by State and/or federal personnel during a program review.

If you have any questions regarding the self-review, the edit check, or the enclosed forms, please contact your respective Child Nutrition Program office.

Enclosure

On-Site School Review Form 1

To be used for required self review/**NOT to be submitted to any agency**
Review must be completed for each school prior to February 1, EACH YEAR

SCHOOL REVIEWED

DATE OF REVIEW

REVIEWER(S)

A. On _____, the lunch counting and claiming system at
(date)

(school)

was reviewed and found to be **IN COMPLIANCE** with section 210.7 (c) of the regulations of the USDA Food and Nutrition Service. All meal counts were found to be accurate by category and to yield correct claims for reimbursement.

(Reviewer) _____

B. On _____, the lunch counting and claiming system at
(date)

(school)

was reviewed and found **NOT TO BE IN COMPLIANCE** with section 210.7 (c) of the regulations of the USDA Food and Nutrition Service.

(Reviewer) _____

List below the problems noted during the review that require a corrective action plan.

NOTE: A follow-up visit **MUST** be conducted within 45 days of the corrective action plan.

On-Site School Review Form 2

To be used for required self review/NOT to be submitted to any agency
Review must be completed for each school prior to February 1, EACH YEAR

SCHOOL REVIEWED

DATE OF REVIEW

REVIEWER(S)

YES NO Is a Corrective Action Plan required?

If "YES," list below the problems noted that require a corrective action plan and follow-up visit within 45 days.

-
-
-
1. Can the cashier identify a complete reimbursable meal for your type of meal service:
Offer vs. Serve? Yes No
 2. Does the cashier review the menu before the meal service? Yes No
 3. Is the cashier located where a complete meal (i.e., at the point of service) can be observed?..... Yes No
 4. Does the cashier know the policies for handling:
Lost, stolen, forgotten or destroyed tickets, IDs? Yes No
A la carte selections? Yes No
Adult meals? Yes No
 5. Is a current eligibility list maintained and available to the cashier for easy reference?..... Yes No
 6. Is there an accurate method for counting meals by category?..... Yes No
 7. Is there a procedure of recording nonreimbursable meals or a la carte sales (distinguishing them from reimbursable meals), i.e., second meals, meals that don't meet meal requirements?..... Yes No
 8. Is there a second-party count for cashier's cash intake?..... Yes No
 9. Is it ensured that counts are not adjusted or "backed out" to correspond with cash intake?..... Yes No
 10. Is there a method for tracking extra or a la carte sales?..... Yes No
 11. Is cash reconciled daily and are differences recorded?..... Yes No
 12. Is a trained backup cashier available?..... Yes No
 13. Are meal counts recorded, consolidated, reported and claimed correctly?..... Yes No

Sample
On-Site School Review Form 3

**To be used for required self review/NOT to be submitted to any agency
Review must be completed for each school prior to February 1, EACH YEAR**

SCHOOL REVIEWED _____

DATE OF REVIEW _____

REVIEWER(S) _____

Is a Corrective Action Plan required? Yes No
If "YES," list below the problems noted that require a corrective action plan and follow-up visit within 45 days.

A. PERFORMANCE STANDARD 1

1. Applications:

a. Do all approved free and reduced price applications contain the required information listed below? Yes No

Required information:

- i. Application from Food Stamp, ADC/TANF (Temporary Assistance to Needy Families)
 - M Name of Child
 - M Food Stamp, ADC/TANF Number
 - M Signature of adult household member
 - M OR – Original Direct Certification Letter from NYS Office of Temporary and Disability Assistance

- ii. Foster Child Applications:
 - M Name of Child
 - M Indication that the child is a Foster Child (check box)
 - M Child's income or indicate N/A
 - M Signature of Guardian

- iii. Applications from OTHER households:
 - M Names of all household members
 - M Social Security Number for the adult signing the application
 - M Amount of income received by each household member last month by source
 - M Signature of an adult household member – the Social Security Number listed on the application must belong to this adult

b. Record the number of Free and Reduced Price applicants and direct certification applicants on file for building reviewed:

	Free		Reduced		TOTAL
	<input style="width: 60px; height: 20px;" type="text"/>	+	<input style="width: 60px; height: 20px;" type="text"/>	=	<input style="width: 60px; height: 20px;" type="text"/>

c. Check your system for issuing program benefits – rosters, tickets, etc.

- 1. Do all students receiving free or reduced price meals have a correctly approved application or Direct Certification letter on file? Yes No
- 2. Explain how the cashier receives student eligibility information, changes in status, etc.?

- 3. Are changes in a child's eligibility level resulting in an increase in benefit level (e.g., R,F, P,R, P,F) made within three days? Yes No
- 4. Are changes in a child's eligibility level resulting in a decrease in benefit level (e.g., F,R, R,P) made within 10 operating days? Yes No

2. Point of Service:

- a. Do all cashiers
- Know what constitutes a reimbursable meal under the menu planning option you have implemented? Yes No
 - Understand the Offer vs. Serve regulation? Yes No
 - Review the menu prior to meal service? Yes No
 - Position themselves at end of service line? Yes No
- b. Are:
- Double lunches claimed for reimbursement only once? Yes No
 - Other or a la carte sales properly recorded? Yes No
 - Charge lunches claimed for reimbursement on day served? Yes No
 - Pre-paid lunches claimed for reimbursement on day served? Yes No

NOTE: Only one lunch per child per day may be claimed for reimbursement.

- c. Meal Count Comparison:

Month Reviewed: _____ Number of Days of Service: _____

- i. Is there a difference between:
The number of free, reduced, and paid meals claimed on day of review and
the average number claimed during the prior month? Yes No

If "YES," explain: _____

- ii. Determining attendance adjusted eligibles:

Free: _____ X ADA _____ % = _____

Reduced: _____ X ADA _____ % = _____

Paid (Enrollment
minus the total of
free and reduced): _____ X ADA _____ % = _____

- iii. Are there unexplained instances where lunch counts exceeded adjusted eligibles or
or when counts appear questionable? (Counts should not exceed attendance adjusted
eligibles for the month, but this may occur on several days each month.) Yes No

Comments: _____

Does the system used for counting and recording meal totals (paid, reduced, and free) at both the school building and sponsor level yield correct claims? Yes No

a. **Free & Reduced Price Applications**

Does the consolidation process compare the number of free and reduced price meals served daily with the number of correctly approved free and reduced price applicants? Yes No

Comments: _____

b. **Point of Service**

Are daily counts properly taken in this building from each serving line and recorded by category on a daily cashier report? Yes No

Comments: _____

c. **School Count by Category**

Are meal counts from each serving line properly consolidated from the cashier reports to the school daily report BY CATEGORY? Yes No

Comments: _____

d. **Consolidation of School Counts**

Does the building or central office accurately compile its daily meal counts by category into a monthly statement? Yes No

Are these DAILY building counts compared to the maximum number of children eligible to receive free and reduced price meals? Yes No

Are these daily counts compared to the number of attendance adjusted eligible students? Yes No

e. **Monthly Claim for Reimbursement**

Are the total meal counts by category correctly and accurately carried forward to the monthly claim for reimbursement? Yes No

B. PERFORMANCE STANDARD II

1. Meal Pattern:

a. What menu planning option is being used in this site:

Nutrient Standard Menu Planning (NSMP).....

Assisted NSMP.....

Food-Based Model.....

Traditional Meal Pattern Meeting Dietary Guidelines.....

b. Is the meal pattern met for the option being used? Yes No

c. Were all required food items/components available throughout the meal service on all serving lines? Yes No

Comments: _____

2. Does each day of the month's menu meet meal pattern requirements for the menu planning option being implemented? Yes No

C. OTHER AREAS

1. Free and Reduced Price Process:

a. Do the tickets/rosters correctly indicate the student's category? Yes No

b. Are prepaid, full price lunches offered? Yes No

c. Is the availability of the prepaid, full price lunch advertised? Yes No

d. Is a student's eligibility category undetectable to the casual observer by:
● Observing the prepayment of meals? Yes No
● Observing the meal count system at the point of service? Yes No
● The method in which rosters, tickets, etc. are coded or identified? Yes No

e. **If completing this form after December 15, has the verification process been completed?** Yes No

Comments: _____

