The National School Lunch Program

Acknowledgment Statement:

You understand and acknowledge that

- the training you are about to receive does not cover the entire scope of the program; and that
- you are responsible for knowing and understanding all handbooks, manuals, alerts, notices and guidance, as well as any other forms of communication that provide further guidance, clarification or instruction on operating the program.

Outline

- Module 1: Introduction
- Module 2: Off-site Review
- Module 3: On-site Review
- Module 4: Post Review
Objectives

By the end of this video participants should be able to do the following:

- Identify off-site, on-site and post-review elements
- Prepare documentation required for the Administrative Review (AR)
- Prepare for the Administrative Review (AR) according to USDA regulations and TDA policy and procedures

Module 1: Introduction

- The New Administrative Review 101

Existing Knowledge

Where do you rate your readiness for the AR process?

- Wax candle
- Incandescent bulb
- Fluorescent bulb
- LED bulb
Let’s review some terminology...

**CE** - Contracting Entity
**CRE** - Coordinated Review Effort
**AR** - Administrative Review
**TDA** - Texas Department of Agriculture
**TA** - Technical Assistance
**MOR** - Month of Review
**WOR** - Week of Review

The New Administrative Review

- **What is the intent?**
- **What does it monitor?**
- **How will it change?**
- **Where do I get help?**

What is the Intent?

Determine if the CE meets program requirements
Provide technical assistance
Secure any needed corrective action
Access fiscal action, if fiscal action applies
What does it Monitor?

Critical Areas of Performance

Meal Access and Reimbursement (Performance Standard 1)
Nutrition Quality and Meal Pattern (Performance Standard 2)

General Areas of Review

Resource Management
General Program Compliance
Other Federal Program Reviews

Review Areas

Meal Access and Reimbursement
- Certification and Benefit Issuance
- Meal Counting and Claiming

Nutrition Quality and Meal Pattern
- Meal Components and Quantities
- Dietary Specifications and Nutrition Analysis
- Offer Versus Serve

Resource Management
- Various areas

Review Areas (continued)

General Program Compliance
- Water
- Procurement
- Professional Standards
- Competitive Food Services (SMART Snacks)
- School Breakfast and Summer Food Service Program Outreach
- Civil Rights
- School Food Authority On-site Monitoring
- Local School Wellness Policy
- Verification
- Reporting and Recordkeeping
- Food Safety
Review Areas (continued)

Other Federal Program Reviews

- Afterschool Snack Program
- Seamless Summer Option (SSO)
- Fresh Fruit and Vegetable Program (FFVP)
- Special Milk Program (SMP)

How will it change for me?

I will participate in an off-site and on-site review.

I will communicate with TDA and provide information before the on-site review.

I will participate in a breakfast review.

I will use technology to provide TDA with documentation and to answer questions.

I will apply any corrective action at all sites.

Where Do I Get Help?

ESCs

TDA SOPS

www.squaremeals.org

www.fns.usda.gov

United States Department of Agriculture
Food and Nutrition Service
Assessment Tools

- Off-site Assessment Tool
- Meal Compliance Risk Assessment Tool
- On-site Assessment Tool
- Dietary Specifications Assessment Tool
- Resource Management Risk Indicator Tool

Review

*Instructions: Decide Critical or General.*

What are the critical and general areas of the review?
Review Instructions: Decide Yes or No.
Which of the following are related to the Meal Access and Reimbursement portion of the review?

Yes
- Certification and Benefit Issuance
- Meal Components and Quantities
- Offer Versus Serve

No
- Meal Components and Claiming
- Civil Rights
- Meal Counting and Claiming

Review Instructions: Decide Yes or No.
Which of the following are related to the Nutrition Quality and Meal Pattern portion of the review?

Yes
- Meal Components
- Dietary Specifications and Nutrition Analysis
- Offer Versus Serve

No
- Meal Counting and Claiming
- Food Safety
- Meal Counting and Claiming

Off-site Review Areas
- Meal Access and Reimbursement
- Nutrition Quality and Meal Pattern
- Resource Management
- General Program Compliance
- Other Federal Program Reviews
**Why an Off-site Review?**

- Allows CEs to receive TA before the on-site review
- Minimizes review tasks on-site
- Indicates areas of risk
- Allows TDA to understand CE operations before the on-site review

---

**Risk-based Assessment Tools**

- **Meal Compliance Risk Assessment Tool**
  - Designates one site for a “targeted menu review”

- **Dietary Specifications Assessment Tool**
  - Assigns a risk-level for not meeting the dietary specifications

- **Resource Management Risk Indicator Tool**
  - Identifies whether TDA will conduct a Comprehensive Resource Management Review

---

**On-site Assessment Tool Areas**

- Meal Access and Reimbursement
- Nutrition Quality and Meal Pattern
- Resource Management
- General Program Compliance
- Other Federal Program Reviews
Why an On-site Review?

- Validates information collected during the off-site review
- Allows TDA to observe school nutrition program operations at selected sites within a CE
- Allows TDA to evaluate the CE for compliance with program requirements

Administrative Review Process

Step 1: TDA sends the CE an announcement letter
Step 2: TDA selects sites to review
Step 3: The CE completes the off-site assessment
Step 4: TDA conducts the entrance conference
Step 5: TDA conducts the on-site review
Step 6: TDA conducts the exit conference
Step 7: TDA completes the CAD and sends it to the CE
Step 8: TDA approves the CE’s completed and corrected CAD
Step 9: TDA closes the review

Administrative Review Timeline

3-year administrative review cycle

The off-site review begins 12-14 weeks prior to the on-site review.
TDA conducts the on-site review.
TDA sends the CE a CAD.*
TDA conducts the exit conference.
The CE sends TDA a completed CAD.*
The off-site review ends 1 week prior to the on-site review.
TDA closes the review.
TDA conducts a follow-up review.*

*If Applicable

Texas Department of Agriculture
What Documentation will TDA Review Off-site?

- Certification and Benefit Issuance
- Verification
- Meal Counting and Claiming
- Meal Components and Quantities
- Dietary Specifications and Nutrient Analysis
- Local School Wellness Policy
- Civil Rights
- SBP and SFSP Outreach
- Afterschool Snack Program
- Special Milk Program

Note: TDA reserves the discretion to review anything (other review areas, documentation, sites, etc.) pertaining to the child nutrition program at any time.

What Documentation will TDA Review On-site?

- Counting and Claiming
- Meal Components and Quantities
- Dietary Specifications and Nutrient Analysis
- OVS
- Comprehensive Resource Management Review
- Competitive Foods
- Procurement
- Professional Standards
- Civil Rights
- SFA On-site Monitoring
- Food Safety
- Water
- Reporting and Record Keeping
- Fresh Fruit and Vegetable Program (FFVP)

Note: TDA reserves the discretion to review anything (other review areas, documentation, sites, etc.) pertaining to the child nutrition program at any time.

Module 2: Off-site Review

- Topic 1: Pre-visit Procedures
- Topic 2: Meal Access and Reimbursement
- Topic 3: Nutrition Quality and Meal Pattern
- Topic 4: Resource Management
- Topic 5: General Program Compliance
- Topic 6: Other Federal Program Reviews
Module 2: Off-site Review
Topic 1: Pre-visit Procedures

Prior to the Review
Administrative Review Process (Steps 1-3)

Step 1
TDA sends the CE an announcement letter.

Step 2
TDA selects sites to review.

Step 3
The CE completes the off-site assessment.

Announcement Letter

Child Nutrition Director
Superintendent
ESC
Site Selection for Breakfast Sites

TDA will review 50% of the SBPs operating at the sites selected for lunch review with a minimum of one SBP review.

Texas Department of Agriculture

Off-site Review Timeline

6-12 weeks prior to the review
- TDA makes off-site review questions available.
- TDA conducts the 12-week phone call.

4-8 weeks prior to the review
- TDA makes off-site review questions available.
- TDA conducts the 4-8-week phone call.

First operating day of the Month of Review (MOR)
- The CE generates and uploads the benefit issuance list and list of verified students.
- TDA selects a sample and requests applications for households from the sample.

Between the first day and last day of the MOR
- The CE provides the requested days of meal counts once days have been offered.
- The CE provides the requested week of FPRs and menus once menus have been offered.

After or on the last day of the MOR
- The CE provides the completed Accuclaim/Daily Record for the MOR.

1 week prior to the review
- TDA closes the off-site review in TX-UNPS.

Off-site Review Scope

Answer the Off-site Assessment Tool questions.
Participate in phone calls or e-mails with TDA.
Provide documentation that supports the areas of the review.

Texas Department of Agriculture
What kind of technology do I need?

- Computer
- Scanner
- Internet connection
- Basic word processing and Excel skills

How Do I Answer Off-site Assessment Questions?

Questions

- Yes or no
- Information gathering
- Does not apply (N/A)
- Upload supporting documents
**Answering Information Gathering Questions**

**TIP:** Look at the big picture and examine the program from the outside in. What are your processes, operational procedures, internal controls and day-to-day tasks?

**Who is your authorized representative?**

---

**Texas Administrative Review**

Organized mock reviews to prepare for the on-site review.
Module 2: Off-site Review
Topic 2: Meal Access and Reimbursement

Terminology
Certification and Benefit Issuance

- Benefit issuance
- Benefit issuance document
- Independent review of applications
What is Benefit Issuance?

Certification and benefit issuance is the process used to determine a student's eligibility for free or reduced-price meal benefits used to apply the correct meal benefit level for the student at the point-of-service (POS).

Benefit issuance is the link in the accountability system between the eligibility determination and the benefit delivery.

What is the Benefit Issuance Document?

Lists names and eligibility status of all children with free and reduced-price status within a CE

Generated from the point-of-service (POS) system used at each site

Lists each child's name once

What is the independent review of applications?

The independent review of applications is a new process implemented this year.

CE's who are affected will be notified.

The process will affect very few CEs.
Off-site Review Steps
Certification and Benefit Issuance

Step 1
Complete the Off-site Assessment Tool questions in TX-UNPS.

Step 2
Submit the Benefit Issuance Document (Roster), the list of verified students, and the list of denied applicants to TDA in TX-UNPS.

Step 3
TDA selects a sample of students from the documents to review for the Certification and Benefit Issuance area.

Step 4
Send TDA certification and verification documentation for the sample of selected students in TX-UNPS.

Off-site Assessment Tool
Certification and Benefit Issuance

Questions 100-122

Eligibility determinations

Household applications → Direct certification

Benefit issuance

Supporting Documentation
Certification and Benefit Issuance

- Notices of categorical eligibility
- Applications and letters to household
- Notices of approval or denial of benefits
- Benefit Issuance Document (Roster)
- Categorical eligibility lists
- List of denied applicants
Why the Benefit Issuance Document?

Certification documents of a sample of students

Verification documents of a sample of students

*If applicable

Off-site Review Steps

Verification

Step 1
Complete the Off-site Assessment Tool questions in TX-UNPS.

Step 2
Submit a list of verified students to TDA in TX-UNPS.

Step 3
TDA selects a sample of verified applications for additional evaluation.

Step 4
Submit verification documentation for the selected sample to TDA in TX-UNPS.

Off-site Assessment Tool

Verification

Questions 200-205

Verifications

Verification process

Verification training

Electronic systems

Error-prone applications

Verification Collection Report

Confirming and verifying officials
Supporting Documentation Verification

- List of verified students
- School meal applications for the sample of verified students
- Verification Individual Household Report Form for the sample of verified students
- Verification letters for the sample of verified students

Provisional Programs and Other Exceptions

- Provision 2
  - Community Eligibility Program
  - Some Residential Child Care Institutions (RCCIs)

Off-site Review Steps
Meal Counting and Claiming

Step 1
Complete the Off-site Assessment Tool questions in TX-UNPS.

Step 2
TDA selects a sample of days from the month of review (MOR) to review.

Step 3
Submit meal counts to TDA for the sample of days selected from the month of review (MOR) in TX-UNPS.

Step 4
Submit the Daily Record (Accumulate/Edit Check) from the month of review (MOR) in TX-UNPS.
Module 2: Off-site Review
Topic 3: Nutrition Quality and Meal Pattern
Step 1
TDA selects a week from the month of review to review for meal component and quantity compliance.

Step 2
Submit menus and Food Production Records to TDA for the week selected from the month of review (MOR) and the week of review (WOR) in TX-UNPS.

Supporting Documentation
Meal Components and Quantities
- Menus
- Food Production Records

Supporting Documentation
Offer versus Serve
- Food Production Records
- Menus
Off-site Review Steps

Dietary Specifications and Nutrient Analysis

Step 1
Complete the Meal Compliance Risk Assessment Tool for all reviewed sites in TX-UNPS.

Step 2
TDA will select one site for a targeted menu review.

Step 3
Complete the Dietary Specifications Summary for the site selected for a targeted menu review and submit it to TDA.

Meal Compliance Risk Assessment Tool

All sites selected for review complete the Meal Compliance Risk Assessment Tool. The tool assesses error-prone areas and scores the reviewed sites' risk for nutrition-related violations. TDA conducts a Targeted Menu Review for the site at highest risk for nutrition-related violations.

Targeted Menu Review

Dietary Specifications and Nutrient Analysis

TDA will review the site selected for a Targeted Menu Review more closely using the following risk-based tool:

Risk Assessment
Dietary Specifications Assessment Tool
Dietary Specifications Tool
Targeted Menu Review: Off-site

All sites selected for review

Step 1
Complete the Meal Compliance Risk Assessment Tool.

TDA selects the site with the highest score for a targeted menu review

One site selected for targeted menu review

Step 2
Complete the Dietary Specifications Summary.

Assigned low risk

Assigned high risk

Texas Department of Agriculture

Module 2: Off-site Review
Topic 4: Resource Management

Step 1
Submit the completed Resource Management Summary document in TX-UNPS.

Step 2
TDA will use the Off-site Assessment Tool questions, the Resource Management Risk Indicator Tool and the Resource Management Summary document to determine if the CE requires a Comprehensive Resource Management Review.

Texas Department of Agriculture
### Resource Management Risk Indicator Tool

**Resource Management**

<table>
<thead>
<tr>
<th>Risk Area</th>
<th>Questions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Size of CE</td>
<td>Question 700</td>
</tr>
<tr>
<td>Audits</td>
<td>Question 701</td>
</tr>
<tr>
<td>Maintenance of the Nonprofit SFS Account</td>
<td>Questions 702-706</td>
</tr>
<tr>
<td>Paid Lunch Equity</td>
<td>Questions 707-710</td>
</tr>
<tr>
<td>Revenue from Non-program Foods</td>
<td>Questions 711-712</td>
</tr>
<tr>
<td>Indirect costs</td>
<td>Questions 713-714</td>
</tr>
</tbody>
</table>

- ≥ 3 risks

### Off-site Assessment Tool

**Off-site Review**

**Topic 5: General Program Compliance**
Off-site Review Steps  
**Civil Rights**

**Step 1**
Complete the Off-site Assessment Tool questions in TX-UNPS.

**Step 2**
Provide information to TDA as requested.

---

Off-site Assessment Tool  
**Civil Rights**

FNS requires CE’s to administer program services and benefits in accordance with all laws, regulations, instructions, policies, and guidance related to nondiscrimination in program delivery.

**Relate to civil rights compliance**

**Questions 800-807**

---

Supporting Documentation  
**Civil Rights**

CE’s describe (in writing) or provide:

- Copy of CE’s public (media) release
- CE’s procedures for receiving and handling Civil Rights complaints and any complaints received
- CE’s most recent civil rights training documentation for staff that includes signatures
- Non-discrimination statement (from household letters from Certification and Benefit Issuance)
**Off-site Review Steps**  
**SFA (CE) Onsite-Monitoring**

**Step 1**  
Complete the Off-site Assessment Tool questions in TX-UNPS.

**Step 2**  
Provide information to TDA as requested.

---

**Off-site Assessment Tool**  
**SFA (CE) Onsite-Monitoring**

TDA must determine whether each CE with more than one school performs at least one on-site review of the lunch counting and claiming system in use in each school under its jurisdiction by February 1 of each year.

**Assesses procedures the CE uses to ensure that all schools are meeting program requirements**

**Question 900**

---

**Off-site Review Steps**  
**Local School Wellness Policy**

**Step 1**  
Complete the Off-site Assessment Tool questions in TX-UNPS.

**Step 2**  
Provide TDA with documentation of the CE's Local School Wellness Policy.
Off-site Assessment Tool
Local School Wellness Policy

Assesses compliance with Local School Wellness Policy requirements

Question 1000-1006

Supporting Documentation
Local School Wellness Policy

CEs must describe (in writing) or provide:

- Copy of the current Local School Wellness Policy
- Demonstration that the Local School Wellness Policy has been made available to the public
- Demonstration of efforts to review and update the Local School Wellness Policy
- Copy of the most recent assessment on the implementation of the Local School Wellness Policy

Off-site Review Steps
Food Safety

Step 1
Provide information to TDA as requested.
Off-site Review Steps
SBP and SFSP Outreach

Step 1
Complete the Off-site Assessment Tool questions in TX-UNPS.

Step 2
Provide information to TDA as requested.

Off-site Assessment Tool
SBP and SFSP Outreach

School Breakfast Program outreach

Summer Food Service Program outreach

Question 1600-1602

Module 2: Off-site Review
Topic 6: Other Federal Programs
Step 1
Provide information and documentation to TDA as requested.

Supporting Documentation
Afterschool Snack Program
- Sample of meal counts
- 5 days of Food Production Records (FPR)
- Self monitoring records

Off-site Review
Seamless Summer Option (SSO)
TDA reviews the SSO program during summer as a separate review. The SSO program review may impact the AR review if there are findings.
Off-site Review Steps
Fresh Fruit and Vegetable Program

Step 1
TDA selects a site(s) to review.

Step 2
TDA validates one FFVP claim for reimbursement for each site selected.

Step 3
Provide information to TDA as requested.

Off-site Review Steps
Special Milk Program

Step 1
Provide information and documentation to TDA as requested.

Step 2
TDA validates pricing policy, counting and claiming, milk service procedures and recordkeeping.

Supporting Documentation
Special Milk Program

CE's claim for reimbursement
Invoices
Delivery Records
Let's Review!

What documents are required for the off-site review?
Come up with a list of as many as you or your group can remember!

- Denied issuance document, categorical eligibility list, list of denied applicants and sample of applications and corresponding documentation
- List of verified applications, sample of verified applications and corresponding documentation and Verification Individual Household Report Forms
- Sample of prototypes: letter to household, the notice of categorical eligibility, the notice of approval/denial of benefits, and verification letter
- Sample of meal counts and Daily Record

- Menus and Food Production Records (FPR)
- Public notice release and civil right training documentation
- Local School Wellness Policy (LSWP) and recent assessment of the LSWP implementation
- After School Snack Program (Sample of counts, FPRs and invoices)
- FFVP claim for reimbursement
- Special Milk Program (Claim for reimbursement, invoices and delivery records)

---

On-site Review

- Topic 1: Introduction
- Topic 2: Entrance Conference
- Topic 3: On-site Review
- Topic 4: Exit Conference

---

Module 3: On-site Review

Topic 1: Introduction
How do I Pass the On-site Administrative Review?

CEs must demonstrate **compliance** with regulations that govern school nutrition programs.

CEs must maintain **appropriate documentation** to demonstrate compliance with regulations.

CEs should read **regulations and policy memos**, attend **training** and request technical assistance to help CEs maintain compliance.

---

How do I Prepare for the On-site Review?

*Your ESC provides training and technical assistance

On-site Review

---

On-site Administrative Review

- **Breakfast review**
  - Required at 50% of lunch sites reviewed

- **Lunch review**
  - All sites selected

- **Other federal program reviews**
  - FFVP, SSO, etc.

- **At Risk Afterschool Supper Program review**
  - Reviewed during the AR for reviewed CEs that operate the program.
Day of Review (DOR)
Administrative Review Process (Steps 4-6)

Step 4
TDA conducts the entrance conference.

Step 5
TDA conducts the on-site review.

Step 6
TDA conducts the exit conference.

Module 3: On-site Review
Topic 2: Entrance Conference

On-site Assessment Steps
Entrance Conference

Step 1
TDA performs introductions.

Step 2
TDA discusses the critical and general areas of the review.

Step 3
TDA explains the on-site review procedures.

Step 4
TDA discusses the results of the Off-site Assessment Tool.
Module 3: On-site Review
Topic 3: On-site Review

On-site Administrative Review

The on-site compliance monitor(s) will do the following:

- Validate any off-site review questions and information collected.
- Review any remaining documentation for the review areas.
- Observe meal preparation.
- Observe meal service.
- Observe posted signs (OVS, Food Safety, Civil Rights, etc.).
- Survey meal service areas.
- Review any remaining documentation for the review areas.

The on-site compliance monitor(s) will do the following:

- Review any remaining documentation for the review areas.
- Observe meal preparation.
- Observe meal service.
- Observe posted signs (OVS, Food Safety, Civil Rights, etc.).
- Survey meal service areas.
- Review any remaining documentation for the review areas.

On-site Review Scope

All Areas

TDA will validate the information provided during the off-site review.

CEs will participate in interviews with the TDA monitor(s).

CEs will provide information as requested.
On-site Review

Meal Counting and Claiming

TDA will observe meal service at the POS.
TDA will review meal counts for the DOR.
TDA will determine if counting and claiming procedures meet regulations.

Texas Department of Agriculture

Special Considerations

Meal Counting and Claiming

Under certain circumstances, TDA may follow a different review process for meal counting and claiming.
Provision 2, Provision 3, and Community Eligibility Provision

Texas Department of Agriculture

On-site Review

Meal Components and Quantities

TDA will observe meal service.
TDA will observe alternate meal service locations (classroom, ISS, etc.).
TDA will review food production records for day of review.
TDA will review CN labels, recipes, product specification sheets, etc. for the WOR and the week selected from the MOR.
TDA will determine if sites meet meal component and quantity regulations at all service lines.

Texas Department of Agriculture
Supporting Documentation

Meal Components and Quantities

- Completed Food Production Records
- Child Nutrition (CN) Labels
- Nutrition Facts Labels
- Product Formulation Statements
- Recipes

---

What Was Done Off-site?

Dietary Specifications & Nutrient Analysis

TDA completes the Dietary Specifications Assessment Tool.

Assigned low-risk

Assigned high-risk

---

On-site Review

Dietary Specifications & Nutrient Analysis

- TDA will observe meal preparation and service.
- TDA will review food storage room contents and check labels.
- TDA will evaluate menus, production records, recipes, etc. that support meals offered.
- TDA will determine if CEs are high or low risk for not meeting the dietary specifications.
- TDA will ensure that high risk CEs receive a nutrient analysis.
On-site Targeted Menu Review

Complete Dietary Specifications Tool

TDA must validate the answers to the Dietary Specifications Summary, conducted off-site, for the site selected for a targeted menu review.

- On-site review does indicate low-risk
- On-site review does not indicate low-risk

Nutrient analysis not required and targeted menu review is complete

Nutrient analysis required

On-site Review

Smart Snacks

TDA will observe meal preparation and service

TDA will observe any areas where foods are sold on the school campus.

TDA will review documentation for competitive foods.

TDA will determine if foods sold meet the standards for all foods sold in schools.

Supporting Documentation

SMART Snacks

- SMART Snacks calculator
- Information sheets
- List of approved SMART Snacks
- Nutrition Facts Labels
On-site Review

Procurement

TDA will review Procurement practices on-site.

On-site Review

Civil Rights

TDA will review program materials.

TDA will observe posted signs.

TDA will observe the meal service.

TDA will determine if CEs demonstrate civil rights compliance.

On-site Review

SFA On-site Monitoring

TDA will review documentation of the CE's on-site monitoring activities.

TDA will determine if the CE demonstrates compliance with SFA on-site monitoring requirements.
Supporting Documentation

SFA On-site Monitoring

Completed onsite monitoring forms if the CE has more than one site.

On-site Review

Water

TDA will observe lunch and breakfast meal services.

TDA will determine if free potable water is available for consumption by program participants.

Food Safety

TDA will observe meal service.

TDA will survey food storage and preparation areas.

TDA will examine posted signs and other documentation that demonstrate compliance with food safety regulations.

TDA will review the CE's HACCP plan and proof of training.

TDA will determine if sites for all programs follow the food safety program and HACCP principles.
Supporting Documentation

**Food Safety**

CEs must describe (in writing) or provide:

- Hazard Analysis Critical Control Point (HACCP) plan
- Proof of food safety training
- Two most recent health inspections (one posted visibly)

On-site Review

**Reporting and Recordkeeping**

- TDA will review documentation of the CE’s reporting and recordkeeping.
- TDA will determine if reports are submitted as required by TDA and maintained with other program records for a period of 13 years after submission of the final Claim for Reimbursement for the fiscal year.
- ISDs and Charter schools need to follow TEA guidelines and keep documents for 5 years.

What Was Done Off-site?

**Resource Management**

- TDA collected answers to the Off-site Assessment Tool questions.
- TDA completed the Resource Management Risk Indicator Tool.
- TDA determined if the CE is required to have a Comprehensive Resource Management Review.
Review Areas
Resource Management (RM) Comprehensive Review

- Maintenance of the nonprofit school food service account
- Revenue from non-program foods
- Indirect costs
- Paid Lunch Equity (PLE)

On-site Review
Comprehensive Resource Management Review

TDA will interview CE staff and review documentation that reflects the financial state of the child nutrition program (CNP).

- TDA will need to speak to the financial or business manager or other individual within the CE that handles the finances of the CNP.

Comprehensive Resource Management Review

TDA will determine if a CE does the following:

- Uses the nonprofit SFS revenue solely for the operation and improvements of the SFS.
- Charges only allowable costs to the nonprofit SFS account including indirect costs.
- Charges paid lunches according to the federal paid/free reimbursement rates.
- Receives the rebates, discounts, and credits to which the CE is entitled to.
- Generates revenues from the sale of nonprogram foods that is at least equal to the expenditures from the purchases of nonprogram foods.
Supporting Documentation
Comprehensive Resource Management Review

- Statement of revenues and expenses
- CE's operating statement or statement of activities*
- 240/101/701 General Ledger
- USDA's Nonprogram Foods Revenue Tool
- Annual reconciliation for USDA Foods**
- Documentation that supports indirect cost rate and actual indirect costs
- Sample of 10-50% of the CE's contracts, receipts, invoices, storage records and other USDA foods records

*Or other similar documents
**If the CE employs an FSMC or other purchasing agents

On-site Review
Fresh Fruit and Vegetable Program

TDA will observe the FFVP for each school selected for review.

TDA will determine if the school operates the FFVP properly on the day of review.

Module 3: On-site Review
Topic 5: Exit Conference
Discussing Corrective Action

TDA will discuss the following areas with the CE at the exit conference:
- Identified findings
- Corrective actions required
- Timeframe for the completion of corrective action and any documentation the CE may be expected to provide
- Technical assistance for deficiencies cited

Discussing General Guidelines

TDA will do the following at the exit conference:
- Acknowledge the cooperation of all persons involved in the review process
- Explain right to appeal

Post-Review
Post-Review
Administrative Review Process (Steps 7-9)

Step 7
TDA completes the CAD and sends it to the CE.

Step 8
TDA approves the CE’s complete and corrected CAD.

Step 9
TDA closes the review.

Terminology
Post-review

Repeat finding
Systemic finding
Non-systemic finding
Egregious
Willful
Corrective Action Document

What is a Repeat Finding?

A finding is considered a repeat finding in the following circumstances:

- The same type of critical area finding or general area finding is noted in more than one review in the same review cycle or across multiple review cycles.
- Repeated violations are assigned at the CE level, not the site level, and are an indication of systemic problems.
What is a Systemic Finding?

A finding is considered a systemic finding if the finding is based on contributing factors that are inherent to the routine operation of the CE (or site) and is likely to occur again in the same review cycle if operational processes are not changed.

Non-Systemic Vs. Systemic Findings

Non-Systemic
- Contributing factors are unusual
- Factors are not part of the normal operating procedure
- System does not require changes to achieve accurate results

Systemic
- Contributing factors are built into process
- Error will recur if the process is not changed

Egregious & Willful Definitions

Egregious
Defined as conspicuously bad

Willful
Defined as done deliberately or intentionally
Follow-up Reviews

The CE receives repeated or systemic critical area or general area findings that are not corrected systemically.

CEs will receive a follow-up review if the CE meets any of these conditions:

- The CE has not submitted an adequate CAD.
- The CE has been placed on financial hold.

Fiscal Action

Required

Critical Areas of the Review
- PS1: Meal Access and Reimbursement
- PS2: Nutrition Quality and Meal Pattern
  - $0.06 reimbursement

Certain Repeat Findings

Performance-Based Reimbursement

Meal Components and Quantities

For errors that result in reclaimed meals

May be directed to...
Acknowledgment Statement:

You understand and acknowledge that:

- the training you have completed does not cover the entire scope of the program; and that
- you are responsible for knowing and understanding all handbooks, manuals, alerts, notices and guidance, as well as any other forms of communication that provide further guidance, clarification or instruction on operating the program.

Texas Department of Agriculture