

# SFSP Administrative Review Findings Lessons Learned

## Avoiding the Pitfalls!

The Texas Department of Agriculture (TDA) provides this information to assist you, as a Contracting Entity (CE), in identifying potential problems. Avoiding these pitfalls will help you comply with program requirements and receive full reimbursement for eligible expenses. Most of all, preventing these common findings will help you and TDA achieve the goal of ensuring that healthy meals and snacks are provided for children.



## Preventing Common Administrative Review Findings

- Schedule time to maintain the paperwork.
- Develop a system to keep all the required documents and forms organized (digital and physical).
- Use an additional staff member to verify:
  - Records are complete and eligibility has been determined correctly.
  - Count and record the number of meals served.
  - Compliance with meal pattern requirement.
- Establish an adequate financial management system.
- Keep program funds separate from other funds to make it easier to purchase only allowable items.



TEXAS DEPARTMENT OF AGRICULTURE  
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Food and Nutrition Division  
Summer Meal Programs

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# Administrative Financial Review

## *Private Non-Profit*

- CEs did not have a record management system that included budgeting.
- CEs purchased items or claimed expenses which are not necessary, reasonable, or allowable.
- CEs did not have an adequate financial management system in place.

## *Examples*

- CEs purchased unallowable items (non-food purchases) with program funds such as: bath tissue, scented oils, massages, cosmetology services, personal loan repayment, and staff desserts.
- CEs did not provide adequate procurement documentation, bank statements, general ledgers that document revenues and expenses, and source documentation, such as receipts, invoices, and donation receipts to support expenses.
- CEs did not compare actual program expenditures against budgeted amounts on a periodic basis and does not operate within current budget line items.
- CEs did not provide documentation to support utility costs, office expenses and non-food supplies.
- CEs did not have comprehensive payroll records for all payroll expenses, including signed time and attendance records, time distribution reports, and actual payroll details for employees paid with program funds.

## *Effects on the CE*

TDA could take the following actions:

- Require a return of funds to the non-profit food service account for unallowable expenses.
- Disallow meals and reduce the claim accordingly.
- Place the CE in serious deficiency.

## *Suggested Steps to Take*

- Keep program funds separate from other funds to make it easier to purchase only allowable items.
- Set up and use a financial management system. If you aren't sure how to do it, there are many resources to help small businesses.
- Develop a system to keep all the required documents and forms organized. Schedule time to maintain the paperwork.

# Meal Counting and Claiming

## ***Private Non-Profit***

- CEs did not have daily meal count records that were complete or accurate.
- CEs (that do not use a consolidated meal count form) did not have meal counts on the claim that correspond to the meal counts on the daily meal count forms.
- CEs did not maintain a monthly consolidated count totaling daily meals served, at all sites, for all meal types.

## ***Educational Institutions***

- CEs did not have daily meal count records that were complete or accurate.
- CEs did not maintain a monthly consolidated count totaling daily meals served, at all sites, for all meal types.

## ***Examples***

- Forms were missing delivery time, meals received/prepared, total first meals, total meals served, signature, and date.
- Meal count records were missing.
- Original tally sheets were replaced with new sheets because the staff thought the original sheets were too messy or dirty.
- Meal counts on the claim in TX-UNPS do not correspond to the daily meal count forms.

## ***Effects on the CE***

- TDA will adjust a claim to disallow meals if a CE claims more meals than are supported by the documentation submitted.
- On the other hand, if an eligible participant is not claimed, reimbursement cannot be received for that participant unless the error is discovered, and an amended claim is submitted.
- Place the CE in serious deficiency.

## ***Suggested Steps to Take***

- Always take the meal count at the point of service when the meal is served.
- Check your math! Use a calculator.
- Assign another staff member to be a second set of eyes to check records for accuracy.
- Establish a specific place to keep all forms when they are completed (digital or physical copies). Set a reminder on your phone to update the count records daily.
- Double check the meal counts submitted in TX-UNPS are accurate.

# Meal Production/Food Service

## ***Private Non-Profit***

- CEs did not have meal production records and/or ordering documents that show that meals contained all components, measurable serving sizes, or food items that met meal pattern requirements.
- CEs did not have accurate records for food purchase receipts, documentation of food donations, and documentation of recycled food.

## ***Educational Institutions***

- CEs did not have meal production records and/or ordering documents that show that meals contained all components, measurable serving sizes, or food items that met meal pattern requirements.
- CEs did not have accurate records for food purchase receipts, documentation of food donations, and documentation of recycled food.

## ***Examples***

- Records of purchases and acquisitions of food do not support the menu and confirm that enough food was available for each reimbursable meal claimed.
- Work assignment tracking sheets reflected discrepancies compared to the production records.
- CEs did not have sufficient records of milk acquisition (purchases/donations) to support the number of meals claimed.
- Leftovers were not documented on Record of Leftover/Recycled Food (H1568) or an equivalent that contains all required elements.
- CN labels or production formulations did not match the description on the receipts provided.

## ***Effects on the CE***

TDA could take the following actions:

- Disallow meals and reduce the claim accordingly.
- Place the CE in serious deficiency.

## ***Suggested Steps to Take***

- Develop a system to keep all the required documents and forms organized. Schedule time to maintain the paperwork.
- Work with the regional ESC to ensure that menus meet the meal pattern requirements.

# Resource Management

## ***Private Non-Profit***

- CEs did not have documentation available to show that all administrative/operational and site level staff were trained prior to assuming SFSP duties.
- CEs did not demonstrate program accountability and/or capability.
- CEs did not retain all records pertaining to SFSP for 3 years.

## ***Educational Institutions***

- CEs did not have documentation available to show that all administrative/operational and site level staff were trained prior to assuming SFSP duties.
- CEs did not submit contract amendments to reflect current program operations.

## ***Examples***

- CEs did not take the mandatory SFSP training for this program year or provide SFSP training to staff.
- CEs did not maintain staff training tracking sheets.
- CEs did not retain all records including bank statements, receipts, invoices, or service contracts for 3 years.
- CEs did not have adequate and sufficient recordkeeping and documentation to support claims for reimbursement of SFSP expenses.
- Milk receipts were missing.
- CEs did not demonstrate knowledge of program funds to ensure program dollars were spent for meals that are compliant with program requirements.

## ***Effects on the CE***

TDA could take the following actions:

- Disallow meals and reduce the claim accordingly.
- Place the CE in serious deficiency.

## ***Suggested Steps to Take***

- Develop and implement step-by-step processes/procedures to ensure Program Accountability.
- Ensure staff training for SFSP program and Civil Rights is conducted at least once annually (before operations) and maintain documentation that includes date, name of attendees, and documentation of topics covered.
- Develop a system to keep all the required documents and forms organized. Schedule time to maintain the paperwork.

# Monitoring

## ***Private Non-Profit & Educational Institutions***

CEs did not conduct or document the required site visits appropriately.

### ***Examples***

- CEs did not conduct the first 4 weeks of operation Site Review as required.
- Required 1st week visits were not conducted and documented appropriately.
- CEs did not have complete information on the site review form including telephone, departure time, ADP, attendance, approved meal service times, approved level of service, and # of first meals served to children.
- Documented attendance/meal count on site review form did not correspond to the daily meal count reported by the site staff on the daily meal count form.

### ***Effects on the CE***

TDA could take the following actions:

- Disallow meals and reduce the claim accordingly.
- Place the CE in serious deficiency.

### ***Suggested Steps to Take***

- Work with your regional ESC to ensure that you understand all the requirements for monitoring sites.
- Schedule all site visits prior to SFSP operations and monitor that all visits are conducted and documented.
- Develop a system to keep all the required documents and forms organized. Schedule time to maintain the paperwork.

# Civil Rights

## ***Private Non-Profit & Educational Institutions***

- CEs did not have documentation that staff were trained in Civil Rights (dates, topics, and names of attendees).
- CEs did not collect beneficiary data by racial/ethnic category for each site.

## ***Examples***

- CEs did not establish a methodology for the required collection and submittal of beneficiary data by racial/ethnic category for each sampled site.
- CEs did not ensure program information would be available to the public upon request.
- CEs did not have documentation available to show that all administrative/operational and site level staff were trained prior to assuming SFSP duties.

## ***Effects on the CE***

TDA could take the following actions:

- Require Corrective Action for noncompliance.
- Place the CE in serious deficiency.

## ***Suggested Steps to Take***

- Ensure staff training for Civil Rights is conducted at least once annually (before operations) and maintain documentation that includes date, name of attendees, and documentation of topics covered.
- Display the And Justice for All (AJFA) poster prominently in all facilities and locations that distribute program benefits or administer services.
- Ensure equal access and equally effective communication for persons with disabilities and persons with Limited English Proficiency.