

## Administrative Review Off-site Assessment Tool Instructions

### General Instructions/ Intent

The Off-Site Assessment Tool encompasses questions about and requests for information from the School Food Authority (SFA) with regard to the some monitoring areas of the Administrative Review. This tool is designed to decrease the amount of time needed for the on-site portion of the review, as well as provide both the State Agency (SA) and SFA essential information to help the reviewer focus on any areas of non-compliance and target any technical assistance that may be necessary while on-site.

The tool is intended to be completed off-site and used by the SA as a method of gathering some of the information necessary to complete the administrative review. Some of the requested information may already be on-file at the SA, while other areas may require input from the School Foodservice Director, or other appropriate SFA points of contact. The SA may contact the SFA for input on these questions using whatever method is most appropriate (email, phone call, etc.), and should work collaboratively with the SFA to gather all requested information. Electronic submission of documentation is encouraged wherever possible. The SA may begin completing the Off-site Assessment Tool as far in advance of the on-site review as is deemed necessary, provided the minimum required timeframes established herein are met. If the tool is utilized as intended, the reviewer should be prepared to provide any technical assistance that may be necessary during the on-site portion of the reviewer.

Resource Management is the only section in which the completion of an off-site assessment is required. All other sections of the Off-Site Assessment Tool may be completed on-site at the discretion of the SA. Regardless of format and timing, all responses to all other sections must be completed no later than the first day of the on-site portion of the review.

In addition to the completion of the Off-Site Assessment Tool, the SA is required to select sites for review (see Site Selection Procedures in Administrative Review Guidance.) Once site selection has been completed, SA must complete the Meal Compliance Risk Assessment Tool for each site selected for review. The site with the highest score is most at risk for noncompliance with meal pattern and must receive a targeted menu review (see Dietary Specifications and Nutrient Analysis module for options to complete targeted menu review). If the SA chooses use to the Dietary Specifications Assessment Tool to complete the targeted menu review, an off-site review of documentation is required.

During the off-site assessment phase, the SA should document any technical assistance provided and any corrective action implemented by the SFA. Regardless of when corrective action occurs, all findings must be documented in the final report.

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### Section II: Meal Access and Reimbursement

#### Reminders:

The SA should attempt to answer questions using available data before contacting the SFA.

In addition to completing the questions on the *Off-site Assessment Tool*, the SA should follow the instructions for selecting the students for certification and benefit issuance review as described in the Certification and Benefit Issuance Module in the Administrative Review Guidance Manual.

The SA should notify the SFA that all verification materials must be available at the SFA's central office for the on-site portion of the review.

### Section III: Nutritional Quality and Meal Pattern

#### Reminders:

In order to complete this section of the *Off-site Assessment Tool*, the SA must complete the *Meal Compliance Risk Assessment Tool* for **each of the sites selected for review** (see site selection procedures in Administrative Review Guidance Manual). The results of the *Meal Compliance Risk Assessment Tool* will determine which site shall receive the targeted menu review, using one of the four options as described in the Administrative Review Guidance Manual.

Prior to the on-site portion of the review, the SA should notify the SFA that each site selected for review must be prepared to provide meal pattern compliance documentation demonstrating that daily/weekly meal component requirements for one week of the review period are met. If appropriate, SA can request this documentation from the SFA prior to the beginning of the on-site review.

Reviewers may examine any food crediting documentation to include but not limited to food labels, product formulation statements, CN labels, and bid documentation to ensure meal pattern compliance. (This documentation will be examined for all reviewed sites. For the site selected, this documentation will also be used for the targeted menu review process)

**For efficiency, the SA should review the same menus, production records, and standardized recipes from the week the SA reviewed in the Module: Meal Components and Quantities as selected for the targeted menu review.**

**NOTE:** If the SA has chosen Option #1 (Completion of the *Dietary Specifications Assessment Tool*) for completing the targeted menu review, the required documentation must be submitted to the SA within a sufficient timeframe to allow the SA to properly assess the documentation and determine the risk level of the site selected for the targeted menu review.

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### Section IV: Resource Management

#### Reminders:

This section is designed to capture information from the SFA concerning the modules contained within the Resource Management Section. Using the SFA's responses to the *Off-site Assessment Tool*, the SA will apply specific risk indicators to the SFA and determine whether a Resource Management comprehensive review is warranted. Before beginning the risk indicator approach, the SA should first review all of the guidance modules under Resource Management to obtain context and understanding for how the risk indicators are determined. The SA should complete the Resource Management risk assessment 4 – 6 weeks prior to the start of the on-site review.

**Important: Any failure, whether by the SFA or SA, to adhere to the timeframes prescribed above requires a Resource Management comprehensive review to be conducted.**

**Recommended:** The State agency is encouraged to utilize specialized staff to the extent practicable to evaluate responses in this section.

#### Risk Indicators for Resource Management:

When evaluating the responses to questions 700-717, use the following key for determining whether a Resource Management comprehensive review is necessary. Some sections contain multiple questions that may indicate risk (referred to as a "risk indicator"). Regardless of how many risk indicators are triggered in any one section, only a maximum of one risk indicator per section can contribute towards the Resource Management comprehensive review threshold. For example, if the answer to question 702 is "no" and the answer to question 704 is "yes" the SFA would receive only one risk indicator for the overall section **Maintenance of Nonprofit School Food Service Account**. The Resource Management Risk Indicator Tool can be used to calculate automatically whether a RM comprehensive review is required.

- 1) SFA with Student Population of 40,000 or more  
*Risk Indicator:* The SFA has 40,000 or more students.

*Application of Risk Indicator:* The SFA will not receive a risk indicator in this area if the SFA's student population is less than 40,000.

- 2) Audits  
*Risk Indicators:* The SFA has financial findings related to the child nutrition programs on previous administrative reviews or audits within the past three years.

*Application of Risk Indicator:* The SFA will not receive a risk indicator in this area if all review or audit findings have been closed to the satisfaction of the review/audit agency.

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### 3) Maintenance of the Nonprofit School Food Service Account

*Risk Indicators:* The SFA

- does not conduct a year end review of total revenues and expenses to determine the school food service nonprofit status, or
- transferred surplus funds out of school food service account to support other operations
- did not maintain a net cash resource level at or below 3 months average expenditures for in the most recently closed out year

*Application of Risk Indicator:* The SFA will not receive a risk indicator in this area if it conducts a year end review of total revenues and expenses to determine nonprofit status, it did not transfer surplus funds to support other operations, and it maintained a net cash resource level at or below 3 month average operating expenditures. The SFA will receive a risk flag if any one of the risk indicators is met.

### 4) Paid Lunch Equity

*Risk Indicators:* The SFA:

- Did not use the FNS Paid Lunch Equity Tool to calculate the need for paid lunch price increase,
- Did not raise paid lunch prices as required by regulation,
- Transferred non-Federal funds to the nonprofit school food service account to support paid lunches prices,
- Did not submit its most frequently charged paid lunch price information for the previous school year to the SA.

*Application of Risk Indicator:* The SFA will not receive a risk indicator in this area if it appears to use the USDA Paid Lunch Equity Tool correctly, is appropriately raising paid lunch prices when required, did not transfer non-Federal funds to nonprofit school food service account to support paid lunch prices, and submitted its most frequently charged paid meal price information for the previous school year to the SA.

### 5) Revenue from Non-Program Foods

*Risk Indicator:* The proportion of total revenue from the sale of non-program foods to total revenue of the school food service account is not equal to or greater than: the proportion of total food costs associated with obtaining non-program foods to costs associated with obtaining program and nonprogram foods from the account.

FNS has developed a form for SFAs to calculate these ratios. The SA may require the submission of the FNS-developed form or other documents to determine compliance with the non-program food revenue requirements.

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*Application of Risk Indicator:* The SFA will not receive a risk indicator in this area if the SFA's submission appears to comply with program requirements. If the total revenue ratio is less than the total food cost ratio or the SFA does not have sufficient records to support its calculations, the SFA would apply this risk indicator.

### 6) Indirect Cost

*Risk Indicators:*

- The SFA charged the food service account for indirect costs.
- THE LEA charged indirect costs in excess of SA approved rate.

*Application of Risk Indicator:* The SFA will not receive a risk indicator in this area if the SFA has not charged the food service account for indirect costs, or (2) the LEA is correctly charging indirect costs in accordance with their indirect cost rate agreement.

### 7) USDA Foods, Co-op Purchasing, Food Service Management Company

*Risk Indicators:* The SFA uses (1) USDA foods processed into finished products, (2) a co-op, purchasing agency or distributor, (3) or a food service management company.

*Application of Risk Indicator:* The SFA will not receive a risk indicator in this area if it does not use processed USDA foods, does not receive USDA Foods from a co-op, purchasing agency, or distributor, and does not employ a food service management company. The SFA will receive a risk indicator if any one of the risk indicators is met.

### **SFAs Over 40,000**

700 – A yes response is a risk indicator

### **Previous financial findings on administrative reviews and audits (one potential risk indicator)**

701 – A yes response is a risk indicator

### **Maintenance of Nonprofit School Food Service Account (one potential risk indicator)**

702 - A no response is a risk indicator

703 - A yes response is a risk indicator

704 – A yes response is a risk indicator

705 - A no response is a risk indicator

706 – A no response is a risk indicator

### **Paid Lunch Equity (one potential risk indicator)**

707 – A no response is a risk indicator

708 – A no response is a risk indicator

709 – A yes response is a risk indicator

710 – A no response is a risk indicator

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### **Revenue from Non-Program Foods (*one potential risk indicator*)**

711 – A no response is a risk indicator

712 – A no response is a risk indicator

### **Indirect Costs (*one potential risk indicator*)**

713 – A yes response is a risk indicator

714 – A no response is a risk indicator

### **USDA Foods (*one potential risk indicator*)**

715 – A yes response is a risk indicator

716 – A yes response is a risk indicator

717 – A yes response is a risk indicator

Total risk indicators:

(If the total is three or more risk indicators, the SFA is subject to a RM comprehensive review)

## Section V: General Program Compliance

### **Reminders:**

The SA may assist the SFA with the completion of this section, if necessary. If this section is not returned to the SA for evaluation prior to the on-site review, this section and applicable documentation must be available for SA review at the start of the on-site portion of the review.

## Section VI: Other Federal Programs

### **Reminders:**

This section is intended to be completed by the SA. If this section is not completed by the SA prior to the on-site review, this section must be completed by the SA during the on-site portion of the review.

If the SA elects to conduct the claim validation for the Fresh Fruit and Vegetable Program during the off-site phase, complete questions 1900 - 1902 of the On-Site Assessment Tool.

Separate review forms have been provided for the review of the Afterschool Snack Program, Special Milk Program, and Seamless Summer Option. The SA may complete any applicable portion of those forms off-site at their discretion. Any section of the applicable forms that are not completed prior to the on-site portion of the review must be completed during the on-site portion of the review if necessary