

# Child & Adult Nutrition Services & School Nutrition Association of SD

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## *What's Up* in School Nutrition Today

### Agenda

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- New Child Nutrition Program Integrity Proposed Rule
- Nonprogram Foods
- Professional Standards Hiring and Annual Training Requirements
- Smart Snacks: Foods Sold in Schools Requirements

## Proposed Regulation: Child Nutrition Program Integrity

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## Strengthen Management & Ensure Access to all Child Nutrition Programs

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**NATIONAL SCHOOL LUNCH PROGRAM**  
**SCHOOL BREAKFAST PROGRAM**  
**SPECIAL MILK PROGRAM**  
**SUMMER FOOD SERVICE PROGRAM**  
**CHILD AND ADULT CARE FOOD PROGRAM**  
**FRESH FRUIT AND VEGETABLE PROGRAM**

## Purpose

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- Ensure proper and efficient administration of Child Nutrition Programs.
- Reduce misuse of Program funds.
- Improve compliance with Program eligibility requirements, nutrition standards, procurement practices, and other critical Program requirements.

## Section 303: Establishing Assessment Criteria

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Establish criteria for **assessing fines** for State agencies, school food authorities, institutions, serving sites, sponsoring organizations, day care homes and centers.



Program operators are impacted if they have:

- Failed to correct severe mismanagement
- Failed to correct repeat violations
- Disregarded a requirement they have been informed



## Fines / Assessments

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Allowed only in situations of **severe Program mismanagement**, disregard of requirements which the Program operator has been informed, or **failure to correct repeat violations**.

- Limits the cost of imposing an assessment.
- Allows for appeal of an assessment.
- Must come from a source of non-federal funds

## Fines / Assessments

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Fines are based on the amount of reimbursement earned by the SFA or school where the violations occurred. The amount of the assessment may not exceed the equivalent of:

- **1<sup>st</sup> Fine:** 1% of the total meal reimbursements
- **2<sup>nd</sup> Fine:** 5% of the total meal reimbursements
- **3<sup>rd</sup> & Subsequent Fines:** 10% of the total meal reimbursements

## Section 322: SFSP Disqualification

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Establishes procedures for the **termination** and **disqualification** of organizations participating in SFSP.

- Rule establishes a disqualification procedure and a National Disqualification List (NDL), similar to CACFP.



## Section 362: Reciprocal Disqualification in all Child Nutrition Programs

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Requires that any institution appearing on the NDL will be prohibited from administering any other Child Nutrition Program.

- Prohibition applies when any entity is disqualified and on the CACFP or SFSP NDL & any entity is terminated for cause from NSLP.
- SA will share information with other States & the USDA.
- “Individuals” disqualified are the individuals responsible for operating the Program.

## Section 362: Termination & Disqualification CACFP Sponsored Centers

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Creates termination procedures for non-compliant sponsored child or adult day care centers .

- Mirrors current process for family day care homes
- Applies to unaffiliated centers, not part of the same legal entity as the sponsoring organization

## Section 331(b): CACFP Site Review Requirements

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All agencies reviewed once every 3 years

- More frequent reviews for institutions who are:
  - Large
  - Conduct activities other than CACFP (*new*)
  - Serious management issues identified in a prior review (*new*)
  - At risk of having serious management problems (*new*)
  - Other criteria as defined by USDA (*new*)

## Section 335: CACFP State Audit Funding

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Allows an increase in the amount of audit funds available to SA's if:

- The SA can demonstrate effective use of funds to improve Program management
- SA submits a plan for the use of the additional audit funds.

## Section 332: CACFP State Payment Liability

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Requires State agencies to provide **fair and timely hearings** if there are serious deficiencies in CACFP.

- State agency would be required to pay all valid claims for reimbursement if timeframes aren't met.
- State agency would be required to pay from non-Federal sources all valid claims for reimbursement.
- USDA would allow the State agency seek a reduction or reconsideration of its liability.

## Section 332: Financial Reviews of CACFP Sponsors of Centers

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CACFP sponsors of centers would be required to report expenditures

- Annual reporting
- SA's would be required to develop a system to verify

State agencies would be required to verify a selected month on a yearly basis

- Required to verify a selected month on a yearly basis.
- Any violation would require the State to refer the sponsor to State authorities

## Annual NSLP FSMC Procurement Training

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SA's and SFA's responsible staff must complete annual training

- Appropriate State agency & SFA staff must complete annual Food Service Management Company Contracts procurement training.

## Allowance of Only Fixed Price Contracts for FSMC Contracts

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**Eliminates cost-reimbursement contracts** Food Service Management Company contracts

- To ensure that discounts, rebates, and credits were returned to the nonprofit school food service account, and ensure no prohibited expenses were paid using Program funds.

## How to submit comments

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- Online (preferred method)
  - Visit [www.regulations.gov](http://www.regulations.gov)
  - <https://www.federalregister.gov/articles/2016/03/29/2016-06801/child-nutrition-program-integrity>
- Mail
  - Andrea Farmer, Food and Nutrition Service Branch Chief, US Department of Agriculture
  - 3101 Park Center Dr.
  - Alexandria, VA. 22302
- Emails will not be accepted

## Your comments matter!

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- Submitted comments are used by USDA to steer the final regulation and policies.
- All comments are welcome they can be supportive, in disagreement, they can help set definitions or limitations, or illustrate real life examples or challenges.

## Nonprogram Revenue & School Food Service Account

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*A few reminders*

## Program vs. Non Program Foods

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**Program foods** are used in meals and snacks that meet requirements and are claimed for federal reimbursement

- Student Lunch
- Student Breakfast
- Afterschool Snack
- At Risk Supper
- Special Milk Program Milk

**Non Program foods** are foods purchased using school food service dollars, but do not contribute to reimbursable meals.

- Adult Meals
- A la carte (sold food)
- Vending Machines
- Etc.

## Nonprogram Revenue Requirements

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The rules:

- All revenue from the sale of nonprogram foods accrues to the non-profit school food service account
- Revenue from your reimbursable school meals cannot subsidize the sale of nonprogram foods

## Revenue from Non Program Foods

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- Revenue from the sales of non program foods must be greater than the cost of the purchase price of the food.
- **To determine compliance your SFA must know:**
  - **Cost** of non program foods
  - **Revenue from sales** of non program foods

## For Example

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<b>Total Program Costs:</b>	\$1,000,000
<b>Total Food Costs:</b>	\$500,000
• Cost of food for <u>reimbursable meals</u> :	\$450,000
• Cost of <u>nonprogram food</u> :	\$50,000
<b>Total Revenue:</b>	\$1,000,000
• Revenue for <u>reimbursable meals</u> :	\$900,000
• Revenue of <u>nonprogram food</u> :	\$100,000

## For Example

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Cost of nonprogram food / Total food cost =  
Min % of revenue req. from nonprogram foods

$$\$50,000 / \$500,000 = 10\%$$

Min % above x Total program cost =  
Required revenue from nonprogram foods

$$10\% \times \$1,000,000 = \$100,000$$

If this SFA earns \$100,000 in revenue from nonprogram food sales, they are in compliance.

## Confused? USDA has a tool to help!

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- <http://doe.sd.gov/cans/documents/NonproRev.xls>

Nonprogram Revenue Calculator
Enter the cost for reimbursable meal, cost of nonprogram food and total revenue
<a href="#">Cost for Reimbursable Meal Food</a>
<a href="#">Cost of Nonprogram Food</a>
<a href="#">Total Food Costs</a>
<a href="#">Total Nonprogram Food Revenue</a>
<a href="#">Total Revenue</a>

## Nonprofit School Food Service Funds

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- Can only be used to purchase **allowable** costs to **support the operation or improvement of the school nutrition program**
  - All funds that go into nonprofit school foodservice account must be used within program regulations.
- Any profit made from purchases from the school food service account, must be returned to the school food service account.

## Professional Standards Rule

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**HIRING  
AND  
ANNUAL TRAINING  
REQUIREMENTS**

## Professional Standards Rule

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- Ensure State and local **school nutrition program personnel** have the **knowledge and skills** to manage and operate the programs correctly and successfully.
- This rule establishes minimum hiring standards for *new* local directors of SNP, and annual training requirements for *all* school nutrition personnel.

## Job Category Definitions

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### Directors

Regardless of size, an SFA has one director.  
Person that plans, administers, implements, monitors, and evaluates all aspects of the SNP programs.

### Managers

Have direct responsibility for the day-to-day operations at one or more schools.

## Job Category Definitions

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### Staff

Prepare and serve meals, process transactions at point of service, and review the free/reduced applications, along with other routine work.

Typically, staff do not have management responsibilities.

<http://www.nfsmi.org/ResourceOverview.aspx?ID=161>

## Shared Director Roles

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When the director role is shared between many people:

- The individual that **plans, administers, implements, monitors, and evaluates** all aspects of the SNP is considered the school nutrition program director.
- When one person is both the director and manager, the higher standards must be met.

# Hiring Requirements

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- Newly hired Directors are subject to the hiring requirements.
- Hiring requirements are broken down based on student enrollment.
- All Directors hired before July 1, 2015 do not have to meet the hiring standards.

## Hiring Requirements

<http://doe.sd.gov/cans/documents/ProfStndf.pdf>

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Minimum Requirement for Directors	Student Enrollment 2,499 or less	Student Enrollment 2,500-9,999	Student Enrollment 10,000 or more
<b>Minimum Education Standards</b>	Bachelor's degree, or equivalent educational experience, with academic major in specific areas;* OR Bachelor's degree in any academic major <u>and</u> state-recognized certificate for school nutrition directors; OR Associate's degree or equivalent educational experience, with academic major in specific areas,* <u>and</u> at least one year of relevant school nutrition program experience; OR High school diploma (or GED) <u>and</u> at least three years of relevant experience in school nutrition programs. (LEAs with less than 500 students; state agency may approve a candidate that meets the educational standards but has less than three years of experience.)	Bachelor's degree, or equivalent educational experience, with academic major in specific areas;* OR Bachelor's degree in any academic major <u>and</u> state-recognized certificate for school nutrition directors; OR Bachelor's degree in any academic major <u>and</u> at least two years of relevant school nutrition program experience; OR Associate's degree or equivalent educational experience, with academic major in specific areas, * <u>and</u> at least two years of relevant school nutrition program experience.	Bachelor's degree, or equivalent educational experience, with academic major in specific areas;* OR Bachelor's degree in any academic major <u>and</u> state-recognized certificate for school nutrition directors; OR Bachelor's degree in any academic major <u>and</u> at least five years of experience in management of school nutrition programs.
<b>Minimum Prior Training Standards</b>	An employee must complete at least eight hours of food safety training not more than five years prior to his or her starting date or within 30 days of his or her starting date.		

**\*Specific majors/areas of concentration:**  
 Food and nutrition, food service management, dietetics, family and consumer sciences, nutrition education, culinary arts, business, or a related field.

## Hiring Standards Q&A

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**Q:** Do the hiring standards apply to employees working under an annual contract?

**A:** Yes. New employees working under an annual contract must meet the hiring standards.

**Q:** If some schools in the LEA do not participate in the SNP, must those schools be considered when determining the hiring standards based on LEA size?

**A:** No. LEA size can be determined using enrollment only for the schools participating in the School Nutrition Program.

## Hiring Standards Q&A

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**Q:** My SFA contracts with a Food Service Management Company, does the FSMC lead staff at my school have to comply with the hiring requirements?

**A:** Yes. If their job duties fit the definition of a director they must meet the hiring standards.

## Hiring Requirements – Less than 500

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- For very small district the SA can approve the hiring of a director that has a high school diploma but less than three years of experience.
- LEAs must contact the SA as soon as possible if this situations occurs.

## Annual Training Standards

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	Training Hrs.	
<b>Directors</b>	12	Directors must have 8-hours of food safety training every 5 years.
<b>Managers</b>	10	
<b>Staff</b>	6	
<b>PT Staff (&lt;20hr/wk)</b>	4	

## Program Staff

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Individuals, without managerial responsibilities, involved in the day-to-day operations of school food service for a participating schools.

- This can include:
  - Cooks, Foodservice Staff, Cashiers, Dishwashers
  - Others involved in prep and service of school meals
  - Staff involved in eligibility determinations
  - Staff involved in meal counting and claiming
  - Support staff that have an impact on food safety
  - Colony school foodservice staff

## Other Staff that May Fall Under the Professional Standards Requirements

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### Janitors

Only if they help prepare or serve food

### Food Delivery Drivers

Only if they monitor refrigeration, food temps, inventory/delivery sheets, or directly handle the food

## Exempt Staff

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- Office staff that help process free and reduced-price meal applications **for a short time**.
  - If they help throughout the year they are not exempt
- **Temporary, Substitute, Acting:** If these positions are for a **very limited time** they are exempt.
  - If these positions run for a long time, they must comply with the requirements

## Other "Program Staff"

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- **Volunteers**
  - This summer the SA will establish a policy memo to clarify the role of volunteers in the program and the annual training requirement.
  - Volunteers that routinely prepare or handle food, or have a greater responsibility in the operations of the SNP will be required to follow the annual training requirements.
- Colonies that operate the SNP must follow the annual training requirements.

## Training Standards Q&A

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**Q:** Do training standards apply only to employees whose positions are supported by revenue from the nonprofit school food service account?

**A:** No. The SNP Director determines the training standards for the employees based on their job duties not the source of funds used to support the position.

## Training Standards Q&A

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**Q:** Do the training standards apply to employees of a Food Service Management Company and who is responsible to provide the annual training?

**A:** Yes. **The School Food Authority program director** must ensure that the FSMC employees providing services for the SNP have the required annual training. The SFA must require the FSMC to provide documentation showing the training hours and topics completed by staff.

## Training Standards Q&A

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**Q:** If a Food Service Management Company staff person performs food service director duties, but reports to a district business manager who is responsible for the school district's school food service activities, who is required to comply with the annual training requirements?

**A:** Both individuals would be responsible for meeting the training standards for program directors.

## Required Key Learning Areas

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- All training must fit into these categories:
  - Nutrition
  - Operations
  - Administration
  - Communications & Marketing
- Training must focus on **day-to-day management and operation of SNP**
- Training must be job-specific and intended to help employees perform their duties well

## Training that Does Not Count for Professional Standards Requirements

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- Security procedures
- Building operations
- Motivational speaker lectures
- Board meetings or other types of meetings
- Advocacy discussions
- Leadership training

## Carryover of Excess Training Hours

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Extra training hours that exceed your minimum requirement can be carried over to the previous or next school year

For Example: FS Director Bob took 15 hrs of training in SY16-17. He only needs 9 more hours of training in SY17-18

	SY16-17	SY16-17 Extra	SY17-18
Required	12 hrs		12 hrs
Director Bob	15 hrs	3 hrs	9 hrs

## How to Obtain Training Hours?

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- In Person Trainings, Conferences, Classes
- Webinars: Live or Pre-recorded
  - USDA Professional Standards webpage - <http://professionalstandards.nal.usda.gov/>
  - Institute of Child Nutrition - [www.theicn.org](http://www.theicn.org)
  - CANS Webpage - <http://doe.sd.gov/cans>
  - School Nutrition Association - <https://schoolnutrition.org>
- Conference calls
- **Remember the Key Learning Areas!**

## How to Track Training?

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- Documentation must be maintained by each SFA and made available to the SA upon request.
- **SD Training Tracker Tool** (Excel) is posted on the CANS NSLP website <http://doe.sd.gov/cans/nslp.aspx> under the Professional Standards and Training Opportunities section

## SD Training Tracker Tool

(51)

<b>District Name:</b>	<b>Site Name:</b>
<b>1 Example Public School</b>	
Please attach a list of all staff and their <b>2</b> position in CN programs. Also attach the following information about each training event: Date, Hours, Type of Training, Training Category, and Documents.	
<b>Event</b> <b>3</b>	<b>Date</b> <b>4</b>
HACCP	06/10/2015
Quality School Meals Webinar	07/10/2015

## SD Training Tracker Tool

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			<b>School Year:</b>			
<b>Example Elementary</b>			<b>2015-16</b>			
1: Face to face 2: Webinar 3: On-line 4: Class 5: Other <b>5</b>	(1000) Nutrition <b>6</b> (2000) Operations (3000) Administration (4000) Comm & Marketing	1: Sign-in sheets 2: Handouts 3: Agendas 4: Certificates 5: Other <b>7</b>	<b>Staff-Name &amp; Position</b>	Joni Mitchell, Dishwasher	<b>8</b> Jack Johnson, FSD	Taylor Swift, Kitchen Manager
<b>Type of Training</b>	<b>Training Category</b>	<b>Document Examples</b>	<i>Training must be reported in increments</i>			
4	2610	3	8.00	8.00	8.00	
2	1000	2	0.00	1.00	1.00	

## Additional Resources

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- More than 450 free or low-cost training resources at <http://professionalstandards.nal.usda.gov/>
- Online and in-person training resources (free or at low-cost) are available from the Institute of Child Nutrition at <http://www.nfsmi.org/Templates/TemplateDefault.aspx?q=cELEPTU3>

## Smart Snacks

### WHAT YOU NEED TO KNOW

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## How it all started

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- 2004 – Local Wellness Policies
- 2006 – Alliance for a Healthier Generation Competitive Food & Beverage Guidelines
- 2007 – Institute of Medicine Standards
- 2010 – Healthy Hunger Free Kids Act
- 2013 – Smart Snacks in School Nutrition Standards
- 2014 – Smart Snacks in School

## Smart Snacks Applies to:

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- All products SOLD to students
- The school day
  - midnight to 30 mins after school day ends
- The school campus
- Vending machines, school stores, snack carts, a la carte

## Smart Snacks Does Not Apply to:

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- Any foods sold or given to adults
- Foods served to students free of charge
- Foods served in the evenings, on weekends, or during community events

## Food and Beverage Fundraisers

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- Smart Snack rules apply during the school day
- No limits on foods or beverages that fit in the Smart Snack rules
- No limits on fundraisers that do not involve food
- South Dakota Policy on Exempt fundraisers can be found at <http://doe.sd.gov/cans/documents/fundrPoli.pdf>

## General Standards for Smart Snack Foods

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Smart Snack foods must:

- Be “whole grain rich”
- Have the first ingredient a fruit, vegetable, protein, or dairy
- Be a combination food that contains  $\frac{1}{4}$  cup of fruit and/or veg

[www.healthiergeneration.org/smartsnacks](http://www.healthiergeneration.org/smartsnacks)

<http://healthymeals.nal.usda.gov/smartsnacks>

## Nutrient Standards

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- Calorie limits for snacks and sides, as well as entrees
- Limits on total fat, saturated fat, and trans fat.
- Sugar limits
- Sodium limits



[www.healthiergeneration.org/calculator](http://www.healthiergeneration.org/calculator)

<http://doe.sd.gov/cans/documents/SSsumchar.pdf>

## Beverages

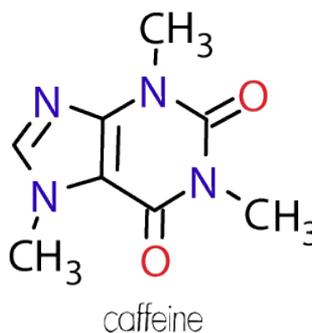
61

- Water (no size limit)
- Non-Fat Milk, flavored/unflavored
- Low-Fat Milk, unflavored
- 100% Fruit or Vegetable Juice
- 100% Fruit or Vegetable Juice diluted with water
- Serving size limits
  - Elementary students, 8 oz.
  - Middle School and High School students, 12 oz.

## High School Only

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- Diet Beverages, 20 oz
- Low-Calorie Beverages, 12 oz.



### Smart Snacks

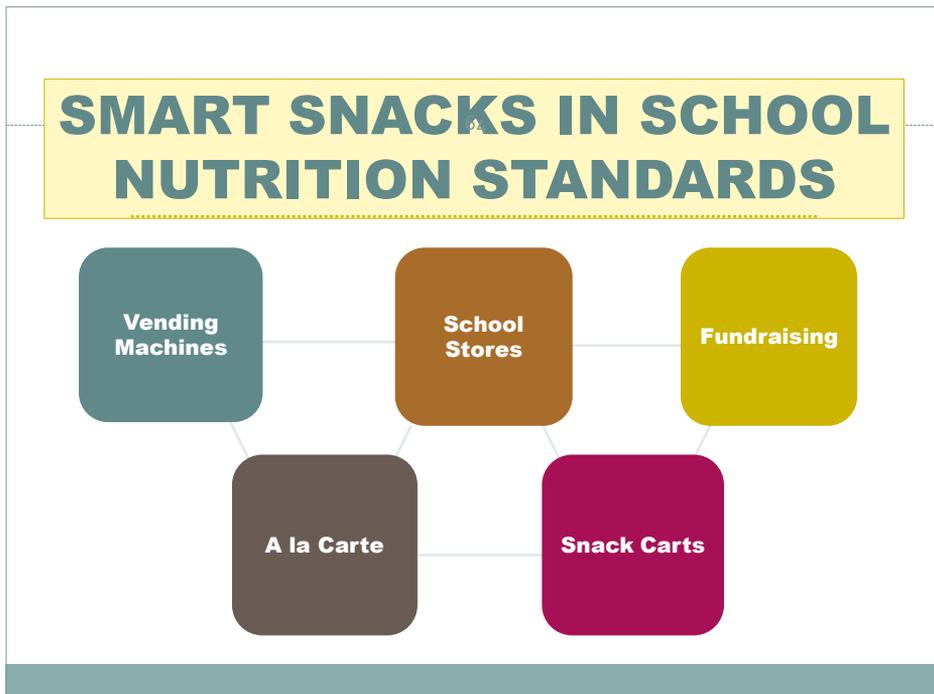
All products SOLD

Entire school day

Entire school campus

NOT foods served

NOT evenings, weekends or community events



## Fundraisers

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**School Day  
Only**

**Exemptions  
set by State  
Agencies**

**No Limit on  
Products that  
Meet**

**IS YOUR SNACK A SMART SNACK?**



[Product Calculator](#)

*See which snacks & beverages  
meet Smart Snack guidelines.*

**BROWSE RESOURCES AT**

[www.healthiergeneration.org/smartsnacks](http://www.healthiergeneration.org/smartsnacks)

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## Additional Information

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- Nutrition Standards Summary
  - <http://doe.sd.gov/cans/documents/SSsumchar.pdf>
- South Dakota Exempt Fundraiser Policy
  - <http://doe.sd.gov/cans/documents/fundrPoli.pdf>
- Alliance for a Healthier Generation
  - <https://www.healthiergeneration.org>

## Assoc. School Board Officials April Conference CANS & SNA SD Update

Professional Standards Training Credit  
*Print, sign, & date this certificate for your records.*

This training credits for 1.5 hours of training in:

**Administration 3000:** 3200 Program Management, 3320 Financial Mgt:  
Compliance with Regulations/Policy, 3430 Training Plans & Tracking  
**Nutrition 1000:** 1110 USDA Requirements

Your Name:

Date of Training:

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Thank you!

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School Nutrition Association of SD



SCHOOL  
NUTRITION  
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Thank you!

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