

## USDA Administrative Review: Meal Counting and Claiming

| Off-Site Questions |   |
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| 300.               | <p>Does the SFA use an electronic or manual system to count and consolidate reimbursable meals?</p> <p><b>Tips:</b> See definitions below.</p> <p><i>Electronic System</i> means meal counts are generated by an automated Point of Service (POS) system that may connect to the claim for reimbursement. Electronic systems have the ability to identify a student’s benefit category, tally daily meal counts, transfer daily meal counts to the SFA, consolidate meal counts for the SFA, and/or submit the claim for reimbursement. The system is limited to virtually NO MANUAL data entry at the POS. Meal counts are kept electronically.</p> <p><i>Manual System</i> means meal counts are generated by a manual Point of Service system. Meal counts are manually tallied, consolidated, and transferred to the SFA. Consolidation of meal counts by the SFA is completed manually. Hard copy records are kept on file.</p> <p>If the SFA has implemented an electronic system, but one or more aspect of the benefit issuance process is conducted manually (e.g., the SFA has an electronic POS, but utilizes a roster at an alternate service location and SFA staff manually enters meal counts from the alternate service location), the reviewer will consider it a manual/combination system.</p> |
| 301.               | <p>How does the SFA’s point of service system identify a student’s eligibility?<br/>Include all types of distinct counting methods (e.g., check-off list for grades 1-3, tickets for grades 4-8).</p> <p><b>Tips:</b> Explain how and if student eligibility is displayed at the point of sale. Cannot have a single symbol identifier used in conjunction with a list price. Best practices include no cash on the line, moving POS screen out of the site of students, or utilizing privacy screens. Schools that have a dual payment system that accepts both cash and electronic payments must ensure that children are not overtly identified through the method of payment.</p>   |
| 302.               | <p>Does the SFA have a backup system to their primary meal counting and claiming system should the primary system fail/not operate?<br/>If YES, describe backup system.</p> <p><b>Tips:</b> Some type of backup system must be in place in case the main system fails. Best practices include periodically printing out rosters and backing up claim numbers in case the main system loses them.</p>  |
| 303.               | <p>How often are cashiers and substitute cashiers trained on the meal counting and claiming system (including the backup system)?</p> <p><b>Tips:</b> Cashiers must receive periodic training on the meal counting and claiming system. SFAs should incorporate an ongoing training process for all cashiers.</p>   |
| 304.               | <p>At the end of meal service, how does the SFA obtain the daily meal counts by category from each school’s point(s) of service?</p> <p><b>Tips:</b> Electronic or manual systems can be utilized. Many SFAs have electronic systems that automatically consolidate counts, other SFAs use manual methods.</p>  |

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305.

What are the SFA's meal counting and claiming policies and procedures for the following situations:

**Tips:**

- a) Offer vs. Serve – Describe how meals are counted and claimed at the point of service when offer vs. serve is implemented. Only meals that have the required components and quantities at the point of service can be counted and claimed for reimbursement.
- b) Incomplete/Non-Reimbursable Meals – Describe how incomplete/non-reimbursable meals are handled at the point of service. These meals cannot be counted or claimed for reimbursement but can be counted as a la carte items.
- c) Second Meals – Describe how second meals are handled. Second meals should not be counted or claimed for reimbursement. Indicate if there is a price associated with second meals or if they are provided free of charge. Additionally, are second meals being served intermittently due to leftovers, or are consistently made as an extra revenue source.
- d) Visiting Student Meals – Describe how visiting student meals are handled. Visiting students enrolled in the SFA (at a different site) can be claimed as long as the status is known and the required meal pattern is followed for the correct age/grade group. Students enrolled in a different SFA can be claimed if the student is there for curricular activities. Can claim by status, if known and documented. Otherwise, claim as paid. If not there for curricular activities, count as visitor. Indicate if there is a price associated with visiting student meals or if they are provided free of charge.
- e) Adult and Non-Student Meals – Describe how adult meals are handled. Adult meals served free of charge to adults should not be paid for from the food service account, as this can adversely affect non-program revenue regulations. Non-student meals should be charged at the visiting/a la carte/adult rate. Indicate if there is a price associated with adult and non-student meals or if they are provided free of charge. If the meals are being provided at no cost to the adult or non-student, indicate how the district is covering the expense (i.e. general fund transfer).
- f) Student Worker Meals – Describe how student worker meals are handled at the point of service. Student worker meals should follow normal counting and claiming procedures.
- g) A la Carte – Describe how a la carte sales are handled at the point of service. A la carte items cannot be claimed for reimbursement.
- h) Field Trips –
  - Describe how field trip meals are handled at the point of service; either in the building or on the field trip. Recommend having a field trip recipe/menu.
  - If students are scheduled to participate in school activities both before and after the lunch hour, the school is required to offer lunch.
  - Proper food safety standards, counting and claiming procedures, and meal pattern requirements (including offering milk) still must be followed.
  - Meals must be properly counted at the point of service (i.e.: when the student takes the reimbursable meal).
  - Avoid overtly identifying students.
- i) Lost/stolen/misused/forgotten or destroyed tickets/tokens/IDs/PINS – Describe the SFA's process for forgotten IDs and pins. SFAs should implement an organized process to look up students and avoid overt identification.

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|      | <p>j) Charged and/or pre-billed/prepaid meals – Describe the SFA’s process for charged and prepaid meals (i.e.: does the SFA offer a prepayment service?).</p> <p>k) Students without funds to pay for meals – Describe how SFA handles students without funds to pay for meals. SFAs must implement a local meal charge policy and communicate it to all parents, staff, and students at the beginning of the school year.</p> <p>l) New students without approved certification of free or reduced-price benefits – Describe how new students without an approved application on file are handled at the point of service. These meals must be counted and claimed as paid until an application is approved or the student is directly certified.</p> <p>m) Local Charge Policy and Unpaid Meal Policy Procedures – Describe the policy the SFA has in place regarding local meal charges. SFAs operating NSLP and/or SBP must have in place a written local meal charge policy to address situations when children participating at the reduced price or paid rate do not have funds to pay for their meal at the time of the meal service. Policy must be communicated to all households with children attending the SFA and all staff members responsible for the policy’s enforcement.</p> |
| 306. | <p>What procedures are used as internal controls to ensure the meal counts do not exceed enrollment or attendance adjusted enrollment?</p> <p><b>Tips:</b> Describe how the SFA conducts checks to ensure meal counts are accurate. USDA requires edit checks for lunch and they are highly recommended for breakfast. An edit check is a calculation that compares the number of claimed meals by eligibility status to the number of students enrolled by eligibility status and the number eligible times the attendance factor. Electronic systems have a report that does this comparison or the SFA can use School Nutrition’s sample edit check form.</p>   |
| 307. | <p><b>Electronic Systems Only:</b></p> <p>Are meal counts automatically consolidated?<br/>         If YES, does the software program contain edits and internal controls?<br/>         If NO, when and how are edit checks and internal controls completed?</p> <p><b>Tips:</b> Edit checks are required for lunch and highly recommended for breakfast.</p>   |
| 308. | <p>Have alternate points of service been approved by the SA?</p> <p><b>Tips:</b> Alternate points of service (i.e. two person point of service) must be approved by CDE SNU before implementation. Only specific circumstances will be approved. Serving meals in alternate location (e.g. breakfast in the classroom, food truck, etc.) do not need to be approved.</p>   |
| 309. | <p>If a school has more than one meal service line, how does the point of service system prevent duplicate or second meals from being claimed?</p> <p><b>Tips:</b> A method should be in place to ensure no double-counting of meals occurs.</p>   |
| 310. | <p>At the site level, how are the total daily meal counts by category submitted to the SFA for consolidation?</p> <p><b>Tips:</b> Describe how meals counted at different sites are consolidated and submitted to the SFA. This can occur via an electronic system or manually given.</p>  |

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| 311.                                    | Describe the SFA’s procedures for consolidating daily meal counts by category for each site to process the claim for reimbursement, if applicable.<br><br><b style="color: red;">Tips:</b> Describe how the SFA consolidates meals from different sites to submit the claim. This can occur via an electronic system or manually given.  |                 |                 |                |                  |                 |                 |
| <b>On-Site Questions</b>                |  |                 |                 |                |                  |                 |                 |
| SFA Level Questions                     |  |                 |                 |                |                  |                 |                 |
| 314.                                    | Is the SFA following their approved SFA-SA Agreement/application (including POS)?<br><br><b style="color: red;">Tips:</b> SFAs must update the sponsor and site applications on an ongoing basis to ensure all information in the applications is correct and up-to-date.  |                 |                 |                |                  |                 |                 |
| 315.                                    | Does the SFA consolidate the Claim for Reimbursement?<br><br><b style="color: red;">Tips:</b> Colorado has site based claiming rather than and SFA-wide consolidated claiming. Always answer “No” to this question.  |                 |                 |                |                  |                 |                 |
| 316.                                    | a. Complete the chart below for all schools for the review period.<br><br>b. Were the counts for all schools for the review period correctly consolidated and claimed by the SFA?<br><br><b style="color: red;">Tips:</b> Colorado has site based claiming rather than and SFA-wide consolidated claiming. Since 315 is always answered as “No,” question 316 does not need to be completed.   |                 |                 |                |                  |                 |                 |
| <b>NSLP</b>                             | <b>SFA Claim</b>   | <b>SA Count</b> | <b>Diff +/-</b> | <b>SBP</b>     | <b>SFA Claim</b> | <b>SA Count</b> | <b>Diff +/-</b> |
| <b>Free</b>                             |  |                 |                 | <b>Free</b>    |                  |                 |                 |
| <b>Reduced</b>                          |  |                 |                 | <b>Reduced</b> |                  |                 |                 |
| <b>Paid</b>                             |  |                 |                 | <b>Paid</b>    |                  |                 |                 |
| <b>On-Site Questions: Day of Review</b> |  |                 |                 |                |                  |                 |                 |
| 317.                                    | a. Based on meal observation, does the meal counting system as implemented prevent overt identification of students receiving free and reduced price benefits?<br>b. Does the school have separate dining areas, meal service times, or serving lines based on a student’s eligibility status?<br>c. Does the school limit choice of reimbursable meals based on a student’s eligibility status?<br>d. Does the school use different mediums of exchange based on eligibility status?<br><br><b style="color: red;">Tips:</b> SFAs must ensure student eligibility statuses are not overtly identified. Best practices include no cash on the line, moving POS screen out of the site of students, or utilizing privacy screens. Separate eating areas, limiting choices, and use of different mediums of exchange for different statuses are not allowed. |                 |                 |                |                  |                 |                 |

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| 318. | <p>At the selected school(s), does each type of meal service line as observed on the day of review provide an accurate count by eligibility category at the point of service (or approved alternate)?</p> <p><b>Tips:</b> SFAs must ensure procedures are in place to ensure meal counts are accurate. Counts must be taken at the point of service (this includes breakfast in the classroom) or an alternate point of service must be pre-approved by School Nutrition.</p> |
| 319. | <p>a. <b>Electronic Systems Only:</b> On the day of review, are excessive overrides used at the POS?<br/> b If yes, for what purposes?<br/> c. Is the use/purpose of the overrides reasonable?</p> <p><b>Tips:</b> Overrides should be infrequent. Train cashiers as needed, including how to efficiently operate the point of service system and recognize a reimbursable meal.</p>  |
| 320. | <p>Are meal count totals by category combined and recorded correctly?</p> <p><b>Tips:</b> School Nutrition will determine if count of reimbursable meals for day of review is accurate.</p>   |
| 321. | <p>Are total meal counts by category for the review period reasonable compared to meal counts for the day of review?<br/> Does the explanation describe an acceptable meal count system?</p> <p><b>Tips:</b> School Nutrition will compare on-site review day counts with counts from the review period.</p>  |

**On-Site Questions: Review Period**

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| School Level Questions: |   |
| 322.                    | <p>Were there any days when the free, reduced price, or paid meal counts exceeded the number of free, reduced price, or paid eligible students?</p> <p><b>Tips:</b> SFAs should never have days when the meal counts exceed eligibility.</p>  |
| 323.                    | <p>a. Were there any days when the free, reduced price, or paid <u>lunch</u> counts exceeded the number of attendance adjusted eligible students? b. If YES to a, was it 50% or more of the serving days?<br/> c. If YES to b, was there an acceptable explanation?</p> <p><b>Tips:</b> The attendance factor is established at the local or state level and is typically set at 96%. The attendance factor is used as part of the edit check to ensure meals claimed are accurate.</p> |
| 324.                    | <p>Were there patterns in the free, reduced, or paid meal counts which appear questionable?<br/> After consideration of this explanation, do the patterns indicate questionable meal count practices?</p> <p><b>Tips:</b> School Nutrition will review claims to determine if counts appear questionable.</p>   |
| 325.                    | <p>For the review period, were the counts by category correctly used in the Claim for Reimbursement?</p>  |

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| <p><b>Tips:</b> School Nutrition will determine if the number of meals claimed during the review period is accurate based on source documentation used to submit the claim.</p> |
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### Resources:

- USDA Letter: <http://www.cde.state.co.us/nutrition/osnusdaletterunpaidmealcharges>
- School Nutrition Association Guidance – School District Charge Policy and Procedure Components: <http://nde.ne.gov/NS/forms/nslpforms/ChargepolicySNA.pdf>
- Meal Counting and Claiming Training: <http://www.cde.state.co.us/nutrition/nutritionlineclaimsandservices>
- Edit Check Form: <http://www.cde.state.co.us/nutrition/nutriforms>
- Two-Person Point of Sale Request Form: <http://www.cde.state.co.us/nutrition/nutriforms>