



Food and
Nutrition
Service

Park Office
Center

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DATE: November 30 2018

MEMO CODE: SP 07-2019

SUBJECT: Clarifications for Fiscal Action for Administrative Reviews in School Year 2018-2019

TO: Regional Directors
Special Nutrition Programs
All Regions

State Directors
Child Nutrition Programs
All States

FNS issued memorandum SP 13-2018 in May 2018. This memorandum provided information regarding the updated Administrative Review Manual, Forms and Tools for School Year 2018-2019 to include the updated Fiscal Action Process and Workbook. Currently, regulations at 7 CFR 210.18(l) requires State agencies to take fiscal action for all Performance Standard 1 violations and Specific Performance Standard 2 violations identified during an Administrative Review.

State agencies have reported errors associated with the SY 2018-2019 Fiscal Action Workbook that was released in May. We apologize for the inconvenience and are working to rectify the concerns. A corrected version of the fiscal action workbook to assist State agencies is undergoing testing and will be released immediately after further evaluation is completed.

State agencies assessing fiscal action for SY 2018-2019, should delay fiscal action until the revised tool is available. State agencies that already made calculations for SY 2018-2019 using the previously issued SY 2018-2019 Fiscal Action workbook are not required to recalculate. However, State agencies have discretion in considering recalculation if there will be an impactful or significant difference in calculations for their school districts. During a Management Evaluation, the most recently completed Fiscal Action Workbook will be reviewed.

In an effort to facilitate collaboration, FNS will continue to communicate closely with States and develop oversight, technical assistance, and training resources for State agency use. State agencies are reminded to distribute this memorandum to Program Operators. Program operators should direct any questions concerning this guidance to their State agencies. State agencies should direct any questions concerning this guidance to the appropriate FNS Regional Office.

Sincerely,

Original Signed

Sarah E. Smith-Holmes

Director

Program Monitoring and Operational Support Division

Child Nutrition Programs