**SFA-FSMC Monitoring Form:**

**Financial Accountability Procedures**

*The SFA must conduct performance management of the FSMC contract through periodic on-site monitoring of the contracted requirements, as per 7 CFR 210.16(a)(3).*

Monitoring Date:Click here to enter text.

Name of Sponsor and Site(s) Monitored:Click here to enter text.

Name of SFA Official Conducting Monitoring:Click here to enter text.

Documents Needed to assess compliance: (For monthly records, a review month will be selected by the SFA prior to the monitoring activity)

1. Monthly Meal Count records to show meal type and eligibility, including meals not claimed such as adult meals
2. Daily income records/point of sale reports
3. FSMC Contract
4. FSMC Monthly Invoices and supporting documentation (Fixed-Price: meal counts, meal equivalent information/calculations, catering information, if applicable. Cost-Reimbursable: Source documents such as receipts/invoices for items on monthly FSMC invoice)
5. FMSC Timesheets
6. Child nutrition general ledger showing FSMC invoices paid

|  |  |  |
| --- | --- | --- |
| **Financial Accountability Procedures** |  |  |
| 1. Does the FSMC use an electronic point of sale (POS) system to record daily meal counts at the time of service?   1. If yes, does the system provide a detail of counts by individual student, based on eligibility status, as well as counts related to non-reimbursable meals (i.e. adult meals) 2. If no, do the food service daily meal count records maintained accurately reflect the counts of student and adult meals by meal type and eligibility category?   *7 CFR 210.9(c)(3)*  *Validation Activity:*  *Electronic POS:* Review the daily and monthly consolidated meal counts to identify if reimbursable meals and non-reimbursable meals are being recorded/tracked.  *Manual Meal Counting: Review the daily and monthly consolidated meal counts for each meal service. Determine an independent count of meals served by totaling each daily meal count sheet. Compare daily counts to the consolidated counts.* | **Yes**: Meal count records for daily food service accurately reflect the counts of student and adult meals by meal type and eligibility category.  **Needs Improvement**: Daily meal count records reflect inaccuracies in one or more of the following areas: student counts, adult meal counts, meal type, and eligibility category. | **Yes**    **Needs Improvement** |
| 2. The FSMC maintains records to support the Claims for Reimbursement, reports claim information to the SFA promptly at the end of each month, and has meal count records for meals not covered by the Claim e.g., adult meals.  *7 CFR 210.16(c)(1)*  *Validation Activity:*  *Compare the total meals claimed on the Claim for Reimbursement to the total on the consolidated meal counts, and FSMC invoice. Note date of Claim submission. Ensure non-reimbursable meals are recorded on the production records.* | **Yes**: The FSMC maintains records necessary to support claims for reimbursement, reports claim information promptly to the SFA at the end of the month, and documents meal count records for any meals not covered by the claim.  **Needs Improvement**: The FSMC does not maintain the necessary records to support claims for reimbursement, and/or does not report claim information to the SFA at the end of the month, and/or does not have meal count records for any meals not covered by the claim. | **Yes**      **Needs Improvement** |
| 3. Do the food service daily income records accurately reflect the revenue received by meal type? (student meals, adult meals, a la carte, etc.)  *USDA FSMC Guidance for SFAs, May 2016*  *Validation Activity:*  *Examine the Daily Revenue Reports and compare to the daily bank deposit to determine if the revenue is reflected accurately by category.* | **Yes**: The food service daily income records accurately reflect the revenue received by meal type.  **Needs Improvement**: The food service daily income records do not accurately reflect the revenue received by meal type. | **Yes**    **Needs Improvement** |
| For FSMC Cost Reimbursable Contracts:  4. Has the SFA audited the food and non-food invoices to assure that bills sent reflect actual expenses?  *USDA FSMC Guidance for SFAs, May 2016*  *Validation Activity:*  *Review the SFA's procedures for auditing FSMC invoices; validate that the process is occurring as outlined in the procedure by reviewing documentation saved to demonstrate that the SFA has compared a sampling of vendor invoices to expense categories included on the FSMC operating statement.* | **Yes**: The SFA is auditing food and non-food invoices from the FSMC to assure that bills reflect actual invoices.  **Needs Improvement**: The SFA is not auditing food and non-food invoices from the FSMC to assure that bills reflect actual invoices.  **N/A**: This is a fixed-price contract. | **Yes**    **Needs Improvement**    **N/A** |
| For FSMC Cost Reimbursable Contracts:  5. Has the SFA audited time reporting forms to assure only actual hours worked are billed to the SFA?  *USDA FSMC Guidance for SFAs, May 2016*  *Validation Activity:*  *Review* th*e SFA’s procedure for auditing FSMC time cards and/or reports; validate that the process is occurring as outlined in the procedure by reviewing documentation saved to demonstrate that the SFA has compared the FSMC staff actual hours to the actual hours billed.* | **Yes**: The SFA is auditing time reporting forms to assure that only actual hours worked (by the FSMC) are billed to the SFA.  **Needs Improvement**: The SFA is not auditing time reporting forms to assure that only actual hours worked (by the FSMC) are billed to the SFA.  **N/A**: This is a fixed-price contract. | **Yes**    **Needs Improvement**    **N/A** |
| 6. Are allowable costs paid from the nonprofit school food service account net of all discounts, rebates, and other applicable credits accruing to or received by the FSMC?  *7 CFR 210.21(f)(1)(i)*  *Validation Activity:*  *Review the Monthly FSMC Invoice to determine if discounts, rebates, and credits are applied to the invoice. Request documentation to support total amount applied.(vendor invoices, manufacturer notifications)* | **Yes**: Costs paid from the nonprofit school foodservice account are net of all discounts, rebates, and other applicable credits accruing to or received by the FSMC, to the extent those credits are allocable to the allowable portion of the costs billed to the SFA.  **Needs Improvement**: Rebates, credits, and discounts are not being passed along to the SFA. Therefore, costs paid to the FSMC are not net these items. | **Yes**    **Needs Improvement** |
| 7. Is the FSMC transparent in their identification of all rebates, discounts, and applicable credits?   1. Does the FSMC provide sufficient information to permit the SFA to identify any non-allowable costs? (i.e., costs not allowed by the contract)   *7 CFR 210.21(f)(1)(v)*  *Validation Activity:*  *Compare the rebate, discount, and credit documentation to the contract to determine if the FSMC is following agreed upon methodology, and if the documentation identifies any unallowable cost items.* | **Yes**: The FSMC identified the method by which it would report discounts, rebates, and other applicable credits AND provides sufficient information for the SFA to identify allowable and unallowable costs.  **Needs Improvement**: The FSMC did not identify the method by which it would report discounts, rebates, and other applicable credits AND/OR the FSMC did not provide sufficient information for the SFA to identify allowable and unallowable costs. | **Yes**    **Needs Improvement** |

|  |  |  |
| --- | --- | --- |
| 8. Are all bills monitored to assure that the FSMC has not double-billed?  *7 CFR 210.21(f)(1)(ii)(B)*  *Validation Activity:*  *Compare the Monthly FSMC invoice to the vendor invoices for the review month.* | **Yes**: All invoices/bills are monitored by the SFA to assure that the FSMC is not double-billing or including costs that are not allowed by the contract.  **Needs Improvement**: Invoices/bills are not being monitored by the SFA and/or the FSMC is double-billing or including costs that are not allowed in the contract. | **Yes**    **Needs Improvement** |

|  |  |
| --- | --- |
| **List Corrective Actions taken for all “Needs Improvement” items.**   1. Click here to enter text. 2. Click here to enter text. 3. Click here to enter text. 4. Click here to enter text. 5. Click here to enter text. | **Date of Implementation**  Click here to enter Date |

Other Comments:Click here to enter text.

|  |  |  |
| --- | --- | --- |
| Signature of FSMC Representative:  Click here to enter text. | Title:  Click here to enter text. | Date:  Click here to enter text. |
| Signature of SFA Official:  Click here to enter text. | Title:  Click here to enter text. | Date:  Click here to enter text. |