

CITY OF ROCHESTER
REVIEW OF 2015 SUMMER FOOD SERVICE PROGRAM

Office of Public Integrity
Date: March 16, 2017

I. EXECUTIVE SUMMARY

In this review, the Office of Public Integrity (OPI) examined the Summer Food Service Program (SFSP) to verify compliance with City policy and federal regulations and to verify that expenses submitted for reimbursement are valid and substantiated by supporting documentation. The results of the review indicate that, in general, internal controls are adequate, expenses are properly supported and City personnel comply with City policy and federal regulations. However, we noted the following findings that require management attention to improve compliance with prescribed policy:

- ◆ Federal regulations stipulate that second servings may be served, but the number of second meals served must not exceed 2% of first meals served. OPI noted that second servings exceeded the 2% threshold for 450 or 44% of the 1,016 breakfast occasions and 439 or 42% of the 1,046 lunch occasions.
- ◆ OPI noted that Department of Recreation and Youth Services (DRYS) personnel could not locate signed delivery receipts for 276 or 27% of the 1,016 instances of breakfast deliveries and 276 or 26% of the 1,046 instances of lunch deliveries. DRYS policy requires that all service sites retain delivery receipts.

II. BACKGROUND, OBJECTIVES AND SCOPE

A. Assignment

The Office of Public Integrity routinely conducts reviews of State and federal grants that pass through the City of Rochester. We selected the Summer Food Service Program for this review. This program operates in various locations throughout the City during the summer months, when school is not in session.

B. Background

The U.S. Department of Agriculture's (USDA) Summer Food Service Program, also known as the Summer Meals Program, is a federally-funded, state-administered program. The purpose of the SFSP is to provide free healthy meals to children and teens in low-income areas during the summer months when school is not in session.

The New York State Department of Education administers the program and the City's Department of Recreation and Youth Services (DRYS) is a SFSP sponsor. The City in turn contracts with the Rochester City School District Central Kitchen for the preparation and delivery of breakfasts and

lunches that meet the federal nutrition requirements. The City receives reimbursement from the USDA, through the New York State Department of Education, for the cost of preparing each meal and the cost of overseeing the program.

The following data applies to the 2015 Summer Food Service Program:

2015 Summer Food Service Program
Meals Delivered and Amount Paid to the RCSD

Meal	Number of Deliveries	Total Meals Delivered	Cost Per Meal	Amount City Paid to the RCSD
Breakfast	1,016	41,858	\$1.65	\$ 69,065.70
Lunch	1,046	52,628	\$2.70	\$142,095.60
Total	2,062	94,486		\$211,161.30

C. Objectives and Scope

The objectives of the review are to verify that DRYS personnel conducted the SFSP in compliance with federal requirements and City policy and, to verify that all expenses submitted for reimbursement were valid and could be substantiated by supporting documentation. The scope of this review is the 2015 Summer Meals Program which operated from June 29, 2015 through August 21, 2015.

Management is responsible for establishing and maintaining a system of internal accounting and administrative control. Fulfilling this responsibility requires estimates and judgments by management to assess the expected benefits and related costs of control procedures. The objectives of a system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of accurate, informative reports that are fairly stated.

Because of inherent limitations in any system of internal accounting and administrative control, errors or irregularities may nevertheless occur and not be detected. Also, projection of any system evaluation to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the degree of compliance with procedures may deteriorate.

We conducted this audit in accordance with Generally Accepted Government Auditing Standards (GAGAS). Those standards require that

we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

The recommendations presented in this report include the more significant areas of potential improvement that came to our attention during the course of the examination, but do not include all possible improvements that a more extensive review might develop.

III. RESULTS OF REVIEW

The results of the review indicate that, in general, internal controls are adequate, expenses are properly supported and City personnel comply with City policy and federal regulations. However, we noted the following findings that require management attention to improve compliance with prescribed policy.

A. Excessive Second Meals Served

The purpose of the SFSP is to provide each child with one nutritious meal per breakfast and/or lunch. If, on any given day, there are additional meals remaining after each child has been served, a child may receive a second complete meal. However, federal regulations stipulate that second meals must be kept to a minimum and should not exceed 2% of first meals served. The USDA could potentially disallow reimbursement for meals served that exceed this threshold.

For the 2015 summer, OPI noted 1,016 instances of breakfast occasions and 1,046 instances of lunch occasions. We noted that service sites exceeded the 2% threshold for 450 or 44% of breakfast occasions and for 439 or 42% of lunch occasions. The following table summarizes these results:

2015 Summer Food Service Program
Analysis of Second Servings

Meal	Number of Occasions	Second Servings Exceed 2%	
		Frequency	Percent
Breakfast	1,016	450	44%
Lunch	1,046	439	42%

◆ Recommendation

Site staff personnel should review attendance each day and call their monitor to increase or decrease the number of meals to be delivered accordingly.

B. Missing Delivery Receipts

RCSD personnel deliver the SFSP meals to the service sites and provide delivery receipts. When the meals arrive at the service sites, DRYS policy requires site staff to:

1. Count the number of meals,
2. Agree the number of meals counted to number listed on the delivery receipt,
3. Sign the delivery receipt,
4. Record the meal count on a Weekly Meal Report and,
5. Retain the delivery receipts with the Weekly Meal Report.

The City pays RCSD for each meal that they deliver and signed Delivery Receipts document that DRYS personnel have verified the number of meals delivered. Without delivery receipts it is not possible to verify that the number of meals recorded on Weekly Meal Reports is correct.

OPI noted that RCSD delivered breakfast meals on 1,016 occasions and lunch meals on 1,046 occasions. DRYS personnel could not provide signed delivery receipts for 276 or 27% of the 1,016 breakfast deliveries and 276 or 26% of the 1,046 lunch deliveries. The following table summarizes these results:

2015 Summer Food Service Program
Missing Delivery Receipts

Meal	Number of Deliveries	Missing Delivery Receipts	
		Frequency	Percent
Breakfast	1,016	276	27%
Lunch	1,046	276	26%

◆ Recommendation

Site personnel should verify all deliveries and sign the delivery receipt if their count agrees with the total listed on the receipt. Site

personnel should retain all signed delivery receipts and keep them with the Weekly Meal Count Reports.

IV. DEPARTMENTAL RESPONSE

The response of the Department of Recreation and Youth Services to findings in this report begins on the next page.



To: Office of Public Integrity – Internal Audit

From: Marisol O. Ramos-Lopez, Commissioner, DRYS 

Date: March 8, 2017

Subject: Summer Food Service Program Audit – Summer 2015

The Department of Recreation and Youth Services has operated the Summer Food Service Program for many years, providing a valuable service to the community through the provision of free and nutritious breakfasts and lunches to thousands of Rochester youth every summer. I am proud that you have found the Department to be in good standing and offer the following feedback in regards to the two findings documented in your report:

Excessive Second Meals Served:

It is important to note that it has never been the City's policy to limit the number of seconds served at a particular site due to concerns about hunger and food waste. Instead, as the report recommends, the Summer Food staff work very hard to get the meal counts as close to the site's actual attendance as possible to ensure that all of the meals delivered are actually served and the City is fully reimbursed for them. This can be difficult especially at the beginning of the summer because sites give meal counts in April/May/June, often well before their programs start. If a site needs an adjustment to their meals, it can take at least two to three days to correct given the timing of when the Summer Food staff are notified and food production and delivery schedule. In 2016, the Summer Food staff began to monitor the meals delivered versus meals served weekly to decrease food waste. Summer Food staff are in direct contact with DRYS managers making them aware of the site meal count changes as well.

In regards to reimbursement for second meals served, it is not possible for the City to be reimbursed at a higher rate than the mandated cap of 2% of first meals served due to the reporting structure of this grant. Programs are required to enter the number of meals served at each site into the NYS Summer Food Service Program website and the website automatically calculates the total allowable reimbursement. While we enter all of the second meals served, NYS calculates the reimbursement at the 2% cap.

Missing Delivery Receipts:

DRYS staff agree that this was an issue in 2015 and have since made program changes to address this. For the most recent 2016 Summer Meals program, the Summer Food staff cross-checked every unsigned delivery receipt with the cover sheet that each site submitted at the end of each week. This served as a sufficient and equitable means of making sure that the amount of meals being delivered were properly calculated.

Thank you for your constructive feedback and please feel free to review our performance in future program years.