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September 14, 2009

Mr. Timothy Lawson
Superintendent of Schools
Warrensburg Central School District
1 James Street
Warrensburg, New York 12885

Report Number: S9-9-33

Dear Mr. Lawson and Members of the Board of Education:

A top priority of the Office of the State Comptroller is to help school district officials manage their districts efficiently and effectively and, by so doing, provide accountability for tax dollars spent to support district operations. The Comptroller oversees the fiscal affairs of districts statewide, as well as districts' compliance with relevant statutes and observance of good business practices. This fiscal oversight is accomplished through our audits, which identify opportunities for improving district operations and Board of Education governance. Audits also can identify strategies to reduce district costs and to strengthen controls intended to safeguard district assets.

In accordance with these goals, we conducted an audit of 20 school districts throughout New York State to determine whether school districts are ensuring that all food available to students during the school day and at school activities meets established nutritional guidelines to promote healthy eating habits and proper nutritional goals. We included the Warrensburg Central School District (District) in our audit. The audit period was from September 1, 2007 to November 30, 2008.

This report of examination letter contains our audit results specific to the District. We discussed the findings and recommendations with District officials and considered their comments, which appear in Appendix A, in preparing this report. District officials generally agreed with our findings and recommendations and indicated they would initiate corrective action. At the completion of our audit of the 20 school districts, we prepared a global report that summarizes the significant issues identified at the districts audited.

Summary of Findings

While District officials have taken steps to ensure that students may purchase healthy food and beverages items, the District still offers food and beverages that do not meet established nutritional guidelines and compete with the healthier choices offered. The District has adopted a wellness policy, established a wellness committee, and the most recent State Education

Department (SED) review, in 2006, found that the District did not fully comply with Federal guidelines and subsequent to the review, steps were taken to bring the school lunch program into compliance. In addition, interviews of District personnel that conduct school events indicate that they are aware of the District's wellness policy.

We found that the District could improve its efforts to promote healthy eating habits. The wellness policy does not establish detailed nutritional standards that guide the food and beverage choices offered to students. District officials stated they do not use any comprehensive nutritional standards to guide food and beverage snack and vending choices for students.

There are no prescribed standards in the State regarding competitive foods available in school districts. Based on the lack of guidance, the Comptroller's Office met with various health professionals from NYSHEPA, American Cancer Society, American Heart Association, New York State Nutrition Association and Department of Health. After these meetings, we decided to compare district offerings to the Institute of Medicine (IOM) guidelines. Currently, school districts are not required to follow these guidelines, which were used during our audit for comparison purposes.

An IOM report,¹ conducted with the Centers for Disease Control and Prevention at the direction of Congress, concluded that federally reimbursable school nutrition programs should be the main source of nutrition at schools, and that opportunities during the school day for competitive foods (e.g., snacks and beverages) should be limited. In contrast, the District provides its students with a variety of snacks and beverages in its à la carte and vending machine choices. Since the District does not have nutritional guidelines for competitive foods and beverages, we compared the 10 items to the IOM standards and found that nine of 10 items would not have met the standards.

Finally, District officials adequately prevented students from accessing prohibited foods and beverages before the end of the last scheduled meal period, as required by Education Law and SED guidelines. However, foods and beverages restricted per IOM standards, such as a variety of sports beverages and other high sugar drinks, were available for purchase during lunch periods. By making such products available to students, District officials are limiting the impact of their efforts to encourage healthy food choices.

Background and Methodology

The District is located in Warren County. There are two schools in operation within the District, with approximately 870 students attending during 2008-09. The District's budgeted expenditures for 2008-09 are approximately \$19.4 million for the general fund and \$440,000 for the cafeteria fund. During 2007-08, 37 percent of the District's students qualified for Free and Reduced Meals, and the District had a 4 percent minority student population.

The New York State Department of Health (DOH) has declared childhood obesity a major health problem. The DOH estimates that one in four New Yorkers under the age of 18, or

¹ A 2007 report entitled, "Nutrition Standards for Healthy Schools: Leading the Way Toward Healthier Youth" authored by the IOM and the Food and Nutrition Board organizations.

approximately 1.1 million young people, are obese. Over the past 30 years, the obesity rate has nearly tripled for children ages 2 to 5 and youth ages 12 to 19, and it has quadrupled for children ages 6 to 11. According to the United States Centers for Disease Control and Prevention, 28 percent of New York high school students are overweight or at risk of becoming overweight. Further, New York ranks second in the United States in adult obesity medical expenditures, with annual spending estimates at nearly \$6.1 billion. The childhood obesity crisis is fueling a health care cost crisis. Estimated annual health care costs attributed to obese children total \$242 million, which is putting an even greater strain on the New York State budget.

District officials have the responsibility to provide a safe and healthy learning environment for children. That responsibility requires District officials to ensure that all food available to students during the school day and at school activities meets established nutritional guidelines to promote healthy eating habits and proper nutritional goals.

The District has a Cafeteria Staff Manager who oversees the food service program, which includes 15 employees working in two buildings. There is one elementary school and a junior/senior high school:

- The elementary school is composed of students in grades K through 6. Lunch periods run for 30 minutes starting at 10:45 am and ending at 1:15 pm.
- The junior/senior high school is composed of students in grades 7 through 12. Lunch periods run for 30 minutes starting at 10:57 am and ending at 12:54 pm.

The District has two cafeterias for student use, which serve approximately 620 lunches per day. The daily lunch option is different at the elementary and junior/senior high school. All of the schools offer students a choice of the entrée of the day with milk (white and chocolate), hot or cold vegetables, canned or fresh fruit and bread/grains. The elementary school offers lunch alternatives which include chicken nuggets, potato, veggie, fruit, milk [daily except Wednesday]; salad bar; soup 'n sandwich; grab bag: yogurt, carrot sticks, fruit, crackers and milk. The junior/senior high offers lunch alternatives, which include salad bar, taco bar, or soup 'n sandwich and chicken nuggets and Italian dunkers on alternating days. Choice of milk includes 1 percent, 2 percent, fat-free or low-fat chocolate.

The District has three vending machines for student use located throughout the District; two located in the junior/senior high school and one located in the elementary school. An outside vendor orders and stocks the vending machines. The vendor orders and stocks the machines with beverage items determined by various District organizations. District officials indicated that the District monitors compliance with vending through observation and communication.

We interviewed District officials to determine if the District had adopted a local school wellness policy and had established a child nutrition committee. We reviewed the District's most recent School Meals Initiative report from the State Education Department, compared the wellness policy to the school's chosen external guidelines if available and/or other standards, and assessed whether the food and beverage choices available to students complied with the District's policies and SED requirements, where applicable.

We conducted this performance 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 objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

Audit Results

Local School Wellness Policy

The Child Nutrition and WIC Reauthorization Act of 2004 (Reauthorization Act of 2004) provides that not later than the first day of the school year beginning after June 30, 2006, each school district participating in a National School Lunch Program (NSLP) must establish a local school wellness policy that, at a minimum:

- Includes goals for nutrition education, physical activity and other school-based activities that are designed to promote student wellness in a manner that the local educational agency determines is appropriate
- Includes nutrition guidelines selected by the local educational agency for all foods available on each school campus under the local educational agency during the school day with the objectives of promoting student health and reducing childhood obesity
- Provides assurance that nutrition guidelines for the NSLP are met
- Establishes a plan for measuring implementation of the policy
- Involves parents, students, and representatives of the school food authority, school board, and school administrators in the development of the policy.²

The District has adopted a local school wellness policy. However, the policy refers to goals to “promote items that are healthy, fresh, natural, and less processed;” “discourage items high in sugar, fat, and are highly processed;” and “discourage sale of candy and other junk food.” Although the District has these goals in the policy, District officials have not adopted guidelines relating to vending, including snacks, beverages, and à la carte items. Clearly, the policy can be enhanced by including more direction. While we recognize that the Reauthorization Act of 2004 does not establish nutritional standards for District officials to use when adopting their policy,³ we believe that the more stringent guidelines promoted by the IOM should be considered by District officials to promote healthier eating habits.

The lack of a comprehensive local school wellness policy increases the risk that the food and beverages available to students will not meet established nutritional guidelines to promote healthy eating habits and proper nutritional goals.

² Section 204 of Public Law 108-265—June 30, 2004 Child Nutrition and WIC Reauthorization Act of 2004

³ Section 204 of Public Law 108-265—June 30, 2004 Child Nutrition and WIC Reauthorization Act of 2004

Child Nutrition Advisory Committee

Every school district is authorized and encouraged to establish a child nutrition advisory committee.⁴ Committee members, who represent all aspects of school nutrition, are encouraged to meet at least quarterly to review topics that relate to the current nutritional policies of the district. The law encourages parents of students to be notified of the committee's existence, ability to participate, and scheduled meeting dates. Lastly, the committee is encouraged to formally update the Board of Education once a year to give the status of the District's programs to improve students' nutritional awareness and to promote healthy diets.

The District has established a district wellness committee, which is composed of 17 members including District administrators, school nurses, faculty, a student, a parent, social workers, the Athletic Director, and a teacher's assistant. The committee meets approximately once a month to discuss topics related to nutrition, health, and physical activity. This includes ideas to make school lunches healthier, using turkey hot dogs for school lunches, limiting the number of ice cream snacks sold to students, posters made by home and career students, planning for the television turn off week, the elementary school walking program, securing grants for snowshoes, and increasing physical activities.

School Lunch Program

Schools that participate in the NSLP must meet Federal nutrition guidelines as outlined in the Department of Health and Human Services' "Dietary Guidelines for Americans."⁵ In March 2008, the State Education Department (SED) issued a memo "Incorporating the 2005 Dietary Guidelines for Americans into School Meals," which instructs school districts to implement the 2005 guidelines within the current meal pattern requirements and nutritional standards. The memo further outlines the promotion of "increased consumption of whole grains, fruits and vegetables, fat-free or low-fat milk, and dairy products."

The SED conducts School Meals Initiative (SMI) reviews for each school district on a five-year rotating basis to determine if the lunch program complies with Federal nutrition guidelines. For these reviews, SED conducts a nutrient analysis test, for at least five menu days, using supporting documentation including menus, production reports, standard recipes and nutritional labels. In addition, an on-site observation is performed to confirm that the reported ingredients and recipes are used, and tests are conducted using nutrition analysis software to compare food products to requirements.

The last SMI review was conducted for the Warrensburg Junior/Senior High School for the period January 9 through 13, 2006. The review findings, dated July 10, 2006, are summarized into two areas. The first finding area-Menus, production records and standardized recipes-stated, "Menus, production records, and standardized recipes are used appropriately." The second area of review was for Nutritional Analysis. It states, "Based on this current analysis, Warrensburg

⁴ Section 918 of NYS Education Law Article 19, Section 918 – School District Nutrition Advisory Committee

⁵ For example, the guidelines recommend that no more than 30 percent of calories come from fat, with less than 10 percent from saturated fats. In addition, school lunches should provide one-third of the recommended dietary allowances of protein, vitamins A and C, iron, calcium and calories.

CSD is meeting the needs of students in grades 4-12 for calories, cholesterol, fiber, iron, calcium vitamin A, and protein. The calories have increased and are currently at a much more acceptable level. You should be commended for your efforts in this regard. However, students are showing an excess regarding sodium as well as percent of calories from total and saturated fat, and vitamin C is below the recommended standard. Particular attention should be given to reducing the total and saturated fat because of escalating rates of childhood overweight. Also, sodium levels are above the current 1,500 mg target we have set for monitoring.”

The SED provided suggested activities as recommendations in order to correct the improvement areas. The cafeteria staff manager acknowledged these suggested activities and incorporated the activities for the start of the 2006/2007 school year.

Vending

In addition to the foods and beverages provided by the School Lunch Program, “competitive foods”⁶ (snacks and beverages) are available to students during the school lunch period from three vending machines for student use and à la carte items in the cafeteria. While such foods and beverages are allowed by the District’s wellness policy, IOM guidance would suggest that federally reimbursable school nutrition programs should be the main source of nutrition at schools, and that opportunities for competitive foods be limited.⁷

Competitive foods are not included in the basic school lunch program and there are no Federal nutrition guidelines for these items. However, in New York State, a District may not serve soda or candy before the last lunch period ends. Education Law, Article 19, Section 915 provides that “from the beginning of the school day until the end of the last scheduled meal period; no sweetened soda water, no chewing gum, no candy including hard candy, jellies, gums, marshmallow candies, fondant, licorice, spun candy and candy coated popcorn, and no water ices except those which contain fruit or fruit juices, shall be sold in any public school within the state.” SED guidelines also provide that beverages labeled as “aerated” or that bubble and fizz for several minutes after opening are to be categorized as “Soda Water.” However, other than this clarification, the SED has not published or endorsed criteria for competitive foods. An SED official told us “we do not provide an approved listing because it would be too extensive and would change every day as new products come on to the market.”

Based on the lack of competitive food guidance in New York State, the Comptroller’s Office met with various health professionals from NYSHEPA, American Cancer Society, American Heart Association, New York State Nutrition Association and Department of Health. After these meetings, we decided to compare District offerings to the Institute of Medicine (IOM) guidelines. The IOM standards were not required to be adopted and followed by school districts as part of our audit. The IOM report entitled “Nutritional Standards for Foods in Schools” establishes standards for nutritive food components. The report concludes that if competitive foods are made available, they should consist of nutritious fruits, vegetables, whole grains, and

⁶ Child Nutrition and WIC Reauthorization Act of 2004 section 210.11

⁷ A 2007 report entitled, “Nutrition Standards for Healthy Schools: Leading the Way Toward Healthier Youth” authored by the IOM and the Food and Nutrition Board organizations.

combination products⁸ and non-fat or low-fat milk and dairy products. It also recommends imposing restrictions on the sale of foods and beverages with high fat, saturated fat, sodium, etc.

According to the report, snack choices should have no more than 200 calories, and no more than 35 percent of the calories should be from fat while no more than 10 percent of the calories should be from saturated fat. Further, snack choices should have no more than 200 mg of sodium or 480 milligrams of sodium if served à la carte as an entrée portion. They also should be trans-fat-free, and have no more than 35 percent of total calories from sugars. Acceptable beverage choices include water without flavoring, additives or carbonation; low-fat and non-fat milk; portion sized 100 percent fruit juice; and beverages that are caffeine-free with the exception of trace amounts of naturally occurring caffeine substances. Sports drinks should not be available except when provided for student athletes participating in sports programs that involve vigorous activity of more than one-hour’s duration.

Compliance with Policy and IOM Standards

District officials have not adopted guidelines regarding vending and à la carte items; rather the District’s local school wellness plan states the District’s goal is to serve healthy and appealing foods and beverages. The food service department judgmentally orders items to offer to students in the District.

Based on the lack of detailed District criteria for snack and beverages, we judgmentally selected 10 snack items and compared them with the District’s goal to serve healthy and appealing foods and beverages by using the IOM standards. We found that nine items did not meet the IOM guidelines, as detailed in the following table:

VENDING AND À LA CARTE ITEMS	
Snack Item	Meets IOM Standards
Nutrient Enhanced Water Beverage	No
Fruit Punch Drink	No
Iced Green Tea Drink	No
Sports Drink	No
Orange Drink	No
Honey Bun	No
Chocolate Chip Cookies	No
Fruit Strip Roll	No
Doughnuts	No
Granola Bar	Yes

⁸ Combination products must contain a total of one or more servings as packaged of fruit, vegetables or whole grain products as portioned.

Compliance with Education Law and SED Guidelines

We also found that District officials adequately limited access to prohibited foods and beverages until the end of the last lunch period as required by Education Law and SED guidelines. Specifically:

- À La Carte Items — Each school building has a selection of à la carte items available for sale. The selection of à la carte items at the junior/senior high school is more extensive than at the elementary school cafeteria, which has a limited number of items offered. District students are not restricted as to the quantity that can be purchased of à la carte items. At the junior/senior high school there is a snack time period that starts at 8:00 am and ends at 10:00 am; the items available during this snack time period included various cereal types, granola bars, fruit strip roll, rice cereal bars, multi-grain breakfast bars, oatmeal, bagels, honey buns, soft pretzel with salt or without sauce, cheese sauce, and doughnuts. The items available during the lunch period included 100% fruit juice drinks, nutrient enhanced water beverages, fruit flavored drinks, flavored waters, water, frozen juice pops, a variety of ice cream, granola bars, fruit flavored pops, and flavored gelatin.
- Vending Machines — We found that all vending machines were operated in accordance with Education Law and SED guidelines (during the lunch period). However, foods and beverages restricted per IOM standards, such as a variety of sports beverages, teas and flavored waters, were available for purchase during lunch periods.

The District offers food and beverage choices that provide minimal nutritional value and compete with school meal options. For example, students can purchase items such nutrient enhanced water beverages, fruit flavored drinks, flavored waters, frozen juice pops, a variety of ice cream, granola bars, flavored gelatin, sport drinks and teas during lunch period rather than eat the meal that the District is serving. Further, these items generally do not comply with the IOM guidelines.

We asked District officials why such products were offered on school grounds. District officials indicated there is a need to offer refreshments to students outside of the normal cafeteria hours and that vending items generate proceeds that various District organizations benefit from. The District does not receive any proceeds from vending sales as all vending proceeds benefit the District club or organization sponsoring the vending machine. Therefore, the District was unable to provide us with vending machines sales or revenues. While we recognize the District has a need to offer products outside the normal school day and that these sales may generate proceeds that benefit District organizations, by making such products available to students, District officials are limiting the impact of their efforts to encourage healthy food choices.

School Stores and Events

District personnel that sell or serve food and beverages on school grounds or at school events must be aware of, and comply with, the District's local school wellness policy to ensure that students are offered nutritious food and beverage choices.

The District conducted school events, such as in-class activities and fundraisers. We judgmentally selected and interviewed two teachers and two principals to determine awareness of, and compliance with, the local school wellness policy. Both individuals at the junior/senior high school stated that there are no policies regarding food in the classroom as it is the teacher's decision to allow food in their classroom. However, at the elementary school, the individuals interviewed stated that healthy choices for snacks are encouraged for snack time and celebrations. Celebration and snack items given as examples included fruit platters, vegetable platters, crackers, pretzels, granola bars, water, and homemade cupcakes, cookies, and brownies. Fundraiser examples included the sale of ice cream sundaes with fruit and granola toppings, fruit smoothies, and popcorn.

While such items would generally comply as healthy choices, items such as homemade cupcakes, cookies, and brownies would not always comply with the IOM guidelines. By making such products available to students, District officials are limiting the impact of their efforts to encourage healthy food choices.

Recommendations

1. District officials should amend the local wellness policy to specify which standards should be used to guide food and beverage choices offered to students.
2. District officials should consider adopting the IOM standards for the local school wellness policy.
3. District officials should ensure that the traditional school lunch always meet the SED requirements.
4. District officials should ensure that all foods and beverages that are served to students are authorized by the local school wellness policy.
5. District officials should consider limiting the competitive foods available to students.
6. District officials should consider providing only healthy snacks to students for in-classroom activities and fundraisers.
7. District officials should closely monitor vending machines run by groups or organizations within the District to ensure healthy food and beverages are being offered.

The Board has the responsibility to initiate corrective action. Pursuant to Section 35 of the GML, Section 2116-a (3)(c) of the Education Law and Section 170.12 of the Regulations of the Commissioner of Education, a written corrective action plan (CAP) that addresses the findings and recommendations in this report must be prepared and provided to our office within 90 days, with a copy forwarded to the Commissioner of Education. To the extent practicable, implementation of the CAP must begin by the end of the next fiscal year. For more information on preparing and filing your CAP, please refer to our brochure, *Responding to an OSC Audit*

Report, which you received with the draft audit report. The Board should make the CAP available for public review in the District Clerk's office.

Sincerely,

Steven J. Hancox
Deputy Comptroller
Office of the State Comptroller
Division of Local Government and
School Accountability

APPENDIX A

RESPONSE FROM DISTRICT OFFICIALS

The District officials' response to this audit can be found on the following pages.



WARRENSBURG CENTRAL SCHOOL DISTRICT

May 18, 2009

[REDACTED]

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The Warrensburg Central School District is in receipt of the Nutrition Audit draft compiled by the Office of the State Comptroller. We have also had the opportunity to have an exit interview with examiners from your office that allowed us to voice concerns on items cited in the office. After this exit interview, we received a revised draft audit from your office that listed a summary of findings and areas in need of improvement listed.

The District was cited in the Nutritional Audit for having vending machines in operation during the whole school day and for the local wellness policy not addressing specifics regarding the content of a la carte items sold during snack times. The District will take the following corrective actions as a result of the audit conducted:

Corrective Action #1-Vending Machines

The District will notify the organizations that run the three sports drink vending machines that the machines need to be turned off from the start of school until after the last lunch period has ended. This will allow for students to purchase drinks in the cafeteria where there are not any drinks that we have been cited on.

Corrective Action #2-Local School Wellness Policy

The District will meet with the wellness committee to discuss the expansion of the current wellness policy to meet the criteria listed in the audit. The proposed policy changes will be sent on to the Board of Education policy committee to be reviewed, recommended and voted on by the complete Board. The revised policy we be in greater detail focused on descriptive allowances for the a la carte and student sponsored food sales in the District. Ice cream sales sponsored by student groups during the regular lunch periods will no longer be allowed.

The Warrensburg Central School District food service program has always followed the National School Lunch Program as directed by the State Education Department Child Nutrition Unit. The Institute of Medicine standards have never been discussed as a standard that is required by the State Education Department. The District will take all recommendations listed in the draft audit into consideration.

Thank you for taking the time to come in and examine our food service operation. We appreciate the opportunity that you have afforded us to improve the quality of food that is offered to the students and staff at Warrensburg Central School. If you need any additional information, please feel free to contact me at your earliest convenience.

Thank you for your time,

A handwritten signature in dark ink, appearing to read 'Kevin Polunci', with a stylized flourish at the end.

Kevin Polunci
Business Administrator