Milk Audit

Overview

The Milk Audit is a feature that allows you to compare milk purchases with the amount of milk that was theoretically required, easily identifying any milk shortages based on milk-on-hand. Specifically, it uses data entered from receipts to determine how much milk is purchased. And it uses information computed automatically and printed on your menu production records to determine how much is theoretically required. If shortages are found, the system can automatically disallow meals on the claim when the claim is processed.

There are lots of specific configuration choices that impact how the Milk Audit determines shortages and what disallowances are made when shortages are found.

And depending upon how you configure Minute Menu, it can also compare actual milk prepared/offered with theoretical milk requirements.
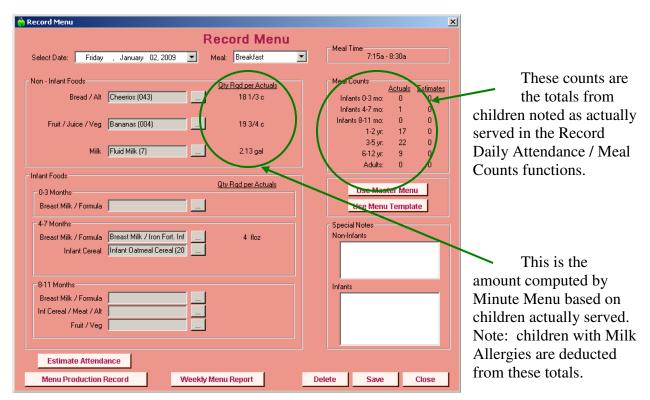

Before The Milk Audit is Run: Supplying Source Data

The Milk Audit is a function that looks at data supplied from other areas of Minute Menu. Specifically, it will look at three key pieces of information:

- To determine how much milk is theoretically **required**, it looks at what Minute Menu computes for the **Menu Production Records**, which are themselves the result of menus planned and recorded attendance/meal counts.

- To determine how much milk is **purchased** in a month, it will look at any **Receipts** you've entered where milk was purchased.

- To determine a **starting balance** for how much milk is on hand, it will look at the results of last month's **Milk Audit**

Milk Required

After you record attendance/meal counts, Minute Menu knows exactly how many children are served by age group. When you plan a menu, Minute Menu knows to calculate milk requirements. You can review this information on screen via the Record Center Menus feature:

These counts are the totals from children noted as actually served in the Record Daily Attendance / Meal Counts functions.

This is the amount computed by Minute Menu based on children actually served. Note: children with Milk Allergies are deducted from these totals.

Note: You must record BOTH a menu plan with milk and daily attendance / meal counts in order for Minute Menu to compute milk requirements. If either is missing, the system cannot compute milk requirements. It doesn't matter which is recorded first.

If you print the Menu Production Record for this day, you'll see totals for each meal of the day.

2.13 gal required for breakfast +

3.92 gal required for lunch +

0 gal required at snack (because no milk served) = approx 6.05 gal required for the day (bear in mind the figures are rounded)

Milk Purchased

When you record a receipt in Minute Menu, you have the option of supplying the amount of milk purchased (in gallons), if that receipt actually covers a milk purchase.

In this case, the center purchased 6.00 gallons of milk from ABC Market on 3/14/2010.

The center also purchased other food and supplies, as well. But the important point for the milk audit is the amount of milk purchased.

Adding up each of the receipts in the month that included an amount of milk purchased will result in a total amount of milk purchased in the month for the center.

Reviewing Source Data in the Milk Audit

To view this information as summarized on the Milk Audit, go to Claims >> Milk Audit.

In this example, we can see 6.04 gallons of milk were required on 1/5/2009. That corresponds with what we saw above on the Menu Production Record (allowing for some rounding discrepancies).

Likewise, we see 19.00 gallons of milk purchased on 1/5/2009. That corresponds with the receipt entered for that same date.

Notice also the Previous Month Milk Inventory Carryover. This would be the Ending Balance value taken from the December 2008 Milk Audit (subject to some limitations, discussed below).

And since milk can go bad, we may write off some of the milk on hand any day in the month, or at the end of the month (although in this example, we have not done either).

Milk Audit Specifics

The Milk Audit function lists each day of the month, noting the amount of milk required that day, purchased that day, and written off that day, with an ending balance. The formula is:

Starting Balance + Purchased – Required – Written Off = Ending Balance.

In the event there isn't enough milk on hand, so the ending balance is kept at zero, and the shortage is highlighted in red on the Milk Audit screen. In this example, you can see the shortage that occurred on 1/9.

Below the grid, there are totals for the month.

In this example, you can see that for the month as a whole, 113.62 gallons were required. But for the month as a whole, we purchased 135.00 gallons (and we started with 14.50 from the previous month's carryover). Likewise, we didn't write-off any milk in the month.

As a result, if we look at the month as a whole (Gallons Short for Claim), there was no shortage. But if we look day-by-day and add up any shortages found, the shortage of 1/9 would be included giving us a monthly total of 0.83 gallons short

Shortage Determination Choices

When determining milk shortages, you can configure the system to compute the shortage day-by-day, or you can compute it for the month as a whole. Policy M06e controls this choice.

Note: some agencies make a special case when handling snacks. By default, Minute Menu will only calculate milk requirements for snacks if milk is served at the snack. Some agencies want to override this behavior and always exclude milk required at snacks from the milk audit. This can be controlled by policy M06b.

Ending Balance & Carryover Choices

The Ending Balance represents the amount of milk on hand at the end of the last day of the month. So even if you compute shortage on a monthly basis, the milk on hand at the end of the month will be determined based on the day-by-day formula noted above.

The starting balance for the month is your Previous Month Milk Inventory Carryover. The very first month you use Minute Menu, this will be zero because you've never run the Milk Audit before. So you may want to manually enter a value here for a center's first month.

The carryover itself is typically the prior month's ending balance. But you can change this default behavior. Policy M06d allows you to further limit the carryover by the amount of the last purchase. So, if your ending balance was 36.71 gallons, but you purchased 25 gallons of milk on, say, 1/25/2009 (which was the last purchase of milk in the prior month), then the February carryover value would be 25, not 36.71.

You can also eliminate any carryover by setting M06d to use No Carryover. In this case, if you wanted any starting balance for milk in a month, you'd need to set it manually.

Staff Meals

If you record staff (adult) meal counts when you record attendance, the system can factor those adult meals into the milk audit, or it can exclude those adult staff meals. This is controlled via Administration >> Manage Policies, Policy L3c.

Disallowing Meals as a Result of the Milk Audit

If the Milk Audit detects a shortage, you can configure Minute Menu to automatically deduct meals from the center's claim based on that shortage. Set Policy M06 to Disallow or Warn, and the Milk Audit will be run automatically each time you process a claim and any shortage found will be reflected on the Office Error Report (OER).
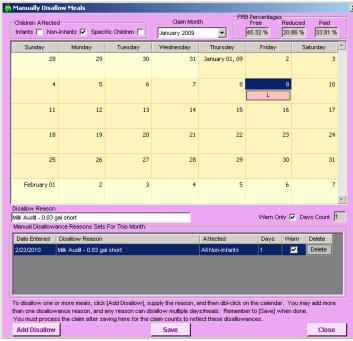
Disallowance Choices

If you are determining the milk audit shortages day-by-day (rather than as a monthly total), you can choose to apply the disallowances day-by-day, or you can apply the shortage on a percentage basis to the month as a whole. This is controlled by Policy M06f.

Day-By-Day Disallowances

If a shortage is found on a specific day, any meal that is short will be disallowed in its entirety. To explain using the previous example, on 1/9, we started the day with 4.65 gallons of milk. 5.48 gallons of milk were required for the day as a whole, but some was required for breakfast and some was required at lunch. We had enough milk to serve the breakfast, but by the time lunch came around, we didn't have enough milk on-hand. As a result, the system automatically disallows lunch. The amount we were short for lunch is immaterial – any shortage for a meal causes the entire meal to be disallowed.

When Day-By-Day Disallowances are determined, the system will automatically create a meal-specific disallowance for all effected meals. You can review these Milk Audit meal disallowances via the Claims >> Manually Disallow Meals function.

In this case, the Lunch on 1/9 was noted as a milk audit shortage because of the shortage. However, note that the "Warn Only" checkbox is checked. This means that our setting for Policy M01 was set to Warn. So this will show up on the OER as a warning, but no meals will actually be deducted from the claim as a result of this Milk Audit shortage.

Since we can view this meal disallowance in the Manually Disallow Meals function, we can change this particular error to actually disallow meals by un-checking the Warn Only box if we like.
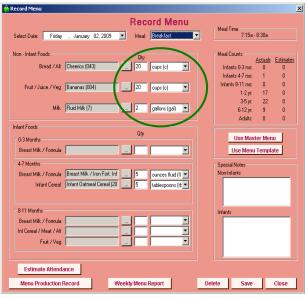
Monthly Disallowances

If a shortage is found, the shortage percentage can then be used to disallow an appropriate percentage of meals in the month. When using the monthly disallowance, you will not see any errors in the Manually Disallow Meals function, since the disallowance is applied to the month as a whole. You will only see the impact of this shortage percentage on the OER, with a Milk Audit error noting what the percentage (and #) of meals that are disallowed as a result of the shortage.

When disallowing snacks, the system by default will disallow snacks in the same proportion as when disallowing breakfast/lunches/dinners. But you can also configure the system to disallow only a portion of snacks that had milk served at them. So if you were short in milk by 5%, and if 2 of the 20 days worth of PM Snacks served included milk, then only 10% x 5% for 0.5% of snacks would be disallowed. You can also exclude snacks entirely from the disallowance calculation. This is all controlled with Policy M06h.

Also, in some cases, you may want to offer some leeway when applying milk disallowances. For example, you may say that any shortage under 5% can be ignored, but over 5% should result in an appropriate disallowance. You can configure a disallowance leeway with Policy M06g.

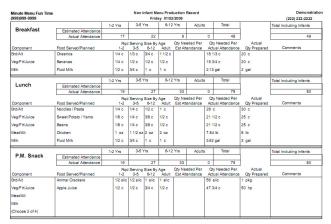# Comparing Offered/Prepared with Theoretical Requirements

Setting Policy M01 to Yes will allow staff to record how much food was offered/prepared, after the fact. This is a manually entered value, supplied in addition to the value computed by Minute Menu as the theoretical requirement. When this Policy M01 is enabled, the Record Menus screen gives staff the ability to record how much food has been prepared/offered after any meal is served:

In this case, the cook has noted that 20 cups of Cheeries, 20 cups of Bananas, and 2 gallons of Milk were prepared for all the children served at this meal.

This same information is displayed on the Menu Production Record under the Actual Qty Prepared column:

When an actual quantity offered/prepared is entered into Minute Menu, the Milk Audit will then compare the quantity offered with the quantity that is computed as a minimum theoretical requirement. Note the two additional columns visible in the Milk Audit.

Actual Served represents the totals for the day as entered by staff in the Record Menu screen the circled area above.

Ending Balance Actual is a day-by-day calculation of milk on hand, using Actual Served rather than Required.

Any cell highlighted in red in the Actual Served column indicate that less milk was offered/prepared in that day than was required for that day. Any cell highlighted in red in the End Bal Actual column indicates a shortage of milk on-hand when analyzing the amount of milk offered/prepared. This shortage information is informational only, it will not appear as an error on the OER when the claim is processed.