



SHERRI YBARRA
SUPERINTENDENT OF
PUBLIC INSTRUCTION

650 W. STATE STREET
P.O. BOX 83720
BOISE, IDAHO 83720-0027

OFFICE: 208-332-6800
FAX: 208-334-2228
SPEECH/HEARING
IMPAIRED: 1-800-377-3529

April 24, 2017

Mr. Marvin Hansen
Marsh Valley School District
40 School Street
Arimo, ID 83214

Dear Mr. Hansen,

On March 6-7, 2017, State Department of Education (SDE) Coordinators Jennifer Butler and Lynda Westphal conducted an Administrative Review of Marsh Valley School District for the following United States Department of Agriculture (USDA) programs:

- National School Lunch Program (NSLP)
- School Breakfast Program (SBP) Provision 2 Breakfast base year 2002-03 operating at each school site
- Fresh Fruit and Vegetable Program (FFVP) at Downey Elementary
- USDA Foods

The sites reviewed were Downey and Inkom Elementary Schools.

The State agency (SA) would like to commend Rose Lee Evans, Christine Bastian and the entire staff of the Marsh Valley School District for their hard work operating the school nutrition programs.

Overview

The Richard B. Russell National School Lunch Act, amended by the addition of Section 201 to the Healthy Hunger Free Kids Act of 2010 (HHFKA), requires a unified accountability system designed to ensure that participating school food authorities (SFA) comply with USDA requirements. The objectives of the Administrative Review are to:

- Determine whether the SFA meets program requirements
- Provide technical assistance
- Secure any needed corrective action
- Assess fiscal action and, when applicable, recover improperly paid funds

Review Frequency and Scope of Review

The Healthy Hunger-Free Kids Act mandates State agencies conduct an Administrative Review a minimum of one time during a three-year cycle to evaluate Critical and General Areas of Review, including:

- Performance Standard 1: Meal Access and Reimbursement
- Performance Standard 2: Meal Pattern and Nutritional Quality
- General Areas of Review: Resource Management, Food Safety, Local School Wellness Policy, Smart Snacks, Civil Rights, Buy American, Professional Standards, and other areas of general program compliance

These were the SA determined findings and the SFA response to the findings:

Findings and Corrective Action Plan (CAP)

Finding 1- Provision 2 Base Year

Per USDA memo SP-46-2015 dated September 18, 2015, the SA must review Provision 2 base year certification documents. The SA could not complete the process of validating Provision 2 Base Year 2002-2003 records while onsite due to some records not being located before reviewing applications for determination validation. The SFA was given a due date of March 22, 2017, to locate and submit records to the SA. Since the required base year records have not been maintained, the SA would generally require the district to immediately return to standard counting and claiming procedures and calculate fiscal action. However, the SA is extending previous USDA guidance and allowing the SFA to continue their claiming procedure until the end of the school year. If the SFA wishes to participate in Provision 2 Breakfast next school year, they will need to establish a new base year during the 2017-18 school year.

Timeframe for CAP completion: March 22, 2017

Sponsor Response to CAP: Since the timeframe has passed without notification, the State agency will infer that the records cannot be found and a new base year will be started in school year 2017-18.

Finding 2 – Civil Rights

All staff who interact with program applicants or participants (i.e., cafeteria staff, Free and Reduced Application approval staff) and their supervisors, as well as the Hearing Official must have annual civil rights training. Superintendent Marvin Hansen is listed as the Hearing Official so must have USDA civil rights training. Secretaries or other school employees who receive payments or run the POS during meal service must also have this training. Training is available at the [SA Civil Rights website](#).

Due Date for CAP Completion: March 22, 2017

Sponsor Response to CAP: Training completed March 7-8 at all schools.

Finding 3 – Nonprogram Food Revenue

It was observed that many adults ate breakfast and were not charged at Inkom Elementary. The only adults allowed to be fed using child nutrition funds are the food service workers or any other staff being paid from food service at least 50% of the time. The 50% will need to be documented using a time and effort report semi-annually. Also the breakfast count sheet was not consistently completed making reconciliation difficult.

Due Date for CAP Completion: March 22, 2017

Sponsor Response to CAP: Per further collaboration with the State agency and the USDA Western Regional Office which referred to FNS Instruction 782-5, which states, “meals served to adults who are directly involved in the operation and administration of the program” may receive program meals. This matter is considered closed as this is now an acceptable practice.

Finding 4 – Food Safety

Out of date foods were observed in the main warehouse and at school sites.

Due Date for CAP Completion: March 22, 2017

Sponsor Response to CAP: Per e-mail sent April 19, 2017, “The expired food noted during the audit has been disposed of in accordance with required methods. We have implemented HACCP required documented dates when food is received. We also have posted reminders in the store rooms showing the correct date pattern to use.”

Finding 5 – Resource Management

Food Service was charged \$135.80 to write off uncollectible checks. Per 2 CFR 200, this is unallowable as General Funds has to absorb this cost.

Due Date for CAP Completion: March 22, 2017

Sponsor Response to CAP: The funds of \$135.80 were restored to the Food Service Account on March 15, 2017.

Finding 6 – Free and Reduced Price Process

Several applications need follow-up or change of status. Those have been corrected as of this time. Two other applications listing annual income need further clarification.

Due Date for CAP Completion: March 22, 2017

Sponsor Response to CAP: Both applications were uploaded, one remained free and the other family moved from the district.

Commendations

- Staff of Inkom Elementary wore appropriate hair restraints as required per Idaho Food Code.
- Rose Lee and school staff were open to new ideas and receptive to technical assistance.
- Thank you for the extra effort to make fresh buns for the hamburgers at Downey Elementary.
- Using the slicer to cut oranges at Inkom Elementary was appreciated as it has been proven through the Smarter Lunchroom movement that fruit wedges increase consumption.
- The “health choice” fruit and vegetable bar was beautifully displayed at Downey Elementary.

Technical Assistance (TA)

Meal counting and claiming

- The Pre-School program, if run under the school board, should count all of the children in the breakfast meal counts and there should not be a bill going to the program. It appears that the Inkom counting sheet does have them included. Please check into this.

SFA On-Site Monitoring

- Breakfast POS (point of service) on-site reviews are covered in 7 CFR 220.11(d)(1) which states: every school year, each school food authority with more than one school shall perform no less than one on-site review of the breakfast counting and claiming system and the readily observable general areas of review identified under 7 CFR 210.18(h) of this chapter, as specified by FNS, for a minimum of 50 percent of schools under its jurisdiction with every school within the jurisdiction being reviewed at least once every two years. The on-site review shall take place prior to February 1 of each

school year. Further, if the review discloses problems with a school's meal counting or claiming procedures or general review areas, the school food authority shall ensure that the school implements corrective action, and within 45 days of the review, conduct a follow-up on-site review to determine that the corrective action resolved the problems. Each on-site review shall ensure that the school's claim is based on the counting system and that the counting system, as implemented, yields the actual number of reimbursable free, reduced price and paid breakfasts, respectively, served for each day of operation.

Verification

- When performing Verification of Free and Reduced Applications, the Confirming Official must be another person checking the application prior to sending out the letter for Verification. Verification must be in line with requirements outlined in 7 CFR 245.6a.

Dietary Specifications and Nutrient Analysis

- TA was given to review and update production records with correct equivalents if the product used changes to a different product by the supplier or if the standardized recipe changes or the menu changes. The pizza recipes need to be updated with the accurate name, ingredients and amounts of cheese to provide the minimum meat/meat alternate (M/MA) for each age group. These changes should also be updated in the NutriKids software. All food service staff should be trained on any changes as well.
- All documentation should be current with the menu.

Meal Components and Quantities

- The lunch menu did not meet the minimum daily requirement of $\frac{3}{4}$ cup vegetable on Monday, 2/6. The production record shows only $\frac{1}{2}$ cup of the California blend was offered. TA was given to increase the portion size to $\frac{3}{4}$ cup vegetable on days when the veggie bar is not offered.
- The lunch menu did not meet the minimum daily requirement of 1 ounce M/MA on Tuesday, 2/7, with the pizza providing .88 ounce M/MA which credits as .75 M/MA. TA was given to adjust the pizza recipe to increase the cheese to use 26.5 pounds of Mozzarella and 6 pounds of Cheddar for 234 portions increasing the M/MA to 2.15 ounce using the Food Buying Guide.
- The potato wedges served on Thursday, 2/9, have .03 g trans-fat per $\frac{1}{4}$ cup portion and .06 g per $\frac{1}{2}$ cup. The portion served is $\frac{1}{2}$ cup. The foodservice manager discovered this on 2/9 and will switch to a trans-fat free product. These potato wedges were a substitute on the order according the foodservice manager.

Offer versus Serve

- When implementing Offer vs. Serve, the meal pattern minimum requirements must be available to all students to select - including $\frac{1}{2}$ cup fruit and $\frac{3}{4}$ cup vegetable, but a reimbursable meal only requires that the student selects a minimum $\frac{1}{2}$ cup of the fruit or vegetable and the full offering of two other components.

Resource Management

- Under subsection 12(q) of the Richard B. Russell National School Lunch Act and 7 CFR 210.14(f), SFAs are required to ensure that all revenue from the sale of non-program

foods accrues to the non-profit school food service account; and that revenue available to support the production of reimbursable school meals does not subsidize the sale of non-program foods. SP 20-2016 Nonprofit School Food Service Account Non-program Food Revenue Requirements memorandum provides guidance on the revenue requirements including options for assessing compliance to fulfill the requirements in section 206 of the Healthy, Hunger-Free Kids Act of 2010.

- This will now be required to be uploaded during renewal, so will need to change the way the a la carte items and food costs are being tracked.
- The most recent food safety inspection report must be posted in a location visible to the public. (7 CFR 210.13(b)). This was corrected while State agency reviewers were onsite.

Food Safety and Buy American Provision

- Employee was noted serving carrots with gloved hands, going to cooler to get more carrots, and continuing to serve by hand without removing and changing gloves. Please instruct employees to wash hands and put on gloves when working with ready-to-eat foods and to wash hands and change gloves when changing tasks.
- Best practice is to label all food items received with inventory tracking dates (mm/dd/yy) to ensure that the "First in, First out" method for inventory control is being used. For items removed from original packaging, label for identification as well as inventory dates, especially with regard to a food recall and allergen information.
- TA was given to date all food in cold and dry storage with the received date and the date opened.
- Each SFA is required to purchase domestic agricultural commodities or products that are produced and processed substantially in the United States or territories, as applicable (7 CFR 210.21 (d)). Saf Yeast from Mexico is being used. If a product from another country is sourced, then the food service must have proof that the domestic product is significantly higher in price or not available in sufficient quantities. Include the Buy American Provision in SFA solicitation documents for the purchase of commercial foods. Products must be checked upon receipt and not accepted if the products do not comply with the Buy American Provision, unless there is documentation to justify the exception (exorbitant pricing or product shortages).

Civil Rights

- Ensure the Civil Rights complaint log is dated annually, with a new log started each year. If no complaints were received, best practice is to write "No complaints" on last year's log and keep this on file (three years plus the current year).
- Updated civil rights procedure, log, forms, and training materials were printed from the [SA Civil Rights website](#) while State agency reviewers were onsite. These current documents need to be provided to all schools to add to the Civil Rights binders at each site to replace older documents.
- Please note the USDA short non-discrimination statement is for all documents that are only one page or one sheet of paper in length: "This institution is an equal opportunity provider." The USDA long non-discrimination statement is for usage on all documents of more than one page or one sheet of paper and is available at the [SA Civil Rights website](#).

Local School Wellness Policy

- Your current wellness policy is in compliance

Procurement

- Recommend including in RFP language that asks for country of origin for their products and if the product is sourced from outside of the USA, then the responder must include prices of American products, or that the product is not produced in the USA. Please refer to Guidance Memo SP24-2016.

Fresh Fruit and Vegetable Program

- The school secretary and principal are very supportive of the FFVP. However, the school must not provide fresh fruits and vegetables to adults except for teachers who are in the classroom with students during the FFVP food service. The secretary and principal should only be provided with the FFVP offering if she is in the classroom participating with the students.
- The school must widely publicize the FFVP. Please consider ways to inform the parents about this program. TA was given that the FFVP could be advertised in a newsletter, on the website, or with signage on the bulletin board.

Smart Snacks

- All fundraisers, both exempted and compliant, must be tracked. Per state policy, a maximum of 10 exempted fundraisers per school site per year may be approved by the school administrator. An exempted fundraiser can be for a maximum of four consecutive school days. All exempted fundraisers beyond 10 must be pre-approved by the State agency using the Request form. (7CFR 210.11) Details available at the State agency [Smart Snack website](#).

Your review is now closed.

Fiscal action resulting in errors in benefit issuance in the amount of \$66.83 is below the threshold of \$600.00 and will be disregarded. Should you wish to appeal any of these findings please follow the appeal procedures on the [State Agency Appeal Procedures](#) document. If you wish to discuss any of these findings, please contact me at (208) 332-6820.

Thank you for your continued support of the Child Nutrition Programs.

Sincerely,



Lynda Westphal, MHS, SNS
NSLP Coordinator

cc: Colleen Fillmore, PhD, RDN, LD, SNS, Director, Child Nutrition Programs
Rose Lee Evans, Food Service Director, Marsh Valley School District

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