



**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

July 20, 2017

**CERTIFIED MAIL#: 7013 1710 0000 9755 9382**

Superintendent Marc Gee  
Preston School District  
105 East 2<sup>nd</sup> South  
Preston, ID 83263

Dear Mr. Gee,

On March 8, 2017, State Department of Education (SDE) Coordinators Jennifer Butler and Lynda Westphal conducted an Administrative Review of Preston School District for the following United States Department of Agriculture (USDA) programs:

- National School Lunch Program (NSLP)
- School Breakfast Program (SBP)
- Afterschool Snack Program (ASSP)
- USDA Foods

Oakwood Elementary, Pioneer Elementary, and Preston Jr. HS (ASSP only) were the school sites reviewed.

The State agency (SA) would like to commend Tara Johnson and the entire staff of the Preston 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:

## Finding and Corrective Action Plan (CAP)

### ***Finding 1- Verification***

Two applications had benefit issuance errors as a result of verification.

- One application (affecting 4 students) was correctly determined to change from free to reduced. Even though a letter was sent to the household advising them of the change in benefits, no change was made to the benefit issuance list causing the students to continue to receive the free benefit. Send a letter of adverse action and change the benefit in 10 calendar days. Please upload the letter of adverse action to the household and the student status pages from the POS software showing the change in benefit and effective date.
- One application (affecting 4 students) was incorrectly determined by not including one of the household member's income when a profit and loss statement was submitted. More information is needed to correctly determine the income for the household. Please upload all correspondence to the household and student status pages showing the change in benefit.

**Timeframe for CAP completion:** March 22, 2017

**SFA Response to CAP:** All requested documentation was uploaded.

- After sending the letter of adverse action, additional information and supporting documentation was provided that indicated the family had a change in income not previously reported. The students qualified for free meals as a result.
- After requesting additional information and consultation with the SA, a letter of adverse action was sent to the household advising of the status change to denied. Student status page from POS software uploaded on April 3, 2017, showing change of status following 10 day notice of adverse action.

### ***Finding 2- Civil Rights***

School Foodservice Authority 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 Marc Gee is listed as the Hearing Official so must have USDA civil rights training. Secretaries or other school employees that receive payments must also have this training. Training is available under Training Resources tab on the [CNP Resource Center website](#). Upload a dated sign in sheet to provide documentation that the Hearing Official and the secretaries at Oakwood Elementary, Pioneer Elementary, and Preston Jr. HS received civil rights training.

**Timeframe for CAP completion:** March 22, 2017

**SFA Response to CAP:** Documents signed by the superintendent uploaded on March 22, 2017, indicate that the superintendent and four secretaries completed the required Civil Rights training. Additionally, a total of 104 teachers from the Preston School District watched the SA Civil Rights training video.

***Finding 3- Counting and Claiming Procedure***

The K-2nd grades were not turning in their cards as they passed through the line. The teacher was handing them in bulk to Point of Service (POS) monitor to scan. This is an inadequate Point of Service and needs to change immediately. Upload a description on how this will change from this point forward.

**Timeframe for CAP completion:** March 22, 2017

**SFA Response to CAP:** A document was uploaded on March 15, 2017, advising that a meeting was held on March 13 in which teachers were advised to stop handing in the cards all at once to the POS. The teachers now hand the cards to the students at the door so each individual student can hand their card to the cashier at the POS computer.

***Finding 4- Offer versus Serve***

Offer versus Serve training is required annually. OVS online training is available on the State agency website and may be used for training. Upload a dated sign-in sheet to provide documentation that foodservice staff received OVS training.

**Timeframe for CAP completion:** March 22, 2017

**SFA Response to CAP:** An agenda and sign-in sheet for a one-hour OVS training held on March 15, 2017, was uploaded later that same day.

***Finding 5- Meal Components and Quantities (Breakfast)***

In the cafeteria, several breakfasts were observed without the required fruit, and then fruit was offered after the child sat down and was eating. This is not proper OVS. The SA advised Food Service to stop creating crates for breakfast on the tables in the cafeteria and just have the children go through the service line to get a reimbursable breakfast. OVS was also a concern in the classroom, and students were also not selecting a reimbursable breakfast. It was recommended to stop doing breakfast in the classroom as it is not being implemented correctly. If the school wishes to continue with breakfast in the classroom, then all teachers must be trained on Offer vs. Serve. Upload summary describing changes to the breakfast service that ensures a reimbursable meal is selected by all students at the point of service.

**Timeframe for CAP completion:** March 22, 2017

**SFA Response to CAP:** A document stating that the breakfast that was served in crates in the cafeteria is now done through the service line. The students in the cafeteria go through the line and select 3 items from the line and what they don't want is put on a share table. For breakfast in the classroom, teachers attended a one-hour OVS training on March 13, 2017.

***Finding 6- Meal Components and Quantities (Lunch)***

Because the fruit bar was not being monitored, all students were required to take a vegetable in order to have a reimbursable meal. The foodservice line must be changed so that all required components are offered on the serving line and the students are given an opportunity to decline some items. On the day of review, students were being required to take the cooked carrots which a majority threw away; this is an unnecessary expense. Please upload a document describing how the foodservice line will be changed to meet this requirement.

**Timeframe for CAP completion:** March 22, 2017

**SFA Response to CAP:** A document stating that both fruit and vegetable are being served on the line so the kids can decide what they want on their tray was uploaded on March 15, 2017.

***Finding 7- Special Provision Option (Provision 2 Breakfast)***

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 2005-2006 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 next school year (SY 2017-18). Let the SA know whether or not missing base year records have been located and/or if the district anticipates establishing a new base year in SY 17-18.

**Timeframe for CAP completion:** March 22, 2017

**SFA Response to CAP:** A document stating that the missing Provision 2 records were not located was uploaded on March 15, 2017. The district advises they plan to establish a new base year in SY17-18.

***Finding 8 - Resource Management – Finding added April 12, 2017***

During a review of SY15-16 foodservice finances, a \$9,989.35 charge for the installation of a kitchen grease trap was discovered without a Capital Expenditure Request being submitted to the State agency for prior approval for this expense. When questioned about the expense, it was reported that the City of Preston advised the SFA last spring that they would be turning off the water to the school if a grease trap was not installed. The school was not built with a grease trap, but the lack of a grease trap was causing problems for the residential neighborhood and the City needed to take action. The work was delayed until summer when school was out because of the significant work involved, which included tearing up the kitchen/cafeteria floor and concrete, separating kitchen pipes from the rest of the school, installing the grease trap, and replacing the floor. During local administrative reviews required by 7 CFR Part 210.18 and audits as required by 2 CFR 200.501, State agencies must ensure appropriate equipment purchases were made based on the State agency prior approval process. If any equipment purchases are identified as unallowable, State agencies must disallow the purchase. As no Capital Expenditure Request was submitted, the \$9,989.35 charge for the installation of the grease trap is unallowable. Restore the \$9,989.35 for the grease trap installation and provide a copy of the general ledger to the State agency showing the transfer of funds to the foodservice account.

**Timeframe for CAP completion:** The original due date of April 28, 2017, was held during an appeal of this finding filed by the district. Upon the appeal results, the finding was reinstated with a due date of June 14, 2017 and later extended to June 28, 2017.

**SFA Response to CAP:** On April 25, 2017, the district filed an appeal regarding the disallowance of the grease trap installation costs. On May 26, 2017, the appeal results upheld the finding to disallow the \$9,989.35. On July 18, 2017, a document detailing the fund transfer to the foodservice account for the refund of the grease trap expense was received.

## Fiscal Action

The SA discovered that the February 2017 claim for Oakwood and Pioneer Elementary Schools included an over claim for 185 breakfast meals due to multiple teachers marking a monthly meal sheet that included a total number for breakfasts served in the classroom on a day that school was not actually in session. Fiscal action was calculated for the over claim, as well as for incorrectly determined benefits. The total fiscal action calculated for breakfast was \$304.00 and for lunch was \$181.04. However, since these amounts fall under the \$600 threshold, the fiscal action will be disregarded and no financial adjustment will occur.

## Commendations

- Selected applications were organized and ready for SA review.
- Staff wore appropriate hair restraints as required per Idaho Food Code.
- The District's HACCP plan included a detailed bodily fluids clean-up plan.

## Technical Assistance (TA)

### **Certification and Benefit Issuance**

- Per the Eligibility Manual, when determining Free and Reduced Applications, income should not be converted unless various income frequencies are reported. Please make use of the Income Eligibility Guidelines chart.

### **Verification**

- Error prone applications are applications that document a monthly income within \$100 of the Income Eligibility Guidelines. Error prone applications must be a priority when selecting households for verification.
- Tax statements and returns are not allowable proof of income sources without a collateral contact. It is the responsibility of the household to provide adequate information so the district can properly complete the verification activity. This enables the district to follow up with the household and ask further questions, or to rely on the collateral contact information (obtained in writing or verbally with the household's permission) to determine the gross income amount. Please use the most current information available for a more accurate view of the family income and reference the most current Eligibility Manual for guidance on self-employed individuals.

### **Meal Counting and Claiming**

- All meal counts should be double-checked before submitting a claim for reimbursement. When validating the February 2017 claim, SA reviewers discovered an over claim of 185 breakfast meals. This over claim was discovered when reviewing the meal count sheets submitted by classroom teachers counting meals served during Breakfast in the Classroom in order to validate the claim totals. Seven teachers included a breakfast total on the monthly count sheet on a day that school was not actually in session due to parent teacher conferences. These classroom meal count sheets were totaled together and

entered as part of the breakfast claim without double-checking the dates that counts were recorded.

- While reviewing the monthly meal count sheets completed by the teachers, the SA observed concerns with the process that should be given additional consideration and be covered during training with teachers on how to implement Breakfast in the Classroom. In addition to the concern of meals being recorded on a day school was not in session, other concerns observed were: monthly count sheets that included an identical number for each day breakfast was served, monthly totals that were miscalculated and did not match the daily count total, some days when school was in session were left blank without explanation, and penmanship was difficult to read at times making it hard to identify the meal count for the day.
- When implementing Breakfast in the Classroom, teachers will need to receive annual OVS training to ensure they understand program requirements for a reimbursable meal. They should also receive training on meal counting and claiming to ensure they understand that only reimbursable meals are to be counted and to implement safeguards that counting is being done as the breakfast meal is being served.

### **Meal Components and Quantities**

- SA contractor Shawna Durbin, RD, LD, conducted the menu analysis for review week and provided TA for correction based on the following observations at Oakwood Elementary:
  - Only one type of milk was being served at breakfast. At least two types of milk must be offered at all meals. Fluid milk must be low-fat (1 percent milk fat or less, unflavored) or fat-free (unflavored or flavored).
    - *This was fixed immediately and observed during the SA onsite review.*
  - On Tuesday & Thursday the breakfast menu only offered ½ cup of fruit. Effective July 1, 2014, 5 cups/week and a minimum of 1 cup/day of fruit was required for breakfast.
  - On Tuesday, the lunch menu only offered ½ cup serving of mixed veggies. K-8 must be offered 3 ¾ cups/week and a minimum of ¾ cup/day of vegetables for lunch.

### **Offer versus Serve (OVS)**

- Offer versus Serve (OVS) training is required annually. OVS online training is available on the [SA digital learning portal](#). When implementing Breakfast in the Classroom with teachers distributing food, teachers must also receive OVS training to ensure identification of a reimbursable meal.

### **Food Safety, Storage, and Buy American**

- Food safety training should be ongoing, and all applicable HACCP topics should be covered annually. Staff training must be documented with an agenda and sign-in sheet and must be kept on file for three years plus the current year.
  - *An agenda and sign-in sheet for a one-hour food safety training held on March 15, 2017, was uploaded later that same day.*
- Each SFA is required to purchase domestic agricultural commodities or products that are produced and processed substantially using agricultural commodities that are produced in

the United States or territories, as applicable (7 CFR 210.21 (d)). Saf Yeast and fresh tomatoes from Mexico and canned fruit cocktail from Vietnam were discovered. If a product from another country is sourced, foodservice must have proof that the domestic product is significantly higher in price. Include the Buy American Provision in SFA solicitation documents for the purchase of commercial foods. The Food Service Director and Kitchen Manager must check products upon receipt and not accept products that do not comply with the Buy American Provision without documentation to justify the exception (exorbitant pricing or product shortages).

### **Civil Rights**

- Household letter templates in POS software must be updated to include the current non-discrimination statement. The correct USDA non-discrimination statement is available under the Files tab on the [CNP Resource Center website](#).
  - *This was completed while SA Reviewers were onsite.*
- All staff who interact with program applicants or participants must have annual civil rights training. This includes teachers who provide the breakfast meal to students in the classroom. A training video is available online on the [CNP Resource Center website](#).
  - *On March 22, a list of names of 104 teachers who watched the SA Civil Rights Training Video was uploaded.*

### **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.

### **Local School Wellness Policy**

- On July 29, 2016, the USDA Food and Nutrition Service (FNS) finalized regulations to create a framework and guidelines for written wellness policies established by LEAs. (§210.30) The final rule requires LEAs to fully comply with the requirements of the final rule by June 30, 2017. Federal legislation requires school districts to implement a local wellness policy that must include language:
  - Permitting parents, students, school board, PE teachers, school health professionals, school food service staff, administrators, and community members to participate in the development, implementation, review, and update of the local wellness policy.

- Identifying wellness policy leadership of one or more LEA and/or school official(s) who have the authority and responsibility to ensure each school complies with the wellness policy.
- Specifying measurable goals for nutrition education, nutrition promotion, physical activity, and other school-based activities to promote student wellness that are written with consideration for evidence-based strategies.
- Addressing nutrition guidelines for all foods and beverages sold on the school campus during the school day and for providing school meals that adhere to Federal meal pattern requirements.
- Identifying nutrition standards for non-sold foods and beverages available during classroom and school celebrations.
- Stating a policy for food and beverage marketing that allows the marketing and advertising of only those foods and beverages that meet Smart Snacks in School nutrition standards.
- Addressing an evaluation conducted once every three years of the wellness policy and the extent to which schools are in compliance, how the district policy compares to model wellness policies, and the progress made in attaining local wellness policy goals.
- Identifying a way to share the wellness policy content and implementation with the public.
- All LEAs must assess their wellness policy at least once every three years on the extent to which schools are in compliance with the district policy, the extent to which the local wellness policy compares to model local school wellness policies, and the progress made in attaining the goals of the local wellness policy. LEAs must make this assessment available to the public. Posting to the school /district website and/or in a school newsletter would support this requirement. Idaho SDE CNP has a progress report available for use.
- For more information regarding local wellness policies, please visit the Idaho SDE Child Nutrition Programs [School Wellness website](#).

### **Afterschool Snack**

- The SFA must conduct a self-review of each afterschool snack operation twice per year that follows these guidelines: The SFA conducts the first self-review during the first four weeks that the afterschool snack program begins each school year; and conducts the second self-review of the afterschool snack program prior to the end of each school year. The SA was advised that the first self-review occurred, but no record of the self-review was available for SA review.

### **Special Provision Options**

- If the SFA wishes to participate in Provision 2 Breakfast, they will need to establish a new base year during the next school year (SY 2017-18).

## Your review is now closed.

At this time there will be no fiscal action. Should you wish to appeal *Findings 1 -7*, please follow the appeal procedures on the State Agency Appeal Procedures document. Since *Finding 8 - Resource Management* has already gone through an appeal, there is no further recourse as the final decision has already been determined per 7 CFR 210.18 (p)(9).

If you wish to discuss any of these findings, please contact me at (208) 332-6820. Thank you for your support of the Child Nutrition Programs.

Sincerely,



Jennifer Butler, MEd, SNS  
NSLP Coordinator

Cc: Colleen Fillmore, PhD, RD, LD, SNS, Director, Child Nutrition Programs  
Tara Johnson, Food Service Director, Preston School District

**“This institution is an equal opportunity provider”**