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March 14, 2017

Dr. Christy Castro
Troy School District
103 Trojan
Troy, ID 83871

Dear Dr. Castro,

On December 7-8, 2016, State Department of Education (SDE) Coordinators Tamara Donovan and TJ Goodsell conducted an Administrative Review of Troy School District for the following United States Department of Agriculture (USDA) programs:

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

The site reviewed was Troy Junior Senior High School.

The State agency (SA) would like to commend Debra McKown and the entire staff of the Troy 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- Certification and Benefit Issuance

Two Free and Reduced Applications were incomplete as SNAP case numbers were not documented. One Free and Reduced Application was inaccurately determined. Contact the households to obtain case number information and then inform households of any change in meal benefit status. Standard notification letters are available on the SA website under Download Forms. All households for whom benefits are to be reduced or terminated must be given ten calendar days' written advance notice of the change (2016 Eligibility Manual). Update the benefit issuance list. Upload the updated benefit issuance list, completed applications, and notification letters in MyIdahoCNP in Review Attachments.

Timeframe for CAP completion: December 22, 2016 **EXTENSION:** January 5, 2017

SFA Response to CAP: On December 19, 2016, the Food Service Director uploaded the following documents into MyIdahoCNP: notification letters; a copy of a Free and Reduced Application with the SNAP number added; and a copy of a new Free and Reduced Application showing updated income information, which determined the household as qualifying for reduced meal benefits. The remaining application that was incomplete due to needing a SNAP number was denied after the Food Service Director spoke with the household and learned that the household did not receive SNAP benefits (only Medicaid benefits). The CAP due date was extended due to weather-related school closure. A benefit issuance list was uploaded on January 5, 2017. The list had the correct benefit status, but two students were listed as "Free DC"; technical assistance was provided - these students should be listed as Free due to an Income Application since meal qualification was based on a SNAP number provided on a Free and Reduced Application and the student names did not appear on a DC list.

Based on an administrative error of 13.11% associated with certification and benefit issuance, the SFA will be required to conduct a second review of applications beginning school year 2017-18, and continuing until further notice. A second review of applications requires a re-evaluation by the Confirming Official of the eligibility determination made by the Determining Official, based on the information provided by the household on the application. Also required is the completion of the Second Review of Applications report, found under Applications in MyIdahoCNP. Depending on the outcomes of this second review, the SFA may be required to complete this process until the next administrative review. Please reference the Independent Review of Applications section in the Eligibility Manual.

Due to errors in benefit issuance, the fiscal action value is \$19.26 for breakfast and \$80.78 for lunch; totaling \$100.04. This amount is under the \$600 threshold, so will be disregarded.

Finding 2- Verification

In school year 2016-17, the SFA did not complete verification according to established timelines. Contact Melissa Cook, State agency Financial Specialist, for guidance regarding the verification process. Ensure the Verification Report is completed prior to November 15, 2016.

Timeframe for CAP completion: December 22, 2016

SFA Response to CAP: On December 8, 2016, the Food Service (FS) Director completed and uploaded a CAP in the Verification Report section of MyIdahoCNP. The SA approved the CAP on December 9, 2016.

Finding 3- Meal Counting and Claiming

Free, reduced, and paid daily meal count reports and monthly meal summary reports generated by the software do not equal the number of reimbursable meals recorded on the food service meal count sheets. Counting errors are unallowable per the Administrative Review Manual; this appears to be a systemic error. Claims will need to be validated using the State agency spreadsheet developed while on site until the meal counting issue is resolved. Meal Counting and Claiming corrective action is a **repeat finding**. Upload, into MyIdahoCNP Review Attachments, the daily breakfast and lunch meal counts from the software, daily counting sheets, as well as the completed spreadsheet for the month of December 2016. Contact the POS software company and/or the school district IT department to correct the issue then notify the SA in writing how the issue was resolved. During the CAP, an additional systemic error was found in the daily lunch meal counts for free, reduced, and paid students at the elementary school. This error involved the lack of a standard procedure when counting free, reduced, and paid tally marks on the daily meal count sheets. Upload a meal count procedure and upload documentation of staff training. The SA will validate the January daily meal counts for breakfast and lunch at both sites. The January elementary school lunch count was inaccurate. Upload the February elementary school lunch counts along with further documentation of staff training. Continue to train and document training for meal counting as often as needed and annually; if an employee continues to make errors even after repeated training, re-establish job duties to ensure accuracy. Note: During the next administrative review this **repeat finding** will be checked for fiscal action – a spot check before the next administrative review may be conducted.

Timeframe for CAP completion: December 22, 2016 **EXTENSION:** January 5, 2017

SECOND EXTENSION: January 19, 2017 **THIRD EXTENSION:** February 17, 2017

FOURTH EXTENSION: March 3, 2017

SFA Response to CAP: The State agency attempted to contact the Food Service Director on December 13, 14, and 15, 2016; FS Director was unavailable (was informed on the 15th by the school secretary that the FS Director was out of the office and probably would not return until Monday, December 19). The SA phoned the FS Director on December 19, 2016, to remind of the need to upload the meal counts and to document, in writing, how the counting issue was resolved. The FS Director mentioned that she had been out sick and that school may be closed December 20 due to the weather. The SA reviewed the need to resolve the meal counting issue, upload the documents, including the written response regarding how the counting problem was resolved. On December 19, 2016, the SFA sent a written response that stated that IT identified and resolved the software attendance factor issue. The SFA will continue to use the daily consolidation spreadsheets developed by the SA to ensure accuracy and will upload the required documents. On December 20, 2016, the SFA requested a CAP extension via email due to weather-related school closure. The FS Director requested a second CAP extension due to illness. The SA extended until January 19, 2017. The SFA uploaded December meal counts and the SA noted discrepancies in the elementary school December daily lunch counts. The SA phoned the FS Director and discussed the inaccurate December elementary school lunch counts and requested a re-count and re-submission of the total sheet to the SA and required the SFA to

put a written procedure in place to ensure accurate meal counting. In addition, an agenda / sign in sheet showing training occurred regarding the meal counting procedure was required. The CAP was extended until February 17, 2017. Newly uploaded December meal counts were reviewed by the SA and after more communication, the counts aligned. Between February 14 and 17, 2017, the FS Director provided January meal counts, a meal count procedure, and proof of staff training. SA review found that meal counts aligned, except for elementary school lunch. The CAP was extended until March 3, 2017, to allow the SA to review February elementary school lunch counts and method as well as training documentation. On March 3, the Food Service Director provided a training record and February meal count documentation and the SA validated the accuracy.

Finding 4- Civil Rights

School Foodservice Authority staff that interacts 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. Dr. Christy Castro, Superintendent, is listed as the Hearing Official, so must have USDA civil rights training. The training video is available on the [SA website](#). Upload a dated sign in sheet to document that the Hearing Official received civil rights training.

Timeframe for CAP completion: December 22, 2016

SFA Response to CAP: On December 16, 2016, documentation was uploaded that showed the Hearing Official received civil rights training.

Finding 5- Smart Snacks

Per 7 CFR 210.11 competitive food service and standards, all food sold to students during the school day must meet Smart Snacks requirements. Vending machines (student council) contain items that are not Smart Snacks compliant and fundraisers are not being tracked. As per 7CFR210.11(b)(2), the school district should have knowledge of and keep a written record of food sales that occur within the school day outside of food service. The SA discussed Smart Snacks and Wellness Policy with Troy Junior Senior High School Secretary/Registrar/Student Council Advisor and provided a copy of "A Guide to Smart Snacks in Schools". Additional Smart Snacks information and resources, including a sample site tracking form and evaluation calculator can be found on the Idaho Child Nutrition Programs [Smart Snacks](#) webpages. The Secretary/Registrar printed off the SA sample tracking tool. Devise a plan and timeframe for bringing the vending machines into compliance with Smart Snacks regulations. Consider engaging the student council in the selection of compliant food items. Email the SA the plan and timeframe.

Timeframe for CAP completion: December 22, 2016

SFA Response to CAP: On December 15, 2016, Troy Junior Senior High School Secretary/Registrar emailed the SA a plan and timeframe for bringing the vending machines into compliance with Smart Snacks: "Actively looking for vendor to supply Smart Snacks. Student Council has monthly meetings and taste tests will be conducted on Smart Snacks to provide the snacks that the students will purchase. Current stock will be sold and Smart Snacks will be rotated into the vending machine. Expect to be in full compliance at the beginning of school year 2017-2018."

Finding 6- Buy American Provision

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 was in dry storage. 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).

Timeframe for CAP completion: December 22, 2016

SFA Response to CAP: While the SA was on-site the FS Director and staff confirmed that products will be checked upon receipt and not accepted if the products do not comply with the Buy American Provision.

Commendations

- The kitchen staff was welcoming and the kitchen was well organized and clean. All of the CN labels, product formulation statements, and recipes were readily available which helped the menu review run smoothly.
- The Food Service Director created the menus with input from the staff, which resulted in variety in the monthly menu. The food service staff was interested in improving participation in order to be able to provide healthy and well-balanced meals to the kids.
- The Food Service Director was receptive to input from the SA reviewers, completing many tasks while the SA was on site.

Technical Assistance (TA)

Certification and Benefit Issuance

- Student names (i.e., a current enrollment list) should be run through Direct Certification (DC) every week at the beginning of the school year, so that all the new students as well as any new matches available may be identified. Once the students are identified, print / save the record for three years plus the current year (the state DC system does not save information).
- Students who qualify for meal benefits through a Free and Reduced Application that then appear on a DC list must be noted as Free DC on the benefit issuance list.
- 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.
- The State agency recommends that Free and Reduced Applications be date stamped upon receipt to allow students to receive benefits as of the date of receipt as opposed to the date of determination (SP11-2014). Additionally, the date stamp will document that eligibility was determined within the ten operating day window.
- Last school year's eligibility status can carry over 30 operating days into the new school year, allowing time for households to reapply without interruption of benefits. However

the carryover period is not intended to allow schools to delay the processing of application or delay the updating of benefits. (7CFR 245.6)

Verification

- When performing verification of Free and Reduced Applications, a confirmation review must be documented prior to sending out the verification notification letter. Verification must be in line with requirements outlined in 7 CFR 245.6a.
- The SFA could not find verification notification records. Records must be kept for three years plus the current year. SA reviewed process for verification record keeping.
- 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.

Civil Rights

- Please update your non-discrimination statement to the correct [USDA Non-Discrimination Statement](#) available in the Civil Rights section of the Idaho Child Nutrition webpage. The short non-discrimination statement reads, "This institution is an equal opportunity provider." Some standard forms, such as notification letters for benefit issuance and verification, were found to have the old USDA non-discrimination statement. SFA will need to check MyIdahoCNP annually for updated forms to ensure they are using the most current information available.

Resource Management

- All foods purchased by the food service department to be used as non-program food sales must be marked up to account for the cost of the food, labor, storage, and delivery of the products, best practice is 38% minimum. Milk is marked up appropriately, costing approximately \$0.30 with an a la carte price of \$0.50. Adult meals are priced appropriately at \$3.65.

Meal Counting and Claiming

- SFAs seeking reimbursement for an alternate meal must meet the meal pattern requirements or not claim the meals for reimbursement. Record the alternate meals on the production record to track food usage.
- Second student meals must be charged the adult meal price.

Meal Components

- To increase meal participation, the FS Director was encouraged to look for Team Nutrition grants regarding the Smarter Lunchroom Movements and consider increasing scratch cooking to allow for enticing aromas to draw students into the cafeteria.

Food Safety

- The Food Service Director must have current food safety training, at least every five years. [Food Safety in Schools](#) (formerly known as Serving it Safe) is available through the Institute of Child Nutrition on-line and free. (7 CFR 210.30 Professional Standards Regulations).

- The Idaho Department of Health & Welfare updated the Food Code to come in line with the current FDA Food Code. This includes a new requirement that all food safety plans must include a procedure for cleaning up bodily fluids. A HACCP Bodily Fluid Cleanup sample is located in MyIdahoCNP in Download Forms. The FS Director downloaded a copy and will train staff on this new requirement.

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.
- For more information regarding [Local School Wellness Policies](#), please visit the Idaho SDE Child Nutrition Programs School Wellness website.
- Heather Blume, Coordinator of Nutrition Assessment and Promotion at the State Department of Education, is an excellent resource for guidance and questions related to the Wellness Policy: hblume@sde.idaho.gov, 208.332.6902.

Your review is now closed.

At this time there will be no fiscal action. To appeal 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,

A handwritten signature in blue ink that reads "Tamara".

Tamara Donovan, RD, LD, SNS
NSLP Coordinator

Cc: Colleen Fillmore, PhD, RD, LD, SNS, Director, Child Nutrition Programs
Debra McKown, Food Service Director, Troy School District

“This institution is an equal opportunity provider”