



March 1, 2018

Kevin Lancaster, Superintendent
Bliss School District
601 E. US Highway 30
Bliss, ID 83314

Certified Mail Receipt No. 7013 1710 0000 9755 9566

Dear Superintendent Lancaster,

On February 12, 2018, State Department of Education (SDE) Coordinators Tamara Donovan and Lynda Westphal conducted an Administrative Review of Bliss School District for the following United States Department of Agriculture (USDA) programs:

- National School Lunch Program (NSLP)
- School Breakfast Program (SBP)
- Fresh Fruit and Vegetable Program (FFVP)
- USDA Foods

The site reviewed was Bliss School.

The State agency (SA) would like to commend Amanda Scheer and the entire staff of Bliss 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, 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 Verification

On the day of SA review, two issues with the verification report were identified:

- One household did not respond but were marked as having responded.
- One household was marked as having three students but had two students.

Corrective Action:

As these inaccuracies were identified after the November 28, 2017, final date for revision, a Corrective Action Plan must be submitted to the SA. Upload into MyIdahoCNP Review

Attachments a Corrective Action Plan including the following:

- Take Verification online class in September (every year).
- Complete verification tool to determine how many applications must be verified; retain a copy of the completed tool for reference (immediately prior to starting verification process).
- Select application(s) from the appropriate verification pool (first operating day of October).
- Have selected application(s) reviewed for correctness by the Confirming Official (first operating day of October).
- Run Direct Certification to see if the child(ren) can be directly verified (first week of October).
- Send initial verification letter to selected family or families (first week of October)
- Contact the family/families after ten calendar days if they have not sent the verification documents giving notice that benefits will discontinue in ten calendar days.
- If, at the end of the ten calendar days, no documents have been received (or inadequate documents have been received), change the child(ren)'s status to paid and send notice that this has been done (notice of adverse action).
- Run Direct Certification on October 31 to determine how many SNAP eligible children attend your schools.
- Complete the Verification Report no later than November 8 and contact the State agency; this is one week prior to the due date and gives time for the school to correct any errors on the report.
- Retain all verification documents in a separate file (including copy of the original approved application with appropriate signatures, copies of all letters sent to families, information received from families, Direct Certification records, and any other pertinent verification information).

- Contact the State agency often to ensure that the steps are being carried out timely and correctly.
- Please contact SA Financial Specialist Melissa Cook if verification questions arise at macook@sde.idaho.gov or 208-332-6830.

Due Date for CAP Completion: February 27, 2018

Corrective Action Response: On February 14, 2018, a CAP was uploaded; the SA Financial Specialist confirmed the CAP was acceptable. On February 21, 2018, a certificate showing completed online verification training was uploaded into MyIdahoCNP.

Finding 2 Certification and Benefit Issuance

The SA identified the following benefit issuance errors:

- One application (two students) was determined incorrectly (not all income information noted on the application was included in the calculation of benefits) resulting in a reduction of benefits from reduced to denied/paid status. Update the benefit issuance list and notify the household of the reduction in meal benefits (see SA notification letter template in Download Forms).
- One application (two students) noted seven in the household, but only six names were listed. Contact the household and complete the application (request income information if an additional household member is added); determine the application and proceed with updating the benefit issuance list and sending a notification letter as applicable.
- One application (two students) was missing social security information so is considered incomplete. Contact the family to obtain social security information.
- Ten students had last school year's meal benefit status continue this school year, past the 30-day carry-over period. If a student does not qualify for benefits in the current school year and the carry-over period has ended, the meal status must be changed to paid meal benefits. During the carry-over period, if the household provides information (or if the student is directly certified) the most recent information is used to determine the meal benefit status.
- Three students may be on the homeless and migrant list so would qualify for free meal benefits, but the list on file does not include adequate identification information. Contact the liaison for a certified, signed list of qualifying students. If the students are on the list they would receive free meal benefits; if the students' names are not on the list, they must be changed to paid status.

Corrective Action: See corrective action as described above. If student benefit status changes, update the benefit issuance list and send notification letters as applicable.

Due Date for CAP Completion: February 27, 2018

Corrective Action Response: On the day of SA review, the Food Service Director contacted two households and completed the applications by adding an additional household member's name to one and the required social security information to the other. The remaining corrective action documents and information were provided to the SA by February 21, 2018.

Based on the administrative error of 22.62% associated with certification and benefit issuance, the SFA will be required to conduct a second review of applications beginning school year 2018-19, 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. Depending on the outcomes of this second review, the SFA may be required to complete this process until the next administrative review. A Second Review of Applications Report will need to be filed as well while this requirement is in place. Please reference the Independent Review of Applications section in the Eligibility Manual, a copy of which is available in MyIdahoCNP Download Forms.

Fiscal Action

Due to a benefit issuance error rate of 22.62%, fiscal action resulting in \$1,364.54 will be withheld from future claims for reimbursement.

Commendations

- The Food Service Director seemed motivated to follow USDA regulations and made changes while the SA was on-site.
- The lunch meal was aromatic and had a beautiful-looking, fresh salad.
- Food Service staff interacted very pleasantly with the students and the students in turn, said "yes, please" and "no, thank you" in response to questions about food component selection.

Technical Assistance (TA)

Certification and Benefit Issuance

- The SA 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.
- 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.
- Please use the "Official Use Only" section on the Free and Reduced Application to document the date of determination, the date that a notification letter was sent, and to provide appeal rights information (ensure the correct name is listed as the Hearing Official, which for Bliss School District is the Superintendent).
- Error prone applications are applications that document a monthly income within \$100 of the Income Eligibility Guidelines. When determining applications, make note of error prone applications since error prone applications must be a priority when selecting households for verification.
- Direct Certification must occur, at a minimum, at the beginning of the school year, three months after the beginning of the school year, and six months after the beginning of the school year. Best practice is that student names (i.e., a current enrollment list) should be run through Direct Certification every week at the beginning of the school year and/or

as new students are enrolled, so that all the new students as well as any new matches that may be available may be identified. Once the students are identified, the documentation must be downloaded and/or printed and must be saved for three years plus the current year (the 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. The SFA must send a qualifying household a DC notification letter to identify other students in the household that may qualify for free meal benefits as DC household extension. Please make use of the DC notification template letter found in MyIdahoCNP under Download Forms. The Food Service Director printed a copy of the letter template while the SA was on-site.
- 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 applications; the SFA must use the most recent meal qualification information. Failure to reapply during the carryover period is not a denial of benefits for the current school year. LEAs are not required to notify families or send reminders. A notice of adverse action is not required as eligibility was not established for the current school year. (7 CFR 245.6)
- Visit the Idaho State Department of Education (SDE) Child Nutrition Programs Resource Center webpage training portal to access online trainings including Application Determination and Benefit Issuance.
- The SA directed the Food Service Director to the Idaho School Nutrition Reference Guide on the SDE website and navigated the site to illustrate the helpful resources available.

Verification

- Keep a separate verification file as a place to retain copies of the applications selected for verification (select from error prone first), any DC documentation, household pay stubs or other income documents, as well as copies of letters and/or communication with the household.
- After performing verification of Free and Reduced Applications, the Verifying Official should complete and sign the "Official Use Only" box. Verification must be in line with requirements outlined in 7 CFR 245.6a.
- Food Service Director states that the SA letter templates were used for verification, but no copies were kept. The Food Service Director was reminded to retain copies of all letters sent to households and to make notes on applications to document information obtained from the household via conversation; include: the date, the name of the household member spoken with, the information collected, and the initial of person who collected the information.
- Ensure notification letters inform households of who to contact with questions (the district NSLP Determining Official) as well as who to contact regarding an appeal (the NSLP Hearing Official). The Determining Official was listed on the notification letter template as the Hearing Official.

Civil Rights

- Please update your non-discrimination statement to the correct USDA non-discrimination statement available at the State agency website. The short non-discrimination statement reads, "This institution is an equal opportunity provider" and is for use on documents one page (front and back) in length. For documents longer than one page, use the full non-discrimination statement. The Food Service Director updated the menu template with the short statement while the SA was on-site.

Meal Components and Quantities

- Independent contractor Steffanie Sandoval conducted the menu analysis for the review week (January 8-12, 2018) and provided the following TA:
 - Ensure all vegetable subgroup requirements are met over the course of the week. Legume vegetable subgroup was missing. Add $\frac{1}{2}$ cup serving of beans to the menu to meet the legume vegetable subgroup minimum weekly requirements for the K-8 and 9-12 age grade groups. Frito pie served on Monday, Jan 8, 2018, could have credited towards $\frac{1}{4}$ cup of beans and legumes, but then the menu would be missing the meat/meal alternate (m/ma) for the day. Another vegetable was offered with this meal and could credit as the vegetable component for the day.
 - Ensure chips are whole grain rich to credit toward grain component in meal pattern. Frito chips were not whole grain per the fact sheet provided by the company. Consider offering whole grain nacho chips instead.
 - Advised changing Frito pie to: 1 oz cooked credible ground beef + 1 oz cheese = 2 oz m/ma, $\frac{1}{2}$ cup of beans of choice (e.g., black, kidney, or refried) = $\frac{1}{2}$ cup beans/legumes needed for the week, and 2 oz of whole grain chips (e.g., whole grain tortilla chips) = 2 oz grain eq. needed for that menu day.
 - Beans/peas (legumes) may be credited as either m/ma or as a vegetable. It is up to the menu planner to determine how legumes are credited each day and to note this on the production record.
 - Ensure proper portions and crediting of whole grains. A $\frac{1}{2}$ ounce of granola served at breakfast on one day was being credited toward meeting USDA meal pattern requirements as 1 ounce equivalent (oz eq). However, $\frac{1}{2}$ ounce of granola actually credits as $\frac{1}{2}$ oz eq whole grain. Please make use of Exhibit A when crediting whole grains; 1 ounce or $\frac{1}{4}$ cup of granola credits as 1 oz eq grain.
 - Keep product formulation statements, CN labels, ingredient labels, USDA food facts, standardized recipes, etc. for all food items on the menu for proper crediting and documentation.
 - Completely fill out production records every day for breakfast and lunch. Some production records were missing serving sizes. Other lunch production records reflected $\frac{1}{2}$ cup of vegetables offered to all students, but $\frac{3}{4}$ cup for the K-8 age grade group and 1 cup for 9-12 age grade group of vegetables must be available to meet the USDA meal pattern. Food service staff said they offer salads each day, which would provide adequate vegetable amounts to meet the meal pattern guidelines; however, the salad bar must be reflected on the production records to document compliance (students only need to take at least $\frac{1}{2}$ cup of vegetables or fruit plus two

other components for a reimbursable meal at lunch). Lunch production records showed $\frac{1}{2}$ cup of fruit offered to the 9-12 grade students, but 1 cup must be offered to meet the USDA meal pattern. Food service staff said they offer $\frac{1}{4}$ cup of dried fruit or the students could take an extra $\frac{1}{2}$ cup serving of fruit; this information must be reflected on the production records to document compliance.

Offer vs Serve (OVS)

- The contractor observed that food service staff would benefit from ongoing Offer versus Serve (OVS) training in addition to the required annual OVS training. They appeared confused regarding the required components needed at each meal, including the need for three food items instead of three food groups at breakfast. At lunch, it appeared they thought students needed to take four components instead of three components (one must be at least $\frac{1}{2}$ cup fruit or vegetable). The Food Service Director was reminded that OVS training is available at the SA online training portal.

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. The district's wellness policy notes a review date of September 11, 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 (included).
 - 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 (policy states the Superintendent shall designate, but no designation by title or name included).
 - 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 (still need measurable goals; was mentioned in last review as TA).
 - 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 (mentioned).
 - Identifying nutrition standards for non-sold foods and beverages available during classroom and school celebrations (mentioned).
 - 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 (not included).
 - 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 (not fully included).
- Identifying a way to share the wellness policy content and implementation with the public (February 13, 2012 policy posted).
 - The SA provided wellness policy materials. For more information regarding local wellness policies, please visit the SDE Child Nutrition Programs School Wellness webpage.

Smart Snacks

- As per 7 CFR210.11, the school should have knowledge of and keep a written record of (track) food sales that occur within the school day, but outside of food service. Only foods sold in school and intended for consumption during the school day (from midnight until 30 minutes after the end of school) fall under Smart Snacks regulations. Information and resources, including a sample site tracking form, can be found at the SA Child Nutrition Programs Smart Snacks webpage.
 - Bear Factory cookies are sold every Thursday for consumption after school. Students purchase the cookies during the school day, but do not get cookies until after school before getting on the bus. Students are not allowed to eat on the buses, so the students may consume the cookies 30 minutes after the school day has ended. The Superintendent states they used to sell cookies every day during the school day, but changed due to Smart Snacks regulations.

Food Safety

- 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)). (Grape Tomatoes) 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).
- A food safety manual was located in the kitchen. TA given that the SFA should customize it to reflect the needs of the kitchen. All staff should be trained on HACCP procedures to insure the service of safe food. (7 CFR210.13(c))

Professional Standards

- The United States Department of Agriculture has established minimum Professional Standards for school nutrition professionals who manage and operate the National School Lunch and School Breakfast Programs, effective July 1, 2015. The standards provide annual training requirements for all school nutrition professionals. It is required that some form of documentation be kept on file to show Professional Standards compliance; options include the FNS online tracking tool at the USDA website and two Professional Standards tracking resources available in MyIdahoCNP under Download Forms.

- Ensure the training log includes applicable key codes and topic areas; the SA provided professional standards links and guidance.

Reporting and Recordkeeping

- Food service records must be maintained for three years plus the current year in order to document compliance with program regulations.

Resource Management

- USDA Foods (formerly known as commodities) must be noted as revenue and expense journal entries in the Fund 290.

Procurement

- A separate NSLP procurement review was completed by Keddington & Christensen, LLC; please follow the guidance provided and ensure your procurement procedures are in compliance with federal regulations.

Your review is now closed.

Total fiscal action of \$1,364.54 will be withheld from future claims for reimbursement. Should you wish to appeal any of these findings please follow the appeal procedures found on the State Agency Appeal Procedures document attached to this letter.

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,



Tamara Donovan, RDN, LD, SNS
NSLP Coordinator

cc: Colleen Fillmore, PhD, RD, LD, SNS, Director, Child Nutrition Programs
Amanda Scheer, Child Nutrition Director, Bliss School District

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State Agency Appeal Procedures

School Meal Programs – Administrative or Follow-up Review

School food authorities may appeal the denial of all or part of a Claim for Reimbursement or withholding payment arising from administrative or follow-up review activity conducted by the State Agency under 210.18 of this part.

The appeal process outlined in 7 CFR 210.18 (p) reads as follows:

1. The written request for a review shall be postmarked within 15 calendar days of the date the appellant received the notice of the denial of all or a part of the Claim for Reimbursement or withholding of payment, and the state agency shall acknowledge the receipt of the request for appeal within 10 calendar days;
2. The appellant may refute the action specified in the notice in person and by written documentation to the review official. In order to be considered, written documentation must be filed with the review official not later than 30 calendar days after the appellant received the notice. The appellant may retain legal counsel, or may be represented by another person. A hearing shall be held by the review official in addition to, or in lieu of, a review of written information submitted by the appellant only if the appellant so specified in the letter of request for review. Failure of the appellant school food authority's representative to appear at a scheduled hearing shall constitute the appellant school food authority's waiver of the right to a personal appearance before the review official, unless the review official agrees to reschedule the hearing. A representative of the state agency shall be allowed to attend the hearing to respond to the appellant's testimony and to answer questions posed by the review official;
3. If the appellant has requested a hearing, the appellant and the state agency shall be provided with at least 10 calendar days advance written notice, sent by certified mail, return receipt requested, of the time, date and place of the hearing;
4. Any information on which the state agency's action was based shall be available to the appellant for inspection from the date of receipt of the request for review;
5. The review official shall be an independent and impartial official other than, and not accountable to, any person authorized to make decisions that are subject to appeal under the provisions of this section;
6. The review official shall make a determination based on information provided by the state agency and the appellant, and on Program regulations;
7. Within 60 calendar days of the state agency's receipt of the request for review, by written notice, sent by certified mail, return receipt requested, the review official shall inform the state agency and the appellant of the determination of the review official. The final determination shall take effect upon receipt of the written notice of the final decision by the school food authority;
8. The state agency's actions remain in effect during the appeal process;
9. The determination by the state review official is the final administrative determination to be afforded to the appellant.

Appeals must be directed to:
Brandon Phillips
Financial Specialist, Public School Finance
State Department of Education
PO Box 83720
Boise, Idaho 83720-0027
(208) 332-6983
E-mail: bcphillips@sde.idaho.gov

USDA Nondiscrimination Statement

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To file a program complaint of discrimination, complete the [USDA Program Discrimination Complaint Form](#), (AD-3027) found online at: http://www.ascr.usda.gov/complaint_filing_cust.html, and at any USDA office, or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by:

- (1) mail: U.S. Department of Agriculture
Office of the Assistant Secretary for Civil Rights
1400 Independence Avenue, SW
Washington, D.C. 20250-9410;
- (2) fax: (202) 690-7442; or
- (3) email: program.intake@usda.gov.

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