



February 9, 2018

Renee Forsman, Superintendent
Cottonwood Joint School District
1916 East Street
Cottonwood, ID 83522

Certified Mail Receipt No. 7013 1710 0000 9755 9535

Dear Ms. Forsman,

On January 23, 2018, State Department of Education (SDE) Coordinators Lynda Westphal and Jennifer Butler conducted an Administrative Review of Cottonwood Joint 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 Prairie Elementary School.

The State agency (SA) would like to commend Lynn Rehder, and the entire staff of Cottonwood 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 – Wellness Policy

A report on the progress towards goals stated in the Local School Wellness Policy must be publicly available. Posting to the school/district website and/or in a school newsletter would support this requirement.

Timeframe for CAP completion: February 7, 2018

Sponsor Response to CAP: A progress report was uploaded into MyIdahoCNP completed on the entire district and a plan to post it to their web site was uploaded.

Finding 2 – Free and Reduced Applications

Two applications needed more follow up on household members and income, and one application was verified incorrectly and corrected prior to the on-site portion of the review.

Timeframe for CAP completion: February 7, 2018

Sponsor Response to CAP: Both applications were corrected while the SA was on site and the meal benefit status did not change. This resulted in an 8.45% error rate.

Finding 3 – Verification

One application was determined and verified as free meal benefit status based on monthly income; however the check stubs provided listed the pay period as every two weeks. When calculating the household income based on every two weeks, the meal benefit changed from free to reduced status. The impacted time period was October 28, 2017, through January 16, 2018.

Timeframe for CAP completion: February 7, 2018

Sponsor Response to CAP: Corrected on January 16, 2018; a list validating their reduced status was provided to reviewers.

Finding 4 – Dietary Specifications

During the week of review for lunch, the fruit offered on December 4, 2017, was ¼ cup and over the course of the week only ¼ cup of beans were served; these are insufficient quantities based on the USDA meal pattern. This non-compliance was a repeat finding resulting in 295 disallowed meals, totaling \$433.75 in fiscal action. Food service staff worked with SA independent contractor Renee Legan, RD, LD, to correct the menus moving forward. The SFA must monitor the fruit quantities and vegetable subgroups so this is not a continued finding.

Timeframe for CAP completion: Completed with contractor prior to on-site portion of review.

Sponsor Response to CAP: The corrections to the menus were submitted to the contractor.

Fiscal Action

Due to benefit issuance errors occurring during the establishment of a Provision 2 base year, fiscal action must be addressed from the beginning of the school year; this amount is \$102.20. Fiscal action was also assessed due to meal disallowances; this amount is \$433.75. Total fiscal action of \$535.99 will be withheld from future claims.

Commendations

- The preparation for the Administrative Review was greatly appreciated. All requested items were uploaded in a timely manner.
- Congratulations to Prairie High School for being awarded \$7,709.04 for a 40-quart mixer as part of a USDA equipment grant. Your initiative in applying for this grant is appreciated and shows your commitment to your students.
- Staff interacted well with students who were polite by saying “no thank you” when declining items.

Technical Assistance (TA)

Certification and Benefit Issuance

- One application was changed due to someone moving out of the household – Technical Assistance given that unless the parent asked for a reduction in benefits, children’s status should remain the same for the entire year. (However, this application was also selected for verification and verified incorrectly, so their status should now remain as reduced.)

Civil Rights

- All documents have the correct short non-discrimination statement; however, the approval letter has the old full non-discrimination statement and must be changed.

Direct Certification

- Direct Certification documentation must be printed or electronically saved for three years plus the current year (the DC system does not save information). Do not discard previous lists when a new list is produced. Also ensure that a current enrollment list is used to run a new list by removing names of students no longer enrolled in the district and adding names of any newly enrolled students.

Food Safety

- The district has one written food safety plan. Cara stated that it is available at both schools. The contractor reviewed the plan located at the elementary school kitchen and determined that some of the policies contained procedures that do not apply to the district. The kitchen manager will begin customizing the plan by revising two of the policies i.e., remove "Sample SOP" and update the procedures to reflect what the kitchen is actually doing. Two revised policies were updated by January 16, 2018.

Dietary Specifications and Nutrient Analysis

- SA contractor Renee Legan, RD, LD, conducted the menu analysis for the review week (December 4-7, 2017) and discovered the following:
 - The lunch production records do not always contain all the required information, the planned portion size is not always clear, and the food component equivalent is not always correct. Cara stated that some of the recipes in NutriKids are old, have not been updated, and the food component equivalents have been calculated incorrectly. Cara will verify that the lunch production records and standardized recipes for the week of January 18, 2018, are in compliance. The documents were uploaded and the contractor verified.
 - Milk substitutions must be nutritionally equivalent to cow's milk unless an allergy statement signed by a recognized medical authority is on file.
 - The school uses the "What's For Breakfast" poster board daily, but some days there are more than four items and a variety of fruits served; therefore, the sign is not clear. Cara will expand the signage explaining what constitutes a reimbursable breakfast meal.
 - The kitchen manager stated that she plans the menu according to the meal pattern but she is not verifying that the menu meets the daily and weekly minimum quantity requirements. The kitchen manager will verify that the lunch menu for the week of January 18, 2018, complies with the meal pattern by running the NutriKids Menu Contribution Report for that week.

Meal Counting and Claiming

- During the review, it was discovered that Pre-K students joined the 3rd and 4th graders for lunch, but were not marked to participate in the program. These PK students were charged the paid student price of \$2.05 for their meals. The PK students are not served a breakfast meal. The SFA identified they weren't aware that PK could participate in the school meal program and have their meals submitted for reimbursement. The SA explained that since the Pre-K students were enrolled in the district they could participate in both NSLP and SBP at their determined eligibility (free, reduced, and paid) and their meals claimed for reimbursement. Since the Pre-K students are comingled with other grades they could follow the NSLP meal pattern versus the CACFP pattern.

Provision 2

- A Provision 2 breakfast Base Year is currently being established (SY17-18) and SA reviewers validated benefit issuance documents and application determination. Please ensure all required Provision 2 documentation, including base year daily meal count records by student name and eligibility, is maintained per requirements.
- Because all breakfast meals are served at no charge to children in Provision 2 schools, the school is no longer receiving payment from households who would normally be paying the reduced price and full price for meals. Therefore, the district may need to make up the difference between Federal reimbursement and meal costs. A school considering Provision 2 must evaluate whether the savings in

administrative costs associated with simplifying meal counting, cash handling, and claiming procedures under Provision 2 offset the costs of providing breakfast to all children at no charge.

- Provision 2 Base Year current percentages are approximately 50% paid, 30% Free and 20% reduced, which is financially unsustainable. The food service will lose a lot of money by continuing the Provision 2 breakfast program. If the district elects to discontinue Provision 2, the free children will continue to receive free meals and reduced children will get breakfast at 0.30 cents. The only change will be the paid children will have to pay for breakfast. Due to the potential financial burden of providing meals at no charge, at least a 65% or higher Free and Reduced percentage (<35% Paid) should be achieved to participate in Provision 2 breakfast. Anything lower may be unsustainable and compound losses over the 4-year cycle.

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](#) and two Professional Standards tracking resources available in MyIdahoCNP under Download Forms in the Professional Standards section.
- The training sign-in sheets kept in the binder listed the topics of the training; however, the number of hours were not listed. Make sure the training sign-in sheets list the number of hours used for training purposes.

Local School Wellness Policy

- The final rule on wellness policies (§210.31) required LEAs to be in compliance by June 30, 2017. The LEA's current LWP, comprised of Policy 113.0 and 325.1, is missing required elements, making it noncompliant. The wellness policy committee must work to get the LWP compliant with the final rule.
- The final rule on wellness policies (§210.31) requires LEAs to conduct an assessment of the wellness policy at least every 3 years, and make the triennial assessment, including progress toward meeting the goals of the policy, available to the public. Posting this assessment to the district's website would meet this requirement.
- For more information regarding local wellness policies, please visit the Idaho SDE Child Nutrition Programs School Wellness website

Procurement (TA provided by independent contractor Keddington Christensen, LLC)

- A separate procurement review was completed by Keddington & Christensen, LLC. No findings requiring corrective action were found, but areas of technical assistance were noted. Please follow the guidance provided in this NSLP Procurement Review and update your Procurement Procedures to come into compliance with federal regulations.

Reporting and Recordkeeping

- Equipment temperatures are recorded each day on the back of the lunch production record. Best practice is to record daily temperatures on a monthly log so that a pattern of changes can be more easily identified. A template monthly log was provided to the SFA.

Resource Management

- Food cannot be given away for free, even if it is only fruits or vegetables. The SFA identified that they have a couple of students who want to only have a piece of fruit at breakfast, so they allow them to take the piece of fruit only and not include the students in the meal count. The breakfast meal is free of charge under Provision 2, and under Offer versus Serve, if the student selects three items, two of which are a fruit, this is a reimbursable meal and can be counted. The SA advised that the students should be encouraged to take a reimbursable meal and deposit unwanted items in the share basket.

Your review is now closed

Fiscal action in the amount of \$535.99 will be withheld from future claims and cannot be disregarded. 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,



Lynda Westphal, MHS, SNS
NSLP Coordinator

cc: Colleen Fillmore, Ph.D., R.D.N., L.D., S.N.S., Director, Child Nutrition Programs
Lynn Rehder, Child Nutrition Director, Cottonwood Joint 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

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- (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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