



March 2, 2018

Gayle DeSmet, Superintendent  
North Valley Academy  
906 Main Street  
Gooding, ID 83330

Dear Superintendent DeSmet,

On February 14, 2018, State Department of Education (SDE) Coordinators Jennifer Butler and TJ Goodsell conducted an Administrative Review of North Valley Academy 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 North Valley Academy.

The State agency (SA) would like to commend MaEllen Lamm, Shawn Tvrdy, and the entire staff of North Valley Academy 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 – Certification and Benefit Issuance

Six application errors (affecting seven students) were identified. Two applications were incomplete, missing household names and income or social security number information. Two applications were calculated incorrectly by not including shown income and one application was determined incorrectly using the income guidelines. One student name was also missing from the homeless list causing a benefit issuance error. These application errors resulted in a 5.15% error rate. Fiscal action will be calculated on these benefit issuance errors. The SFA will need to continue with their currently required second review of applications. Be vigilant in checking the completion of applications before determining them and refine the process for checking benefits against other categorically eligibility lists.

**Timeframe for CAP completion:** Due March 1; completed February 26, 2018.

**Sponsor Response to CAP:** Two letters of adverse action were printed while SA reviewers were onsite, with changes to benefits to be made on February 25. An updated benefit issuance list showing changes to benefits was uploaded along with a newly signed and dated homeless list with the addition of missing students.

*Based on the 5.15% benefit issuance error rate, the SFA will be required to continue to conduct a second review of applications for 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.*

### Finding 2 – Meal Counting and Claiming

An inadequate point of service (POS) was observed for the K-6 lunch. One student from each class would bring a small container of wooden craft sticks with student numbers written on them and set the container on the table near the POS station. The student numbers from the sticks in the containers were then entered into the electronic POS system following meal service. The SFA explained that teachers filled the containers first thing in the morning so recognized that there was a potential error that did not account for situations that might require students to leave school before lunch. The POS should be individualized for each student as they pass through the line. If it is not possible to have an adult monitor the

electronic POS during the K-6 lunch service, then the wooden craft stick method could be used by students placing their stick into the container as they go through the POS at lunch, if monitored by an adult.

**Timeframe for CAP completion:** Due March 1; completed February 26, 2018.

**Sponsor Response to CAP:** A narrative describing a process in which students bring their own wooden craft stick to the cafeteria and place it into a designated container at the POS was uploaded. Teachers were trained on this new process, which began on February 21, 2018.

### **Finding 3 – Professional Standards**

Professional Standards requirements outline tracking procedures for SFA food service staff and documentation must be completed and retained. There is no system in place for tracking training hours to ensure required training hours have been met. The State agency has provided a Professional Standards tracking log, which can be found in the Download Forms section of MyIdahoCNP, that can be used for this purpose. Develop a plan for tracking training hours in order to comply with the Professional Standards requirements, which includes the frequency of the tracking (monthly, quarterly, etc.) system.

**Timeframe for CAP completion:** Due March 1; completed February 26, 2018.

**Sponsor Response to CAP:** A narrative describing the process of certificates being given to the director to track in a spreadsheet and retain as backup was uploaded along with completed tracking logs for the director and kitchen manager listing SY17-18 trainings with applicable backup documentation. The narrative stated a new spreadsheet will be created each school year.

### **Fiscal Action**

Due to benefit issuance errors, fiscal action results in \$56.06 for breakfast and \$164.00 for lunch. Since this amount falls under the \$600 threshold, the fiscal action will be disregarded and no financial adjustment will occur.

### **Commendations**

- The preparation for the Administrative Review was greatly appreciated. All requested items were uploaded in a timely manner.
- Both the food service director and kitchen manager are open to suggestion, willing to learn, and demonstrate a desire to provide the best program possible to students at North Valley Academy.
- The kitchen manager was the substitute worker in November, assuming new duties in January. She actively shows a desire to do the right thing and wants to know best practices along with rules. She was proactive in instructing student workers on the appropriate amounts of required components equivalents to be served to the students in age grade 9 - 12.
- The students in the meal service line are recognized individually by the kitchen manager and students reciprocate with respectful responses of "please" and "thank you" regularly.

## Technical Assistance (TA)

### Certification and Benefit Issuance

- Twelve students were included on the benefit issuance list even though they were no longer enrolled. The SFA indicated their practice was to mark withdrawn students as "inactive" in their software, but did not realize this was not occurring. Training and edit checks should occur on a periodic basis to ensure processes are occurring as expected.
- The Local Education Agency's (LEA) designated homeless liaison is responsible for determining if a student meets the requirements of the McKinney-Vento Act. In order for the SFA to identify a student as eligible for free meals, the student's name must be included on a list signed and dated by the homeless liaison. The SFA and LEA should agree on a process that clearly identifies which students are designated as homeless. That information should be provided in a valid format (date and validating signature) on a periodic basis to the SFA so that students can receive free meals as soon as that information is determined.
- 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. 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, since eligibility was not established for the current school year (7 CFR §245.6).
- The SFA received an application reporting lower income after the household was notified about a denial of benefits for being over the income limits. The SA recommends following up with households on the reasons for the income decrease and implementing "verification for cause" as necessary. According to the eligibility manual, LEAs have an obligation to follow-up when households submit applications with questionable and incomplete information. *SP13-2012 Verification for Cause in School Meal Programs* states that verification for cause may be conducted at any time during the school year.
- When the SFA reviews free and reduced applications for the purposes of determining eligibility, make sure to contact the household for clarification of information that is not legible or clear enough to make a knowledgeable determination. Insure that the application is complete. Compare the number of persons listed on the application with the reported number in the household box. The SFA should include dates of conversation, write household response on the application (the F/R application is the SFA's documentation) and initial for record-keeping purposes.
- The SFA is required to continue conducting a second review of applications based on errors found during the Administrative review. The individual conducting the second review must initial and date the back of the application as documentation that the review occurred in a timely manner.

## Verification

- The SFA completed verification in a timely manner and verified the correct number of applications; however, one applicant did not respond to the initial letter of selection. A second attempt to notify the household prior to reduction in benefits must occur.
  - LEAs must make at least one attempt to contact any household that does not respond or provides insufficient documentation in response to a verification request, in accordance with Section 9(b)(3)(G)(iii) of the NSLA, 42 USC §1758(b)(3)(G)(iii). The follow-up attempt may be through a telephone call, text message, e-mail, mail or in person and must be documented by the LEA. Non-response for verification includes no response and incomplete or ambiguous responses that do not permit the LEA to determine whether the children are eligible for free or reduced price meals, and may result in eligibility changes, as provided for in Section 9(b)(3)(H)(ii), 42 USC §1758(b)(3)(H)(ii) and 7 CFR §245.6a(f).
- The SFA is manually entering all student information from applications onto the Verification Detail Report in order to ensure that the correct numbers of applications are selected for verification. The State agency recommends contacting the Point of Service software provider to inquire about the possibility of extracting student information for use in the verification selection process. The current manual process requires a substantial amount of time and is subject to being error prone with the amount of data being transferred.
- One application selected for verification responded with required documentation; however, when determining the application based on income information provided, the lowest gross amount on both paystubs was used rather than taking an average of the two pay periods. While this did not change the final eligibility results, an average should be used for accurate reflection of actual income.

## Meal Counting and Claiming

- Per USDA Guidance SP57-2016, SFAs seeking reimbursement for an alternate meal must meet the meal pattern requirements. However, SFAs not seeking reimbursement for an alternate meal are not required to ensure those meals meet the meal pattern requirements. Schools providing a non-reimbursable alternate meal should aim to offer an economical meal that reflects FNS' nutritional goals. The costs of non-reimbursable alternate meals may be absorbed by the nonprofit SFA account, the general fund, or other community donations. However, FNS encourages schools to provide a reimbursable meal to all children who want one. Providing children with a "regular" reimbursable meal prevents singling out children with unpaid meal charges, provides children with the nutritional benefits of a reimbursable meal, and ensures the school receives the applicable Federal reimbursement for the meal. To claim an alternate meal that limits choices to lower cost entrées and other components, schools must offer children at least two different types of fluid milk. In addition, a school participating in the Offer versus Serve (OVS) provision must allow children to select up to five food components for the NSLP and four items for the SBP. Alternate meals that allow children to select only three components are not reimbursable. The SFA has a written procedure that identifies a non-reimbursable

meal that would be provided. This procedure was included on the meal charge sheet that was signed off by parents during registration. However, the SFA indicated they do not currently practice giving an alternate meal. A formal charge policy that identifies a reimbursable meal was adopted in November. The SFA will incorporate the new charge policy in their meal charge sheet, which is signed by parents at registration. As the SFA creates their process for next school year, they must consider providing for either a Serve or Offer versus Serve procedure for the alternate meal that meet the requirements in order to claim for reimbursement. Ensure all staff are trained on the policy.

### Dietary Specifications and Nutrient Analysis

- SA contractor Laura Thomas, MEd, RD, LD, conducted the menu analysis for the review week and provided the following TA:
  - Continue to work on accurate recipe crediting. Instruction on how to modify preloaded recipes that are not allowed to be changed in Nutrikids was provided. Also, coaching was provided on using available resources, including the compliance (6 cent) worksheets for menu planning, the food buying guide, and pre-planned production records that can be combined into weekly menu options.
  - Ways to use standard pre-planned menus and production records for two-step process in completing production records.
  - Purchase reduced fat sour cream to stay within calorie limits.

### Food Safety

- Frozen raw meat products should be moved to the bottom shelf of the freezer to avoid cross contamination should the freezer malfunction. This might help the SFA avoid unnecessary food waste.
- Milk placed on service line during the elementary meal service should be returned to the milk cooler to ensure proper temperature is maintained prior to meal service for older age grade groups. An ice pack could also assist in maintaining milk temperatures.
- The share table is located in an area near the trash cans at the back of the cafeteria. State agency advises placing a receptacle with an ice pack on the share table so that milk retains proper temperature. The SFA may want to consider moving the share table further away from the trash cans.
- SA contractor Laura Thomas, MEd, RD, LD, provided the following TA:
  - Update written food safety plan (HACCP) with dates and signatures for implementation and review. Cross out or remove SOPs for processes not used, such as transporting food to remote sites, so the manual is customized to reflect the actual needs of the kitchen. All staff should be trained on HACCP procedures to insure the service of safe food (7 CFR §210.13(c)).
  - The most recent food safety inspection report must be posted in a location visible to the public (7 CFR §210.13(b)). The current spot above the serving bar is not readable from that location by adults or children.
    - *Inspection report was moved prior to the SA onsite review.*

- Consider acquiring additional thermometers, ICN online food safety training resources, and other implementation tools for food safety plan.
- Record all food storage temperatures on logs, including dry food storage. This ensures food is stored within recommended temperature ranges for food safety and this standard helps ensure food quality (7 CFR §210.13(d)).
- Food items must be stored at least 6 inches off the ground. Move boxed food items in upstairs storage area off the floor. Some items may not be in current menu cycle or older inventory and should be discarded if unused.
- Discard outdated foods (2 cans of yams with a 2012 use by date) that will not be used for the program. Foods that are safe to consume can be donated to a 501c3 private non-profit organization.

### **Local School Wellness Policy (LWP)**

- The final rule on wellness policies (7 CFR §210.31) required LEAs to be in compliance by June 30, 2017. The LEA's current LWP was adopted November 7, 2017, but is missing required elements making it noncompliant. The wellness policy committee, comprised of a variety of supporters, must continue to work to get the LWP compliant with the final rule. Please refer to the Idaho Wellness Policy Progress Report and review comments completed by the SA to identify the missing elements to be addressed.
- The final rule on wellness policies (7CFR §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**

- A separate procurement review was completed by Keddington & Christensen, LLC. on December 11, 2017. No findings requiring corrective action were found, but three areas of technical assistance were noted. Please follow the guidance provided in this NSLP Procurement Review and bring the Procurement Policy into compliance with Federal Regulations.

### **Your review is now closed**

The fiscal action resulting from this review will 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,



Jennifer H. Butler, M.Ed., S.N.S.  
NSLP Coordinator

cc: Colleen Fillmore, P.h.D., R.D.N., L.D., S.N.S., Director, Child Nutrition Programs  
MaEllen Lamm, Child Nutrition Director, North Valley Academy

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