



December 12, 2017

Jeff Cirka, Superintendent
Potlatch School District
510 Elm Street
Potlatch, ID 83855

Mail: Certified Receipt #7013 1710 0000 9755 9498

Dear Superintendent Cirka

On November 6, 2017, State Department of Education (SDE) Coordinators Jennifer Butler and Lynda Westphal conducted an Administrative Review of Potlatch School District for the following United States Department of Agriculture (USDA) programs:

- National School Lunch Program (NSLP)
- School Breakfast Program (SBP) – Operating the free Provision 2 breakfast option
- Afterschool Snack Program (ASSP)
- USDA Foods

The site reviewed was Potlatch Jr.-Sr. High School. Since ASSP claims had not been submitted for the Jr.-Sr. High School, the ASSP at the elementary school was also reviewed.

The State agency (SA) would like to commend Tammy Deerkop and the entire staff of Potlatch 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 – Certification and Benefit Issuance

Benefit issuance errors were discovered that required correction. These errors resulted in an 11.63% error rate. Based on the administrative error of 11.63% 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.

CAP: Obtain missing information on incomplete applications. Send notice of adverse action to household affected by a decrease in benefits due to incorrect calculations and benefit issuance. Upload the corrected applications, letters of adverse action, and updated benefit issuance list into MyIdahoCNP for SA review.

Timeframe for CAP completion: November 21, 2017. Extension granted until December 7.

Sponsor Response to CAP: Complete and corrected applications, household notices, and an updated benefit issuance list were uploaded by November 21, but errors requiring correction were identified. Eligibility dates did not consistently align with the changes of benefits. It is recommended that the SFA work with their software vendor to ensure understanding of how to enter and update data accurately and how the various data elements of student benefits impact claim reports. The final updated benefit issuance list was uploaded on December 7.

Finding 2 – Counting and Claiming

The October 2017 breakfast claim was inaccurate for the elementary school because the total lunch meals were incorrectly entered as the breakfast claim total. The October lunch claim eligibility totals did not match the Point of Service (POS) software claim total/edit check report for both sites. The elementary ASSP claim included four days with an inadequate portion of fruit juice resulting in non-reimbursable snacks being claimed. On the day of review, the SA observed four non-reimbursable breakfast meals served that were counted at the POS.

CAP: The SA will calculate the claim errors and provide a fiscal action total.

Timeframe for CAP completion: N/A; SA will calculate the over claim as fiscal action.

Sponsor Response to CAP: On November 27, 2017, the SFA resubmitted their October claim with a corrected breakfast total. The SA elected to proceed with processing the corrected claim. This over claim difference of \$859.81 will be separated from the fiscal action total from benefit issuance errors, lunch claim discrepancy, and the ASSP over claim.

Finding 3 – Afterschool Snack Program (ASSP)

The SFA must conduct a self-review of each afterschool snack operation twice per year: the first during the first four weeks that the afterschool snack program is in operation each school year; and the second prior to the end of the program during the school year. The first afterschool

snack review must be conducted for the high school (the elementary school was reviewed by the SFA on October 16, 2017).

CAP: Upload a copy of the completed ASSP review form for the high school.

Timeframe for CAP completion: November 21, 2017.

Sponsor Response to CAP: The SFA uploaded a copy of the completed ASSP review form for the high school completed on November 16, 2017.

Finding 4 – Afterschool Snack Program (ASSP)

The afterschool snack program (ASSP) requires a $\frac{3}{4}$ cup fruit/vegetable serving to count in a reimbursable snack. The high school had several days with only a $\frac{1}{2}$ cup juice serving and therefore cannot be counted as a reimbursable snack. Production records for the high school snack program are not being completed with a planned menu. The daily attendance records indicate an average of three snack items being selected by students; it was later discovered that staff was attempting to implement OVS for the ASSP, which is not applicable. Some students are only selecting one item for the snack, but it is not always consistently marked as non-reimbursable. A pricing program is required at each school, but no payment is being received for the snacks. September and October ASSP claims were not filed prior to the onsite portion of the administrative review. Claims for these two months of ASSP at the high school will not be allowed due to the program not operating as required.

CAP: Upload a document describing the actions to be taken to ensure that the discussed issues are addressed and explain the process to be followed for planning, tracking, and claiming reimbursable snacks.

Timeframe for CAP completion: November 21, 2017. Extension granted until November 28.

Sponsor Response to CAP: On November 22, 2017, the SFA uploaded an ASSP outline that listed the types of snacks with serving size to be offered. The outline states that the high school ASSP will be run in a similar manner to the elementary school program and the same production record will be utilized. The outline describes that an Excel spreadsheet and daily meal count worksheets with a breakdown of free, reduced, and paid students/snacks will be used. Only two components will be offered and students will need to take both items for a reimbursable snack. The superintendent and those serving and overseeing the ASSP agree to the statements included in the outline.

Finding 5 – Professional Standards

Effective July 1, 2015, Food Service Directors must have at least eight hours of food safety training, either not more than five years prior to their starting date or completed within 30 days of their starting date. Upload a training certificate indicating successful completion of at least eight hours food safety training.

Timeframe for CAP completion: November 21, 2017. Extensions granted until November 28, November 30, and then December 4, 2017.

Sponsor Response to CAP: The Institute for Child Nutrition certificate of completion for 8 hours training was uploaded on December 4, 2017. Website difficulties contributed to the delay in course completion.

Fiscal Action

Due to benefit issuance errors, claiming errors, non-reimbursable meals, and ineligible snacks, fiscal action results in \$1898.04. However, since the district resubmitted an adjusted October breakfast claim at the elementary school, the over claim of \$859.81 will be deducted from the fiscal action amount resulting in \$1038.23 to be withheld from future claims. Following is a breakdown of the fiscal action totals:

- October NSLP claim due to benefit issuance errors: \$861.72
- November NSLP claim due to benefit issuance errors: \$128.48
- October elementary SBP claim due to data entry claiming error: \$859.81
- November high school SBP claim due to SA observation of four non-reimbursable meals: \$6.27
- October ASSP claim due to four days of ineligible fruit portion: \$41.76

Commendations

- Good practice of advertising a monthly meal price for 20 lunches, so that families have a goal to pre-pay for meals each month.
- Selected sample of applications were organized and ready for SA review.
- Staff was pleasant and does an excellent job of interacting with the children during breakfast and lunch.

Technical Assistance (TA)

Certification and Benefit Issuance

- When applications are received, ensure they are fully complete. If they are not, notify the household immediately regarding the missing information. These applications should be considered denied as incomplete until all required information is obtained.
- Medicaid benefits do not automatically qualify students for free school meals.
- The designated Homeless Liaison is the only person who can certify a student as homeless. This student's designation must be supported with a date and signature of the designated liaison.

Verification

- Ensure copies of any required follow-up letters and the notices of adverse action are saved in the verification file along with the original notice and any documentation received from the household. It was discovered that last school year's verification file did not include the denial of benefits letter.

Meal Counting and Claiming

- Utilize the POS software to conduct an edit check prior to submitting claims and double check accuracy of submission.

Offer Versus Serve (OVS)

- In SFAs that implement OVS, staff must receive annual OVS training. All staff training needs to include an agenda and sign-in sheet and training documentation must be maintained on file at the SFA for three years plus the current year. OVS online training is available on the State agency website and may be used for training.
- Students refusing to take the three required items for a reimbursable breakfast should be charged a la carte prices for the selected items.
- At lunch, SA reviewer suggested that the fruit and vegetable offerings be placed next to each other at the beginning of the service line to assist staff in monitoring students selecting the required ½ cup minimum portion of a fruit, vegetable, or combination of both.
- OVS does not apply to the Afterschool Snack Program.

Dietary Specifications and Nutrient Analysis

SA contractor Renee Legan, RD, LD, conducted the menu analysis for the review week and discovered the following:

- Menus for ES (K-6) are planned using the meal pattern for K-8 and Jr.-Sr. HS (7-12) are planned using the meal pattern for 9-12. This does not follow the meal pattern requirements for K-5, 6-8, and 9-12. For lunch, use the K-8 meal pattern for K-6 and 7-8. Use the 9-12 meal pattern for 9-12 only. For breakfast, since the 7-12 graders are served at the same time as 9-12, it would be acceptable to serve the same menu as long as over the course of the week, the calorie range did not exceed the allowable total for 7-8 and the minimum ounce equivalents (oz. eq.) for grains required for 9-12 is met.
- A nutrient analysis was conducted to see if the Breakfast Menu for grades 9-12 met the calories and other nutrient specifications for grades 7-8 because grades 7-8 are served and offered the same foods and quantities as grades 9-12.
- The following errors, discovered in NutriKids for the week of review, were fixed while Rene was onsite:
- Serving size for the orange, mashed potatoes, cheese, and hamburger.
- Equivalence for the apple filled churros, chocolate chunk granola bar, oatmeal raisin granola bar, fresh spinach, raisels, turkey & gravy, chili, and refried beans.
- The Chicken Taco Salad and Chicken Fajita recipes were corrected based on Rene's input on adjusting ingredient amounts, serving sizes, and crediting equivalents.
- Apply the new understanding of evaluating and entering accurate serving sizes and ounce equivalences to all menu items.

Meal Components and Quantities

SA contractor Renee Legan, RD, LD, discovered the following at Potlatch Jr.-Sr. High School:

- On the day of review, November 2, 2017, there was only 1.5oz of meat/meat alternate served. The planned menu contained 2 oz. serving of chicken (1.25 oz. eq.) and 1/4 cup cheese (.25 oz. eq.). To meet the meal pattern requirement for 9-12 grades, 2 oz. eq. of meat/meat alternate must be served. The chicken must be increased to a 2.5 oz. (1.75

oz. eq.) serving with 1/4 cup cheese (.25 oz. eq.) for a total of 2 oz. eq. when the chicken taco salad is on the menu.

- On October 12, 2017, only 1 oz. eq. grain was served from the soft tortilla shell. The production record indicates 2 tortillas were planned but only 1 was intended to be served. To meet the meal pattern requirement for 9-12 grades, if only 1 tortilla is to be planned and served, then an additional 1 oz. eq. grain, such as a graham cracker snack, must be served with the chicken fajita taco menu. The production record needs to accurately reflect what is planned and served.
- Juice is not always part of the Jr. - Sr. High School breakfast menu, production records, and nutrient analysis. Beginning November 6, 2017, juice will be included on the Jr.-Sr. High School breakfast menu and production records when served.
- The ounce equivalences are not always calculated correctly. Ensure correct calculations are entered into NutriKids.

Food Safety

- Food safety training should be ongoing and all applicable Hazard Analysis and Critical Control Points (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. The manual was last reviewed in 2015 and does not contain a Cleaning and Disinfecting Body Fluid Spills policy as required by Idaho Code.
- Starting July 1, 2018, the Idaho Food Code requires a Person in Charge to demonstrate knowledge of food safety practices by completion of one of the examinations and courses that meets the demonstration of knowledge requirements in Section 2-102.11 of the Idaho Food Code. A list of approved courses can be found on the Department of Health and Welfare website under Food Protection.

Afterschool Snack Program (ASSP)

- Two items, from two separate components, in the appropriate serving sizes are required for a reimbursable snack.
- Fruit/Vegetable serving size is ¾ cup minimum.
- Daily production records are required for the ASSP.
- A self-review of each ASSP operation must be conducted twice per year: the first during the first four weeks that the afterschool snack program begins each school year; and the second prior to the end of each school year.

Civil Rights

- The menu includes the old short non-discrimination statement. The current short non-discrimination statement is, "This institution is an equal opportunity provider." Update all documents to include the correct USDA non-discrimination statement.
- Ensure a Civil Rights complaint log is started and kept for each school year. The log should be dated to show the applicable school year. If no complaints were received, best practice is to write "No complaints" on last year's log and keep this on file (three years plus the current year) as documentation of no complaints.

- Maintain a Civil Rights binder or folder up-to-date with all required information in a location known to food service staff. The required information includes a complaint log, the complaint handling procedures, and complaint forms. The SFA's procedure for receiving and processing Civil Rights complaints should ensure all complaints associated with Child Nutrition Programs are forwarded to the State agency within three (3) working days (CFR210.15(a)(6)).
 - Complaint procedures and complaint logs from the SA website were printed while reviewers were onsite and will be added to the Civil Rights documents for both school sites.

SFA On-Site Monitoring

- According to 7 CFR 210.8 (a)(1) and 7 CFR 220.11 (d)(1), each SFA with two or more feeding sites must perform no less than one on-site review of the meal counting and claiming system and the readily observable general areas of review identified under 7 CFR 210.18(h) in each school operating NSLP, and 50% of schools operating SBP under its jurisdiction prior to February 1, each school year.
 - Although a review was conducted at both school sites in October 2017, an old review form, missing required information was used, and the meal service reviewed was not identified. A lunch review for both sites, as well as, a breakfast review for one of the sites (50%) must be conducted on the current form by February 1, 2018.
 - While onsite, SA reviewers assisted in locating and printing the new form and completing the top portion. It was determined that the elementary school will be the site to receive the breakfast review for SY 17-18.

Local School Wellness Policy (LWP)

- The final rule on wellness policies (§210.31) required LEAs to be in compliance by June 30, 2017. The LEA's current LWP (adopted on August 8, 2013 and last reviewed on May 8, 2014) is missing required elements, making it noncompliant. The wellness policy committee must work to get the LWP compliant with the final rule.
 - The LEA revised their policy on November 15, 2017.
- 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.

Smart Snacks

- As per 7CFR210.11, 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. This includes fundraisers. 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. Smart Snacks information and resources, including a sample site tracking form, can be found at Idaho Child Nutrition Programs Smart Snacks website.

- Schools must meet the minimum requirement in 7 CFR 210.11, for all foods and beverages sold in school (also known as Smart Snacks in School) to increase consumption of healthful foods during the school day and support a healthy school environment. The Jr.-Sr. High School did not have any vending machines, but the Business Professionals of America (BPA) teacher sells snack foods from her classroom. Those foods need to comply with the specific Smart Snacks nutrition standards and documentation indicating compliance must be retained.
 - Non-compliant suckers were sold. Outdated marketing material was retained that indicated compliance, but marketing material cannot be used to determine compliance. These sucker sales must be tracked as a non-compliant fundraiser limited to 10 times during a school year.
- The Smart Snacks calculator is a tool to evaluate food items compliance and provides a report that can be used to support compliance. This calculator is located on the Alliance for a Healthier Generation website.

Reporting and Recordkeeping

- Old forms are being utilized for Civil Rights, Onsite Reviews, and ASSP Reviews. Please ensure that all forms are updated so that current requirements are met.
 - While onsite, SA reviewers assisted in locating and printing the new forms.

Procurement

- A separate procurement review will be completed by Keddington & Christensen, LLC. Please follow the guidance they provide.

Special Provision Options

- Provision 2 Base Year (SY15-16) benefit issuance was previously validated by the SA on September 28, 2016. The retention of all required Provision 2 documentation was confirmed during the administrative review. Daily meal count records by student name and eligibility are printed out, as well as maintained on a thumb drive. All other Base Year records are kept in a file cabinet at the elementary school in drawers labeled SY15-16.
- Consider consolidating Provision 2 base year records and separating them from other school years' records to ensure they are maintained for the entire duration that the school operates Provision 2 under the current SY15-16 base year.
- The current Provision 2 cycle expires at the end of SY18-19. If you wish to continue with Provision 2 breakfast, you must contact the SA prior to the expiration date to see if you qualify for an extension.

Your review is now closed

Fiscal action results in \$1898.04. However, since the district resubmitted an adjusted October breakfast claim at the elementary school, the over claim of \$859.81 will be deducted from the fiscal action amount resulting in a total of \$1,038.23 to be withheld from future claims. 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
Tammy Deerkop, Child Nutrition Director, Potlatch School District

This institution is an equal opportunity provider.



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

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, sex, disability, age, or reprisal or retaliation for prior civil rights activity in any program or activity conducted or funded by USDA.

Persons with disabilities who require alternative means of communication for program information (e.g. Braille, large print, audiotape, American Sign Language, etc.), should contact the Agency (State or local) where they applied for benefits. Individuals who are deaf, hard of hearing or have speech disabilities may contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

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.

THIS INSTITUTION IS AN EQUAL OPPORTUNITY PROVIDER.