



February 23, 2018

Greg Lowe, Superintendent
Wendell School District
150 East Main
Wendell, ID 83355

Dear Mr. Lowe,

On February 15, 2018, State Department of Education (SDE) Coordinators Teresa Goodsell and Jennifer Butler conducted an Administrative Review of Wendell School District for the following United States Department of Agriculture (USDA) programs:

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

The sites reviewed were Wendell High School and Wendell Elementary School implementing ASSP and FFVP.

The State agency (SA) would like to commend Bernadette Chandler, and the entire staff of Wendell 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

The State agency letter for notifying families that their student is Directly Certified includes information that allows a family to self-report any other student that may be in the household to ensure extended benefits are provided as soon as possible. The current letter used by SFA does not make any mention of the extension of benefits afforded to Directly Certified students and therefore does not provide proper notification of eligibility benefits. Download a copy of the State agency approved Direct Certification (DC) notification letter and submit a plan for using the letter for all students who are Directly Certified in the future.

Timeframe for CAP completion: March 2, 2018

Sponsor Response to CAP: A copy of the State agency approved DC notification letter along with a plan for ensuring that households will be provided the document when students are identified as categorically eligible for free meals was uploaded on February 19, 2018.

Finding 2 – Civil Rights

School Foodservice Authority staff who interact with program applicants or participants (i.e. Cafeteria staff, Free and Reduced Application approval staff) and their supervisors as well as the Hearing Official must have annual civil rights training. Superintendent Greg Lowe is listed as the Hearing Official, so must have annual USDA civil rights training. Krissy Messick is listed as the Confirming Official and must also have training. Training is available on the CNP Resource Center website. Upload a dated sign-in sheet to provide documentation that the Hearing and Confirming Officials received civil rights training.

Timeframe for CAP completion: March 2, 2018

Sponsor Response to CAP: A dated sign-in sheet documenting civil rights training occurred was uploaded on February 19, 2018.

Finding 3 – Professional Standards Training

Offer vs Serve (OVS), HACCP (Standard Operating Procedures/Food Safety) and Civil Rights (CR) staff training must be completed at or near the beginning of each school year annually. Professional standards provide annual training requirements for all school nutrition professionals. Upload a written plan for ensuring that all staff receive annual training on OVS, HACCP and CR at the beginning of the year.

Timeframe for CAP completion: March 2, 2018

Sponsor Response to CAP: A plan to ensure all staff receive annual training for OVS, HACCP and CR, at or near the beginning of the school year, was uploaded on February 19, 2018.

Finding 4 – Resource Management (2018)

An email sent from the SA on February 9, 2018, outlining questions regarding the Child Nutrition Programs detailed Fund 290 for SY16-17 was not addressed prior to the onsite review. As a result, there are several issues that required a response before the Administrative Review can be officially closed. Please provide the requested clarification, further information, and confirmation of understanding in writing.

Timeframe for CAP completion: March 2, 2018

Sponsor Response to CAP: SA held a conference call on February 21, 2018 to ensure clarification to questions was provided to Wendell School District Business Managers. Written responses to all questions along with proposed changes to future practices were received on February 22, 2018.

Commendations

- The Wendell School District, particularly Bernadette Chandler who was named the Local Wellness Policy designee, has done a great job updating the Local Wellness Policy. The policy was recently updated to meet requirements from the final rule by using the Idaho School Wellness Progress Report to assess the policy. The policy was made available for the public on the district website.
- Congratulations on being awarded \$6,256.48 for a steamer at Wendell Middle School as part of a USDA Equipment Grant awarded since the last administrative review. The Initiative required to apply for this grant is appreciated, it demonstrates commitment to your students.
- Staff was very friendly and personable. It was clear that they enjoy their job and positively interact with students.
- The high school kitchen and cafeteria are very clean and organized. Binders were clearly labeled and documents easy to locate.

Technical Assistance (TA)

Certification and Benefit Issuance

- The SFA had an application in the sample pool listing one student and no adults, signed by an adult household member. The adult indicated "1" as the total number of household members. It was discovered that the student is a foreign exchange student and the adult thought they would need an independent application. Exchange students are considered to be a member of the "host household" in which the foreign exchange student resides and a complete household application should be submitted. When uncommon circumstances arise with a specific application, the Food Service Director should discuss with administrators to ensure the application is complete.
- 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, "Verification for cause may be conducted at any time during the school year."

- SFA performed calculations to convert all frequencies to annual incomes. 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.

Civil Rights

- Many of the documents uploaded for review do not have the correct non-discrimination statement. Eligibility Notification Letters, Compliant Forms, etc. Please update your non-discrimination statement to the correct USDA non-discrimination statement available at the State agency website: [USDA Non-discrimination statements](#). The short non-discrimination statement reads, "This institution is an equal opportunity provider." This statement can be used on any one page or less document. The correct long non-discrimination statement must be used on documents that exceed one page in length.

Meal Components and Quantities

- Independent contractor Steffanie Sandoval completed the menu review and provided the following TA:
 - Provided TA on entering the number of planned meals into the NutriKids menu planning software so an accurate weighted analysis information would be generated. Once the planned numbers were entered, the analysis generated more data that are accurate.
 - The hoagie roll for the Trojan Sandwich only credits as 1.75 oz. of grain. The FSD is switching the WG hoagie for a WG croissant, which credits as 2 oz. grains. She will also be adding an additional WG such as crackers or chips to this menu until the new product is ordered to make the menu compliant.
 - The muffin served on Jan 8 only provided 1 oz. of grain. The Food Service Director thought it was equal to 2 oz. grains. The menu was compliant for the day, but the weekly grain component was short by 1/2 oz. The Food Service Director is adding a 1 oz. cheese stick, which can be credited as a grain at breakfast, to the muffin menu until the muffin can be replaced with a larger size, which credits as 2 oz. of grain.

Food Safety

- The food safety inspection was visible to the public, but located in the kitchen area. In order to read the report, an individual would have to enter the kitchen. Moving the safety inspection report to the cafeteria or near the service line would allow convenient access for the public.
 - This was fixed prior to SA onsite review.
- Food safety training should be ongoing, and all applicable HACCP topics should be covered annually. Wendell HS staff signed off on food safety procedures on January 25, 2018.

Verification

- The SFA began the Verification process on September 20, 2017, instead of waiting until October 1. This is an allowable practice; however, it is important to ensure that the number of applications reported on the Verification report is representative of October

1 data rather than the earlier date as this could affect the number of applications that must be included in verification pool.

- When performing Verification of Free and Reduced Applications, the Confirming Official cannot be the same person as the Determining Official (the person who approves the application). There must be another person checking the application prior to sending out the letter for Verification. Verification must be in line with requirements outlined in 7 CFR 245.6a. After determining the results of verification, the verifying official must sign and date in the official use only box.

Meal Counting and Claiming

- The Wendell School District Charging Policy states:
 - "If a student qualified as free/reduced last year, the family has until October 1". The 30-day carryover period must begin with the first day of school and end at 30 operating days so this would not necessarily always be October 1. SA recommends revising the static date of October 1 or removing any reference to the time frame associated with Account Charging practices to avoid potential confusion for households.
 - The policy states, "if a family failed to fill out a free/reduced lunch application or their income has changed since the last time one was filled out, Wendell school district strongly recommends filling out a new application any time during the school year. If a family does not wish to complete the application Wendell school district is not obligated to continue to provide meals without receiving payment". This statement implies that a family whose income changed (due to an increase in income as well as a decrease in income) is to complete a new application. Eligibility determination based on an income application is good for one full school year regardless of an increase in income. SA recommends revising this statement or removing any reference to resubmission of applications to avoid potential confusion for households.
 - The policy also advises a "vegetarian courtesy meal" will be provided. The SFA advises they do not claim reimbursement for this meal, which is comprised of a salad, fruit, and milk. Per USDA Guidance SP57-2016, 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 the singling out of 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 service (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. 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 and determine whether or not the meal will meet the requirements for claim reimbursement. Ensure that all staff is trained on the policy.

Special Provision Options (Provision 2 Breakfast)

- Provision 2 Breakfast Base Year (SY16-17) benefit issuance was previously validated by the SA on August 22, 2016. The retention of all required Provision 2 documentation was confirmed during the administrative review. All records are retained in a box at the high school. The current Provision 2 cycle expires at the end of SY19-20. 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.
- 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 participating in 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. 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.
 - Wendell HS is currently on Provision 2 Breakfast. Their claiming percentages are 51.53 Free, 10.59 Reduced, 37.87 Paid, resulting in a 62.12% F/R, so are close to the threshold, but technically under the SAs recommendation.

Special Provision Options (Community Eligibility Provision (CEP))

- Maintenance of CEP records for SY 14-15 (year used) and SY 15-16 (first year) were validated using April 1, 2015, data. Direct Certification reports for April 1 data have been run each year. The current CEP approval expires at the end of SY 18-19.
- Because all breakfast and lunch meals are served at no charge to children in Community Eligibility Provision (CEP) schools, the schools are 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 district participating in CEP must evaluate whether the savings in administrative costs associated with simplifying meal counting, cash handling, and claiming procedures under CEP offset the costs of providing breakfast and lunch to all children at no charge. Wendell Elementary and Middle schools

are currently operating under CEP. The claiming percentages are based on an Identified Student Population (ISP), which consists of Directly Certified, Homeless, Migrant and Runaway students, established during SY15-16 and due to expire end of school year 2019. During the established base year for CEP the ISP percentages for the ES was 44.65% and MS was 36.85%, meaning the majority of the reimbursement for meals served was calculated at a paid rate which is substantially lower than the free and reduced meal reimbursement rates. Since the base year, the combined ISP percentages for the ES/MS have decreased. The State agency recommends reconsidering the benefit of offering these Provision programs in light of the fact that the Child Nutrition Programs funds have been running at a deficit for multiple years and the district in continuing to offering these programs is ultimately responsible for ensuring that lost reimbursement is covered.

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.

Your review is now closed

There is no fiscal action resulting from this review. 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,



Teresa Goodsell, BS, SNS
NSLP Coordinator

cc: Colleen Fillmore, Ph.D., R.D.N., L.D., S.N.S., Director, Child Nutrition Programs
Bernadette Chandler, Child Nutrition Director, Wendell 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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