



April 18, 2019

Mark Green, Superintendent
Falcon Ridge Charter School
278 S. Ten Mile Road
Kuna, ID 83634

Dear Mr. Green,

On January 17, 2019, State Department of Education (SDE) Coordinators Tamara Donovan and Jennifer Butler conducted an Administrative Review of Falcon Ridge Charter School for the following United States Department of Agriculture (USDA) programs:

- National School Lunch Program (NSLP)
- USDA Foods

The site reviewed was Falcon Ridge Charter School, grades K-8.

The State agency (SA) would like to commend Shannon Puga and the staff of Falcon Ridge Charter School 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:

Finding and Corrective Action Plan (CAP)

Finding 1 Meal Components and Quantities – Lunch

CN Resource completed the week of menu review and provided results to the SFA in a detailed report, which included the following findings:

1. The lunch menu did not meet the minimum weekly requirement for the beans/legumes vegetable subgroup. This is a repeat issue.
2. The lunch menu did not meet the minimum weekly requirement for the starchy vegetable subgroup. This is a repeat issue.

Menus must meet all daily and weekly meal pattern requirements for the specific age-grade group. See additional information below, under Technical Assistance. Per USDA guidance, any repeat menu non-compliance discovered in future Administrative Reviews may result in fiscal action.

Corrective Action:

1. Provide a written statement that the beans/legumes and starchy vegetable subgroup requirements are now met. Include details to describe what specific changes were made to the menu to correct all menu review findings and bring the menu into compliance.
2. Submit any necessary documentation to demonstrate that the menu findings listed under step 1 are now corrected. This documentation may include: production records, nutrition facts labels, Child Nutrition (CN) labels, and recipes. Reference the menu review results report for specific details and suggestions to bring the menu into compliance.

Due Date for CAP Completion: December 12, 2018

Corrective Action Response: Hummus, ½ cup beans, and ½ cup corn were added to the menu for the week to bring the menu into compliance.

Finding 2 Food Safety

The SFA did not have the most recent food safety inspection report posted in a publicly visible location as required; this was technical assistance during the last Administrative Review.

Corrective Action: Post the most recent food safety inspection report in a publicly visible location.

Due Date for CAP Completion: December 14, 2018

Corrective Action Response: The Food Service Director (FSD) communicated that on December 6, 2018, the most recent food safety inspection form was posted outside in school hallway for public viewing. This was validated by the SA during the on-site review.

Finding 3 Certification and Benefit Issuance

Direct certification (DC) needs to be performed at a minimum three times per year to be in compliance with the procedures outlined in 7 CFR 245.6(b), including at or near the beginning of the school year, three months after that, and three months after that to ensure children

receive meal benefits for which they qualify. The SFA performed the first DC matching on October 1, 2018, well after the start of school on September 4, 2018. This delay in matching prohibited qualifying students from receiving free benefits beginning at the start of the school year. This is a repeat issue from the last Administrative Review. The SA provided assistance with uploading an enrollment list and encouraged the FSD to contact the SA in the future for further assistance as needed; the SA DC specialist contact information was provided. Utilize the DC Manual available in Download Forms, the DC topic section in the reference guide, and the trainings available in the CNP training portal.

Corrective Action: Complete the *Application Determination* and *Benefit Issuance* training in the CNP training portal and upload copies of the training completion certificates. Create and upload a written procedure detailing how direct certification matching will be handled to meet USDA requirements.

Due Date for CAP Completion: February 1, 2019

Corrective Action Response: The SFA requested and was granted an extension until February 8, and then February 19, 2019. Training certificates were uploaded and the FSD submitted the following written procedure: *Direct certification will be done at least three times per year, once at or near the beginning of the school year, three months later, and then three months after that. Best practice would be to conduct DC matching once a month, uploading the Nutrikids-generated list.*

Finding 4 Offer versus Serve (OVS)

All line staff must be trained on OVS annually. OVS training is available through the CNP training portal and provides a certificate of completion. All group staff training should include an agenda and sign-in sheet that specifically identifies that "OVS breakfast" and/or "OVS lunch", as applicable, was part of the training agenda. All training documentation should be recorded on the professional standards tracking log and maintained on file at the SFA for three years plus the current year.

Corrective Action: Line and point of service staff (POS) must complete annual OVS training and upload certificates of completion or sign-in training agenda indicating the date and topic covered.

Due Date for CAP Completion: February 1, 2019

Corrective Action Response: The SFA requested and was granted an extension until February 5, 2019. On February 4, 2019, the SFA uploaded documentation showing line staff had received training.

Finding 5 Civil Rights

Ensure the school food service web page and printed materials contain the correct USDA non-discrimination statement (NDS). The NDS is available on the SA website.

Corrective Action: Post the long USDA NDS on the school food service website. Ensure the correct NDS is used on printed materials and web-based materials referencing the food and nutrition programs. Notify the SA when the website has been revised.

Due Date for CAP Completion: February 1, 2019

Corrective Action Response: On January 18, 2019, the long USDA NDS was posted to the school food service website.

Finding 6 Local Wellness Policy

The Local School Wellness Policy must be in compliance with the USDA Final Rule established in July 2016, including the requirement that report(s) on the progress towards goals stated in the wellness policy be publicly available. The final rule requires LEAs (Local Education Agencies) to fully comply with the requirements of the final rule by June 30, 2017. Five ISBA wellness-related policies are posted on the Falcon Ridge website under non-instructional operations, but the current, complete set is not posted so the wellness policy is not in compliance. The SDE wellness web page contains resources, including a model wellness policy. Utilizing current ISBA wellness policy sections and titles including the below would help ensure compliance with wellness policy regulations.

- Policy 2305- Nutrition Services
- Policy 2310- Nutrition Education
- Policy 2315- Physical Activity Opportunities and Education
- Policy 7310- Advertising in Schools/Revenue Enhancements
- Policy 8200- Local School Wellness
- Policy 8210- District Nutrition Committee
- Policy 8230- Nutrition Standards
- Policy 8235- Water Consumption/Water Bottle Policy
- Policy 8240- School Meals
- Policy 8250- Guidelines for Food and Beverages Sales

Corrective Action: Provide a written plan for how and when the wellness policy language will be brought into compliance with Federal requirements, with the goal of compliance prior to NSLP renewal in April 2019.

Due Date for CAP Completion: February 1, 2019

Corrective Action Response: The SFA submitted the following written plan: *Assistant Director Heather McKenna will be in charge of the wellness policy and get that all fine-tuned. Everything will be included as far as all of the policies needed. We will have it taken care of by the March 12, 2019, board meeting.*

Finding 7 Verification

The verification notification letters did not include the correct NDS. The SA has template letters available for use in Download Forms. Ensure updated letters are utilized each year.

Corrective Action: Discard old templates and upload new template letters containing the correct NDS.

Due Date for CAP Completion: February 1, 2019

Corrective Action Response: The SFA requested and was granted an extension until February 8, and then February 15, 2019. On February 14, 2019, Falcon Ridge blank notification letters, using the SA template, were uploaded.

Finding 8 Benefit Issuance

Two benefit issuance lists were in use. Ensure benefit issuance is accurate for all students by having a master benefit issuance list in the Nutrikids software.

1. One application (two students) was incomplete due to a discrepancy with the household number, "five" was written as the total household members, but only three names were

on the application. This application was later selected for verification which should have resulted in the denial of benefits based on gross income documentation provided by the family; the application was not denied because net income was used.

2. One application (one student) was incomplete due to a discrepancy with the household number, "four" was written as total household members, but only three names were on the application. The benefit issuance list noted this student as DC, but there was no documentation to support the DC status.

Corrective Action:

1. Send a notice of benefit change to the household to inform them of the reduction of meal benefit to paid status, giving the household ten days advance notice. Upload a copy of the benefit issuance list generated out of Nutrikids showing the paid status.
2. Contact the household, determine the application, send the household a notification letter, and ensure the benefit issuance list is accurate. Upload a copy of the benefit issuance list generated out of Nutrikids showing the paid status.

Due Date for CAP Completion: February 1, 2019

Corrective Action Response: On the day of SA on-site review, household #2 was contacted and was determined to qualify to receive reduced meal benefits, and notification letters were prepared for both households. The SFA requested and was granted an extension until February 8, 2019. On February 4, 2019, a copy of an updated benefit issuance was uploaded.

Based on the administrative error of 6.38% associated with certification and benefit issuance, the SFA will be required to continue to conduct a second review of applications 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.

Commendations

- Students were served in a warm, friendly environment with many choices, including fresh fruit and vegetable on the serving line.
- All staff members were responsive to answering questions and receptive to suggestions, technical assistance, and corrective action. Excellent positive attitudes.
- Students were polite and courteous; their positive behavior was reinforced by staff.

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.

- 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.
- A household with a student(s) who qualify as DC must receive a DC notification letter requesting the names of other students in the household who would qualify as DC through benefit extension. Please make use of the letter templates in Download Forms.
- Ensure correct income conversion is used when entering students into the Nutrikids software system. Bi-monthly/twice monthly is income multiplied by 24 and bi-weekly/every two weeks is income multiplied by 26. Ensure gross income is used, not net income.
- Verification for cause must be completed when application information is questionable.
- Error prone applications are applications that document a monthly income within \$100 of the Income Eligibility Guidelines. Make note of error prone applications when determining applications.

Verification

- Prior to the Administrative Review, the SA identified that too many applications were selected for verification and required a Verification Report Corrective Action Plan, which was approved on November 15, 2018. Utilize the TA provided by the SA Financial Specialist and contact the SA if you have questions.
- When performing verification, randomly select applications from the identified error prone applications group first.
- The business manager will take on the duty of the confirming official. Both the determining and confirming officials complete the “Official Use Only” box on the free and reduced meal application selected for verification. Once the verification process has been completed and results determined, the verifying official, who can be either the confirming or determining official, must also complete the “Official Use Only” box on the application to indicate the results of verification and sign and date their review. On the verified application, the results were not marked and no date was included with the signature.
- The hearing official is a separate individual with supervisory authority over the other officials that would oversee the hearing process and settle the eligibility if the confirmed original determination is disputed. The hearing official signed the back of the verified meal applications as the verifying official; the hearing official should not be involved in verification.
- When conducting verification, ensure that gross income (not net) is used and recognize the difference between paychecks that are received twice per month versus every two weeks.

Meal Components and Quantities

CN Resource provided the following TA:

- The SFA should utilize and provide staff training as needed and make use of the USDA meal certification worksheets for all menu weeks to ensure compliance with the meal pattern.
- Subgroups of vegetables must be met for each grade group. The ½ cup weekly bean/legumes and starchy vegetable subgroups requirement were not met for the K-5 and 6-8 grade groups.
 - A ¼ cup of baked beans were the only beans/legumes offered during the week of review. Green beans count as “other” vegetables and not towards the beans/legume’s subgroup. Increase the serving size of baked beans to ½ cup for all grade groups on Friday or offer ¼ cup of your choice of beans/legumes to the menu another day, such as garbanzo beans, kidney beans, pinto beans or refried beans.
 - Starchy vegetables were not offered the week of review. Consider offering a starchy vegetable in place of an “other” vegetable. For example, instead of the green beans, coleslaw, cucumbers, or celery try a “starchy” vegetable like corn, green peas, or potatoes (mashed potatoes, baked potatoes, baked potato wedges, etc.). Potato chips do not count as starchy vegetables.
- The documentation provided by Subway for the meat/meat alternate crediting was not an acceptable Product Formulation Statement (PFS). The documentation did not include the calculation details for crediting the meat/meat alternate. The PFS provided by Subway for the bun was complete and acceptable. The *Food Buying Guide* was used to determine crediting for the ham, so the meat/meat alternate contribution could be calculated for the sandwich served this week. Please note that the *Food Buying Guide* does not include crediting information for turkey breast, roast beef, turkey salami, turkey ham, and turkey bologna. If sandwiches are ordered in the future that include these other meat options the meat will not be creditable, unless a complete PFS is obtained from Subway.
- Ensure that CN labels or PFS for processed products are maintained in order to document an item's compliance with the meal pattern. Consider having a folder or a binder to keep labels for all menu items for easy reference when determining menu compliance. The USDA handout "Tips for Evaluating a Manufacturer's Product Formulation Statement" was provided to the SFA.

Offer versus Serve

- When using student helpers, explain portion sizes prior to meal service and ensure understanding by monitoring. The adult cashier at the POS must confirm that a reimbursable meal has been served.

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)). 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). The SFA must keep documentation justifying the limited exception(s); make use of the document available in Download Forms. The out of compliance product observed was bananas.

- Ensure that the food safety plan complies with USDA requirements, all elements of the plan are implemented, and required records are maintained, including recording receiving temperatures of foods.
- Calibrate digital and bimetallic stem thermometers weekly and as needed, such as if dropped. Keep a calibration record.
- The SA noted that an “exempt” food inspection report was posted. The facility should be receiving food inspections twice per year from the local public health department. By July 1, 2018, the newly approved Idaho Food Code required a “Person in Charge” to have passed a test that is part of an Accredited Program (2-102.12 (A)). Please ask the health department about available programs that meet the requirements and decide who will be the “Person in Charge” to take the test / receive the credential.

Resource Management

- USDA Foods (formerly known as commodities) must be noted as revenue and as expense in the CN Fund 290. Please consider a separate detail section in the Fund 290 with a “USDA Foods” description as a revenue line item as well as an expense line item. The SA provided the FD-104 guidance memo as well as instructions on generating the Value of Commodities (PAL) Report. Prior to the day of SA on-site review, the business manager created USDA expense and revenue sections in the Fund 290.
- In SY 2017-18 financials, CN funds in the amount of \$58.73 were used for "Lima Limon" to “take two lunch ladies out on the last day of school after serving time”. SFAs may offer gifts/bonuses/incentives to food service staff provided they are for the purposes of rewarding efficient and reliable performance and are awarded in sound financial judgment. These costs may be allowable under 2 CFR 200.437 and 200.430 as long as the SFA has documented policies to do so and deems such practice to be beneficial for the operation of NSLP. The costs must be reasonable and be applied in a consistent manner to all food service employees, unless the gift is based on individual performance with a documented evaluation criteria. The business manager noted: *We do not have a policy allowing gifts, incentives, or bonuses for our nutrition staff and do not plan on adopting one. Therefore, we will no longer allow our nutrition staff to go out to lunch with funds from our Nutrition Fund 290.*
- The CN program must not subsidize adult meals. Adult lunch prices did not increase to \$3.85 as noted and approved in the application renewal packet and as per FNS instructions; the actual adult meal price charged was \$3.40. The adult meal price was changed to \$3.85 before the SA on-site visit. Ensure the adult meal price is priced appropriately per FNS instructions each school year.

Civil Rights

- A procedure for receiving and processing civil rights complaints must state that all civil rights complaints associated with Child Nutrition Programs are forwarded to the SA within three working days. (7 CFR 210.15(a)(6)) A compliant procedure is located on the SA civil rights web page. This was taken care of on the day of SA on-site review.

Professional Standards

- Training standards apply to all school nutrition program employees, regardless of student enrollment in the school district or size of the LEA. (7 CFR 210.30 Professional Standards Regulations)
 - Directors – must complete at least 12 hours of annual continuing education/training.
 - Staff working an average of at least 20 hours per week - must complete at least 6 hours of annual continuing education/training.
 - Part time staff working less than 20 hours per week - at least 4 hours annual continuing education/training, regardless of the number of part-time hours worked.
- Employee training logs should be filled out completely, indicating all required fields included on the log, on an on-going basis. The log should identify the hire date of the employee as well as how many hours are required per year for their position. Maintaining a current log will identify remaining hours to be completed each year. The SA recommends a training plan be identified at the beginning of the year with a timeline to hold employees accountable to reaching required hours. Ensure that all required annual trainings (Civil Rights, Food Safety, and Offer versus Serve) occur at the beginning of the school year.

Procurement

- Follow guidance provided in the separate procurement review that is scheduled for SY 2019-20.

Fiscal Action

Due to the benefit issuance error rate, fiscal action results in \$138.20. However, since this amount falls under the \$600 threshold, the fiscal action will be disregarded and no financial adjustment will occur.

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 on the State Agency Appeal Procedures document located on [the SDE web page](#).

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, RD, LD, SNS
NSLP Coordinator

cc: Colleen Fillmore, PhD, RDN, LD, SNS, Director, Child Nutrition Programs
Shannon Puga, Child Nutrition Director, Falcon Ridge Charter School

Civil Rights

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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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