



April 11, 2019

Eric Anderson, Superintendent
Valley School District
882 Valley Road, South
Hazelton, ID 83335

Dear Superintendent Anderson,

On February 1, 2019, State Department of Education (SDE) Coordinators Jennifer Butler and Tamara Donovan conducted an Administrative Review of Valley School District for the following United States Department of Agriculture (USDA) programs:

- National School Lunch Program (NSLP)
- School Breakfast Program (SBP); operating Provision 2 breakfast option
- USDA Foods

The site reviewed was Valley School (grades K-12)

The State agency (SA) would like to commend Beth Kelso and the entire staff of Valley 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: Civil Rights 1

The nondiscrimination statement (NDS) must accompany any printed and web-based materials referencing FNS programs. Web pages associated with program operation should list the full USDA NDS with details on participants' right to file a complaint. The full statement is available on the SA website under Civil Rights. It is recommended that a link to the full statement in a variety of languages be included. The recommended link to use is the [USDA Nondiscrimination Statement](#) webpage.

Corrective Action: Post the full USDA NDS on the school food service webpage. Notify the SA when the website has been updated.

CAP Completion: Due February 15, 2019; completed February 15, 2019.

Corrective Action Response: Links to the full USDA NDS in English and Spanish were added to the district's website.

Finding 2: Civil Rights 2

SFA staff interacting with program applicants or participants and their supervisors must have annual civil rights training. A new employee did not have USDA civil rights training.

Corrective Action: Upload a dated sign in sheet to provide documentation that the new employee received the required civil rights training.

CAP Completion: Due February 15, 2019; completed February 7, 2019.

Corrective Action Response: A sign-in sheet for civil rights training was provided.

Finding 3: Offer versus Serve (OVS)

Incorrect implementation of OVS, resulting in non-reimbursable meals being counted, was observed by SA reviewers while onsite. All food service line staff must receive annual OVS training when OVS is implemented. All staff training must 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 training is available through the [Idaho CNP training portal](#) and a training log is available in MyIdahoCNP Download Forms.

Corrective Action: Food service breakfast and lunch line staff must complete the separate breakfast and lunch OVS online trainings in the CNP training portal. Upload certificates of completion for all line staff.

CAP Completion: Due February 15; extended twice; completed February 26, 2019.

Corrective Action Response: Individual training certificates for both OVS at breakfast and OVS at lunch trainings for all line and point of service staff were uploaded.

Finding 4: Revenue from Nonprogram Foods

Under subsection 12(q) of the Richard B. Russell National School Lunch Act and 7 CFR 210.14(f), SFAs are required to ensure that all revenue from the sale of non-program foods accrues to the non-profit school food service account; and that revenue available to support the production of reimbursable school meals does not subsidize the sale of non-program foods. SP 20-2016

Nonprofit School Food Service Account Non-program Food Revenue Requirements

memorandum provides guidance on the revenue requirements including options for assessing compliance to fulfill the requirements in section 206 of the Healthy, Hunger-Free Kids Act of 2010. While reviewing revenue received in SY17-18, it was discovered that the SFA purchased food items and sold them to entities outside of food service. The costs recouped did not include a sufficient markup to cover the cost of the food, labor, storage, and delivery of the products sold. ICN recommends a 38% markup when selling food to any organization outside food service to account for the time ordering, preparing, and/or storing foods. In addition, selling to outside entities should be done with caution if using your tax-exempt status.

Corrective Action: Develop a procedure to adequately apply a cost mark up to all catered/sold foods and for individual a la carte items sold during meal service to cover all costs. Upload this procedure in to MyIdahoCNP. Begin working on the Non-program Food Revenue Tool (NPFRT) and submit the completed tool as part of the SY 19-20 NSLP renewal packet.

CAP Completion: Due February 15, 2019, completed February 13, 2019.

Corrective Action Response: The SFA advised a 38% mark-up will be charged for all goods ordered for entities outside of foodservice, including concessions and catering. These sales will be documented in the daily ledger sheets with invoices and mark-up documentation retained as backup. The SFA is currently working on establishing adequate prices for all a la carte items sold during lunch that will comply with non-program food revenue requirements.

Finding 5: Local School Wellness Policy

In July 2016, the regulations on wellness policies (§210.31) was finalized and required LEAs to be in compliance by June 30, 2017. Although the current policy is dated October 15, 2018, it is missing required elements, making it noncompliant. Missing elements include food and beverage marketing, and triennial assessment and public update requirements. The wellness policy committee must work to get the LWP compliant with the final rule requirements. For more information, please visit [the Idaho SDE Child Nutrition Programs School Wellness website](#).

Corrective Action: Upload a narrative describing the plan for how and when the LWP will be brought into compliance with Federal requirements.

CAP Completion: Due February 15, 2019; completed February 14, 2019.

Corrective Action Response: The LEA will hold a committee meeting on March 21, 2019, to address the LWP. The meeting will be advertised in the March newsletter to invite students, parents, and community members. The updated LWP will be posted to the school website.

Finding 6: Food Safety 1

Food service staff must receive annual training on food safety. This training should cover general food safety considerations, as well as, the SFA's HACCP plan. Due to corrective action required by SA contractor CN Resources, the SFA obtained a complete HACCP plan to be implemented, but has not yet trained staff on the plan. Additionally, due to the food safety

violations observed by SA Reviewers while on-site, as well as the food storage violations identified by CN Resources, all kitchen staff must complete online food safety training.

Corrective Action: Upload an agenda / sign in sheet to document that all kitchen staff has been trained on the site's HACCP plan. In addition, all food service staff must complete the *Food Safety in Schools* training available through the Institute of Child Nutrition (ICN) website and upload certificates of completion.

CAP Completion: Due February 15; extended twice; completed February 26, 2019.

Corrective Action Response: A HACCP manual training sign-in sheet was uploaded along with individual *Food Safety in Schools* training certificates for all kitchen employees.

Finding 7: Food Safety 2

CN Resources identified that the SFA did not have a complete food safety plan that included all of the required sections as specified by USDA. The SFA must ensure that all elements of the plan are implemented and that records are maintained. During the last AR (SY 15-16), technical assistance was provided by the SA that the template HACCP Standard Operating Procedures (SOPs) available from the Institute of Child Nutrition (ICN) should be customized for Valley School. The previously identified lack of a food safety plan was not corrected as instructed.

Corrective Action: Provide a statement that a complete food safety plan has been developed, is readily available, and will be implemented. Additionally, provide the name(s) and title(s) of the SFA representative(s) that will ensure compliance. Provide the following SOPs from the food safety plan: Receiving Deliveries, Washing Hands, and Date Marking Ready-to-Eat, Potentially Hazardous Foods.

CAP Completion: Completed January 28, 2019.

Corrective Action Response: A complete HACCP plan was printed and available at the site. Food service director Beth Kelso will ensure compliance. CNR advised that the SOPs provided were a great start, but recommended visiting the ICN website for additional HACCP information to make the plan more complete. All food items served should be categorized by process approach. Online food safety trainings were recommended.

Finding 8: Food Safety 3

CN Resources observed food storage violations while on-site. The SFA had food that was not dated upon delivery, had food that was not stored at least 6 inches off the floor, and had food that was opened and not dated with date opened. During the last AR, the SA provided technical assistance to store food items off the floor in the freezer and cooler, and consistently date all food with the received by date and the date opened. These previously identified food storage violations were not corrected as instructed.

Corrective Action: Provide a written statement addressing the identified food storage violations and identify who will responsible to ensure compliance.

CAP Completion: Completed January 28, 2019.

Corrective Action Response: The SFA provided a statement that all foods are to be labeled with the proper date of delivery and the date they are opened, and food has been moved to the required heights for storage. Kitchen manager Alex Raney will be responsible to ensure compliance with food storage.

Finding 9: Meal Components and Quantities - Breakfast

Contractor CN Resources conducted the menu review and found that for the week of menu review as well as for the day of review, the breakfast menu did not meet the minimum daily fruit requirement for K-12 at breakfast. Fruit was offered daily, however the required 1-cup minimum portion size was not met due to only one half cup being offered. Increase the serving sizes of fruit to at least 1-cup daily to meet fruit requirement. Consider serving ½-cup fresh, frozen, or canned fruit daily along with ½ cup 100% full-strength juice to meet this requirement. **Corrective Action:** Provide a statement of assurance that all menus will be reviewed to ensure that at least 1-cup of fruit is offered at breakfast daily. Additionally, provide the name(s) and title(s) of the SFA representative(s) that will ensure compliance.

CAP Completion: Completed January 28, 2019.

Corrective Action Response: The SFA provided a statement that they will offer the 1-cup minimum of fruit at breakfast to K-12 daily and have changed their planned portion size from one half to one full cup fruit. Kitchen Manager Alex Raney was identified as the person responsible for compliance.

Finding 10: Meal Components and Quantities - Lunch

CN Resources identified that for the week of menu review, the lunch menu did not meet the 6.5-ounce equivalent minimum weekly requirement for meat/meat alternate for the K-5 grade group. A meat/meat alternate was offered daily, however the reviewed menu only met 6.25-ounce equivalents for the week. The week of review lunch menu also did not meet the minimum ¾-cup daily vegetable requirement. Vegetables were offered daily, however only ½ cup was offered one day for the K-5 grade group.

Corrective Action: Provide a written statement identifying how the weekly meat/meat alternate and daily vegetable requirements are now met.

CAP Completion: Completed January 23, 2019.

Corrective Action Response: The K-5 meat/meat alternate offering was increased so that the minimum amounts were met for the week. The K-5 vegetable serving size was increased to ensure at least ¾ cup is offered to meet the daily vegetable requirement.

Commendations

- Great improvement on free and reduced meal application determination. No application determination errors were identified allowing the SFA to no longer be required to conduct a second review of applications.
- The kitchen manager works very hard and oversees production of many meals every day.

Technical Assistance (TA)

Certification and Benefit Issuance

- Be consistent with practice of writing clarification notes on the application during the determination process. When contacting the household for information, be sure to

include the name of household member who provided the information and sign and date all notes added to the application.

- Ensure the "For Official Use Only" portion of applications is completed by marking the "Categorically Eligible" box for any application submitted for households with students on the State Direct Certification list. This portion should also be signed and include the date of determination.

Verification

- The verifying official (either the determining or confirming official) must sign and date the "For Official Use Only" portion of the application at the conclusion of verification. The results of the process should be marked on the application as well as when the notice letters were sent.

Meal Counting and Claiming

- During the breakfast service, there was some food service staff misunderstanding regarding fruit portions and reimbursable meals. Adult monitoring of reimbursable meals selected by students was inconsistent. SA reviewers observed one student who did not take at least ½-cup fruit so did not have a reimbursable meal, one student received a second meal and was counted twice, multiple students took extra milk and juice, and one or more students took milk without receiving a meal or paying an a la carte price for the milk. A number of students received second servings and non-food service adults were allowed to take sausage patties without paying after the meal ended. To limit over production or unnecessary waste, monitor forecasting using production record information. Consider re-serving leftovers as applicable and within appropriate food safety procedures. Ensure food purchased with food service funds for the school meal program is used to serve students according to USDA regulations.
- During the lunch service, at least two students who went to the salad bar selected only lettuce and ½ cup of fruit; these meals were not reimbursable as only two meal components were selected. Regulations require that a student select at least ½ cup of fruit/vegetable in addition to two full meal components in order to count and claim a meal for reimbursement. It is difficult for adult food service staff to monitor and confirm reimbursable meal selection since the point of service (POS) is a distance away from the serving line and the adult positioned at the salad bar did not confirm that students selected a minimum of three components.

Dietary Specifications and Nutrient Analysis

- Independent contractor CN Resources completed the menu review and provided the following TA:
 - Larger portions, bonus items, seconds should not be offered during breakfast or lunch to keep meals within the established calorie limits.
 - Accurate and complete production records must be kept for the meals produced. The records must be completed throughout meal service and maintained every day. At a minimum, the production records should include the name of the item, the recipe or item number, the portion size, the number of planned portions, the component contribution amount and the number of actual servings. All kitchen

staff should be trained on completing production records so that everyone can complete the records.

- On the production records, the portion size should always be an amount followed by the unit to clearly show what and how much was served. Ex: 1 should have "cup", "each", "ounce", "Tablespoon", etc.
- The results of the menu review were provided to the SFA in a detailed Menu Review Results Report. Recommendations were included to bring all areas into compliance. All menus served within the SFA must meet all daily and weekly meal pattern requirements for the specific grade group. The SFA was encouraged to provide training as needed to ensure compliance. Please note that per USDA guidance any repeat menu findings in future Administrative Reviews, may result in fiscal action.

Meal Components and Quantities

- Independent contractor CN Resources completed the menu review and provided the following TA:
 - The SFA must ensure that all meals counted for reimbursement contain the required components in the minimum portion size required for the specific grade group. The SFA should consider providing additional signage and training to students to make sure they know what is required for a reimbursable meal. The SFA should also provide additional training to POS staff on the requirements of a reimbursable meal. The USDA FNS website can be used for training materials, resources and guidance on the meal pattern.

Offer versus Serve (OVS)

- After all staff has been trained on OVS, consideration should be given to how the service lines could be modified to ensure adequate monitoring of a reimbursable meal. The POS is at the entrance of the cafeteria away from the service lines, so an adult must be assigned at or near the service lines to ensure that all meals are reimbursable in order to be claimed. The salad bar is separate from the other food service lines, and although monitored by an adult, the SA observed at least one student walked away from the salad bar without going to the service lines to get more components to make a reimbursable meal. Students serve the food on the service line with adults present to monitor them and keep serving pans full. However, those adults often have their backs turned as they pull food from the ovens and put empty pans away. During these times, no adult is ensuring students receive a reimbursable meal. The milk cooler is at the end of the service line in a location that cannot be clearly viewed by the adults in the kitchen. No adult monitors to see if milk was selected to complete a reimbursable meal. After discussion and consideration to changes, if no new solution is identified, the SA advises that an adult must stand at a location outside of the kitchen and monitor all meal trays for a reimbursable meal. The SA recommends a location facing the milk cooler where both service lines can be observed.

Civil Rights

- A procedure for receiving and processing civil rights complaints must state that all complaints associated with Child Nutrition Programs are forwarded to the State agency within three working days. Please add this procedure to your civil rights file, a procedure is located on the State agency civil rights web page (7 CFR 210.15(a)(6)).
 - On the day of SA on-site review, a procedure was printed and added to the civil rights folder.

Food Safety and Buy American Provision

- During breakfast service, a student presented his tray for a second helping of sausage. A student worker placed two sausages on the dirty tray, and then a food service employee removed one of the sausages from the student's tray and returned the sausage to the pan to re-serve to another customer. This is a food safety violation and must not be done.
- Kitchen staff was observed doing multiple tasks wearing the same pair of gloves (getting items from the dish room, touching a damp cloth, tucking in the back of a shirt, and hand serving sausages). Instruct employees to wash hands and change gloves when changing tasks. Clean, gloved hands, or proper serving utensils, must be used when serving ready to eat food. Ensure staff understands the following HACCP procedures: personal hygiene, glove usage, and hand washing (CFR210.13(a)).
- Annual and as-needed food safety training must occur and documentation of training (agenda and sign in sheet) must be kept on file for three years plus the current year.
- The SFA should be following the procedures as outlined in the HACCP plan and maintaining all required records.
- SFAs are 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 SFA must have documentation that the domestic product is significantly higher in price or not available in sufficient quantities. Documentation for canned pineapple from Indonesia and Mandarin oranges from China was not available during the AR. Complete and retain the SA's "Buy American Exemption Form" for all food products requiring documentation.

Professional Standards

- Consider implementing a process that ensures the required trainings – food safety, OVS, and civil rights- are conducted at the beginning of each school year and adequately documented. When new employees are hired ensure necessary training is received within the first 30 days.

Local School Wellness Policy

- LEAs must assess their wellness policy at least once every three years on the extent to which schools are in compliance with the district policy, the extent to which the local wellness policy compares to model local school wellness policies, and the progress made in attaining the goals of the local wellness policy. LEAs must make this assessment available to the public.

Resource Management

- The SFA purchased and sold food items to entities outside of food service: bacon and gravy to individuals and hamburger patties and ice cream mix for the concessions sold after school. These non-program food sales are catered items. The non-program food revenue tool (NPFRT) must be completed at completed each year to evaluate compliance. A completed NPFRT will be required during SY 19-20 renewal.
- Ensure that adults are charged for a la carte food items and ensure that prices are adequate by completing the non-program foods revenue tool.
- It was discovered that the SFA is purchasing coffee for kitchen staff with food service funds. This practice must stop. Kitchen staff may elect to establish a separate coffee fund with money contributed by employees for this purpose.

Procurement

- A separate procurement review was conducted by contractors Keddington & Christensen, LLC. This procurement review required corrective action for the SFA to have a procurement policy separate from the policy used by Magic Valley Co-op. The SFA's procurement policy must comply with the requirements identified in 7CFR 210.21. The SFA provided the Magic Valley Co-op procurement plan to Keddington & Christensen, LLC as part of the procurement review. However, during the last AR, corrective action required a procurement policy to be developed. The SFA provided the Magic Valley Co-op Procurement Plan as part of the corrective action. In the May 2016 Administrative Review Closure Letter, the SA wrote, *"This upload will be accepted for the CAP as it signifies that effort are being made toward Valley School District developing a procurement policy. Since each district needs to have its own written procurement policy, it is expected that Valley School District will continue to write its own policy, incorporating all required elements specific to its own district and have it implemented as soon as possible"*. For corrective action, the SFA was required to provide a procurement policy specific to Valley School District.
 - On February 7, 2019, the SFA provided a newly developed procurement policy to the contractors as part of the corrective action for the procurement review. Keddington & Christensen reviewed the policy and found no areas of concern. A State Agency procurement review closure letter was sent on March 26, 2019, following the completion of the required corrective action.

Special Provision Options

- Provision 2 Base Year (SY17-18) benefit issuance was previously validated by the SA on October 3, 2017. The retention of all required Provision 2 documentation was confirmed during the Administrative Review. All required base year records are kept in a clear plastic box with white lid clearly labeled Provision 2. The current Provision 2 cycle expires at the end of SY 20-21. 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.

Fiscal Action

Due to non-reimbursable meals served and counted on the day of review, fiscal action results in \$7.45. 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,

Jennifer Butler, MEd, SNS
NSLP Coordinator

cc: Colleen Fillmore, PhD, RDN, LD, SNS, Director, Child Nutrition Programs
Beth Kelso, Child Nutrition Director, Valley School District

Civil Rights

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To file a program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, (AD-3027) found online at [the USDA website](#), 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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