



April 23, 2019

Kaylene McDonald, School Board President  
Idaho Arts Charter School  
1220 5th St N  
Nampa, ID 83687

Dear Mrs. McDonald,

On January 7, 2019, State Department of Education (SDE) Coordinators Heather Blume and Jennifer Butler conducted an Administrative Review of Idaho Arts Charter School for the following United States Department of Agriculture (USDA) programs:

- School Breakfast Program (SBP)
- National School Lunch Program (NSLP)
- USDA Foods

The site reviewed was Idaho Arts Charter School, Broadmore Street. The State agency (SA) would like to commend Angela Coates and the staff of Idaho Arts 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- Certification and Benefit Issuance**

Student account balances were visible on the computer screen during meal service.

**Corrective Action:** Either find a solution within the software to suppress or falsify the balances or purchase a privacy screen to obscure student view of balances.

**Due Date for CAP Completion:** January 21, 2019

**Corrective Action Response:** The Food Service Director submitted a statement that the settings in Point of Sale (POS) were changed to remove any visible balances during meal service. The system now shows briefly if a student has a low or negative balance without showing the actual amount.

### **Finding 2- Certification and Benefit Issuance**

Three applications require more information before determining if they were approved correctly.

- One application, impacting one student, was denied due to income, but the application included a case number which could have made the student categorically eligible. Although the household was not required to fill out the income portion of the application, they did and listed income over the allowable limit. Call to determine if the case number is current, as neither the child nor the case number were found in the Idaho direct certification (DS) system.
- One application, impacting two children, listed the income frequency in an ambiguous manner noting a monthly income, yet filling in the circle for biweekly. The frequency difference impacts the benefit. Call the family to confirm which frequency is correct and re-determine the application as necessary.
- One application, impacting one student, was incorrectly denied due to a math error at the beginning of the year. However, the child was receiving correct benefits as the child was switched to free the next week when the child appeared on the DC list. (No further action required)

**Corrective Action:** Call the first two households listed and gather the necessary information. As applicable, upload: the corrected applications and updates to the benefit issuance.

**Due Date for CAP Completion:** January 21, 2019

**Corrective Action Response:** On January 21, 2019, the Food Service Director uploaded notes regarding each of the application errors. The updated application and benefit issuance list for the students whose eligibility status changed were uploaded on March 20, 2019.

### **Finding 3- Resource Management**

The Fund 290 indicated a July Payroll transaction described as "Elementary Teacher - 072017" which requires an explanation that the FSA was unable to provide on the day of the SA on-site review. Food service funds may only be used to support employees who actively support the food service program.

**Corrective Action:** Provide documentation to justify the July payroll transfer for "Elementary Teacher" or provide the journal entry that reverses the transaction.

**Due Date for CAP Completion:** January 21, 2109

**Corrective Action Response:** On January 21, 2019, the Food Service Director uploaded the Fund 290 information, which indicated the payroll transfer was actually for food service employees and not an elementary teacher.

#### **Finding 4- Resource Management**

Review of Fund 290 financial documents indicated a charge to Amazon for movie tickets. It was identified that this was a personal expense that was inadvertently charged to the wrong account.

**Corrective Action:** Reimburse the food service account for the charge for movie tickets.

**Due Date for CAP Completion:** Completed January 21, 2109

**Corrective Action Response:** The charge was reimbursed while the SA reviewers were onsite.

#### **Finding 5- 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. The Executive Director is listed as the Hearing Official, so must have the required USDA civil rights training annually. Training is available at the SA website: <http://www.sde.idaho.gov/cnp/civil/>

**Corrective Action:** Upload a dated sign-in sheet to provide documentation that the Hearing Official received the required annual civil rights training.

**Due Date for CAP Completion:** January 21, 2109

**Corrective Action Response:** On January 23, 2019, the Food Service Director uploaded the Civil Rights training sign-in sheet to indicate the Hearing Official completed training.

#### **Finding 6- 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. Idaho Arts Charter School began operating as two sites in SY 16-17 and should have been conducting the required reviews since that time.

**Corrective Action:** Complete the *Online: SFA On-Site Monitoring Review* training located in the training portal and upload a certificate of completion. Upon completion of the training, begin conducting the required reviews to ensure their completion by the February 1 deadline. Retain the required monitoring form for three years plus the current.

**Due Date for CAP Completion:** January 21, 2109

**Corrective Action Response:** On January 18, 2019, the Food Service Director completed the *Online: SFA On-Site Monitoring Review* training and uploaded the certificate of completion.

#### **Finding 7- Professional Standards**

Food Service Directors must have at least eight hours of food safety training every five years. No training certificate was located to indicate such training has occurred. The director intends

to be the designated certified food protection manager for the SFA so plans to meet this requirement this school year.

**Corrective Action:** Upload a narrative describing a plan of action to either complete 8 hours of food safety training via the online training available through the Institute of Child Nutrition or attend a course and complete the required exam to become a certified food protection manager.

**Due Date for CAP Completion:** January 21, 2109

**Corrective Action Response:** The Food Service Director purchased the ServSafe book and scheduled a proctor for the ServSafe Manager test.

### **Finding 8- Food Safety – Buy American Provision**

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. The SFA offers bananas most days, but did not have the required documentation.

**Corrective Action:** Complete the SA's "Buy American Exemption Form" for all products requiring documentation and upload into MyIdahoCNP. Continue to complete and retain this documentation for any applicable foods.

**Due Date for CAP Completion:** January 21, 2109

**Corrective Action Response:** The SFA is working with vendors to confirm all products meet the Buy American standards and/or have the "Buy American Exemption Form". The "Buy American Exemption Form" has been uploaded in regards to bananas. The SFA will continue to communicate with vendors to ensure they inform Idaho Arts when a product is to be purchased outside the United States, so it can be determined if the product is essential for the menu planning.

### **Finding 9- Meal Components and Quantities**

CNR conducted the week of menu review and identified that the lunch menu did not always meet the 1/2 cup daily fruit requirement. A fruit was provided, however the minimum required portion size was not met.

**Corrective Action:** Provide the date that the finding was brought into compliance or the planned date of completion. Provide the name(s) and title(s) of the SFA representative(s) that will ensure compliance. Provide a statement that the SFA will ensure that all menu are planned to provide at least the minimum amount of fruit required. Provide a statement of assurance that the line will be checked daily to ensure at least 1/2 cup of fruit is offered for lunch.

**Due Date for CAP Completion:** January 21, 2109

**Corrective Action Response:** The Food Service Director uploaded the production record for the Healthy Choice Bar and provided the following explanation, "1) On December 13, 2018, our healthy choice bar staff made sure every child had a minimum of 1/2 cup fruit/vegetable serving. 2) Angela Coates (IACS Director) and Kimberly Lord (manager at this site) will ensure that all staff are properly trained on the required minimum serving size for each participating student. 3) I have attached a copy of our standard healthy choice bar production sheet to show

what is offered daily to all students regarding fruit and vegetables. We cut some of the fruit for students ease and realize this reduces the required portion size, but find it allows them to take a variety of fruit without being wasteful. We serve 5 groups of classes and have the opportunity to replenish the healthy choice bar after each group to ensure there is plenty of each choice of fruit and/or vegetable. 4) We will continue to monitor our production sheet daily to ensure sufficient fruit and vegetables are being prepared to allow each student to take at least the required 1/2 cup minimum portions.”

### **Finding 10- Meal Counting and Claiming**

One student, eligible for paid meals, was receiving a "labor" meal at no charge. The SFA identified that the labor meal checkbox was inadvertently checked in the student’s profile causing the student to not be charged for meals. A customer account statement shows the student was not charged for 5 breakfast meals and 23 lunch meals totaling \$67.05. As the household had submitted meal payments, the account has a balance to be used toward the unpaid meals. The SFA unchecked the labor meal box for the student while SA reviewers were on site and will use the current account balance to pay toward the new unpaid balance.

**Corrective Action:** Contact the household regarding the balance on unpaid meal charges and upload a narrative describing what actions have been taken and how edit checks will occur in the future to prevent similar issues.

**Due Date for CAP Completion:** January 21, 2109

**Corrective Action Response:** The household was notified of the student meal benefit error and \$67.05 was withdrawn from the student’s account to cover the cost of the breakfast and lunch meals. Daily meal count printouts will now be reviewed daily as an edit check to ensure students are charged appropriately.

### **Commendations**

- Thank you for such a well-written and thought out wellness policy! It is a benefit to your students to have such a strong process in place to support student wellness. The local wellness policy is well-written and the implementation measured using the Idaho Wellness Policy Progress Report. It is encouraging to see a school that values the student's wellness and communicates the results of wellness policy implementation to the public.
- The district director is responsive to suggestions and ways to provide continuous improvement for food safety plan and implementation.
- Excellent signage to indicate that additional portions are required when a student takes certain fruit items! This demonstrates the SFA’s willingness to implement solutions when provided feedback.
- Food service staff were observed following food safety practices during preparation and service, such as washing hands before putting on gloves, temping food at various stages of production, and general cleaning during prep.
- Students are served in a warm, friendly environment with many fruit and vegetable choices, including a colorful salad bar.

## Technical Assistance (TA)

### Certification and Benefit Issuance

- Be sure to complete the "Official Use Only" section on the back of all submitted meal applications. It was found that this section was not completed for denied applications after Meal Time identified the application as denied. Additionally, this section was not completed for any of the applications pulled for verification.
- The MealTime Online web-based application did not appear to ask for confirmation of total number in the household. Please ensure that it either includes a field for reporting total household members, or requires a confirmation of a total computed by the web-based application.

### 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 approved by the SA on November 15, 2018. Please utilize the technical assistance provided via email by the SA Financial Specialist on November 14, 2018, and contact the SA prior to beginning verification if you have any questions next school year.
- When conducting verification, the "Official Use Only" box should be completed by the confirmation official prior to informing the household that they are subject to verification. After determining the results of verification, the verifying official must sign and date in the official use only box. The SY18-19 applications subject to verification were left blank in the "Official Use Only" box, including the original determination information.
- The Confirming Official, who must be a different individual than the Determining Official or may be a POS software system, must review an application prior to beginning the Verification process. This ensures that the application eligibility was determined correctly. The Confirming Official must complete the Official Use Only box on the free and reduced application that has been selected for verification. Once the verification process has been completed and results determined, the Verification Official, who can be either the Confirming or Determining Official, must complete the Official Use Only box on the free and reduced meal application. Verification must be in line with requirements outlined in 7 CFR 245.6a.
- The MealTime application determination software displays updated information submitted during verification, rather than the original application data. Ensure each application selected for verification is printed with the original application information and determination status before new income information is entered.

### Dietary Specifications and Nutrient Analysis

- Independent contractor CNR completed the menu review and provided the following TA:
  - A Child Nutrition (CN) Label or Product Formulation Statement (PFS) was not available for all processed entrée food components. Good Solution Labels were provided for several menu items (example Texas Toast & Taco Pie). The crediting for

- this review was taken from these documents, however a signed Product Formulation Statement (PFS) from the manufacturer must be kept on file.
- Maintain current production records for all meals served. The products listed on the original production records did not match the menu planned for the week. Menu items were from previous years. New production records should be maintained daily. Remove any old items to avoid confusion.
  - All grain and bread products should be listed in the grains and breads section of the production record. These items were often missing or not listed when the grain/bread was served or included with the meat/meat alternate (tortilla for the fajita, buns with hamburger and BBQ sandwich, pizza crust, etc.). These are separate meal components and should be listed as such on production records.

### Meal Components and Quantities

- Independent contractor for CNR completed the menu review and provided the following TA:
  - During the review, the components of the meal patterns were discussed with the SFA. 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 the point of service 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.  
<https://www.fns.usda.gov/school-meals/nutrition-standards-school-meals>
  - The pre-portioned amounts of bananas, strawberries and oranges were less than 1/2 cup and TA was given prior to meal service to assure students with one of those selections would also have additional vegetables or fruit to make a minimum 1/2 cup portion.
  - TA given to show District Director the USDA Nutrient Database to use 1/2 cup weights of hard to measure items in Food Buying Guide and compare to pre-portioned amounts to determine additional needs of fruits and vegetables. For example the 4 oz cup of fresh strawberries equated to 3/8 cup fruit.

### Offer versus Serve (OVS)

- Ensure all line staff is trained on OVS annually. OVS training is available through the SA 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. The SFA advises OVS training occurred on 08/16/18 during the beginning of the year staff training, but the training agenda does not specify OVS on the 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.

## Professional Standards

- Training hours recorded on the professional standards tracking log for each employee require that some form of documentation be kept on file to support the training. Back-up documentation can be certificates of completion, or training agendas. Maintain professional standards folder for each employee so that training records can be maintained and easily accessed.

## Food Safety

- A food safety manual (HACCP) was located in the kitchen, but the SFA must customize it to reflect the needs of the kitchen. The manual should be dated with the date of implementation as well as any dates of review or modification. Remove any unnecessary standard operating procedures from site written policy. Update policies to reflect site or Charter School as a whole, add dates and signatures for implementation and review.
- Record temperatures at receiving; acquire a thermometer for dry storage rather than record thermostat in adjoining room, and maintain calibration records for thermometers.

## Resource Management

- Ensure that only employees who spend 50% or more time and effort supporting the food service program receive no-cost labor meals paid for out of food service funds.

## Civil Rights

- Ensure the civil rights folder in each kitchen is up-to-date with all required information. It was found that no complaint forms were available in the folder, although the SFA had a template available.

## Smart Snacks

- All fundraisers, both exempted and compliant (including non-food or after the school day), must be tracked. This includes fundraisers held by the PTO. Per state policy, a maximum of 10 exempted fundraisers per school site per year may be approved by the school administrator. An exempted fundraiser can be for a maximum of four consecutive school days. All exempted fundraisers beyond 10 must be pre-approved by the State agency using the Request form. (7CFR 210 (b)(2)) Details available at <http://www.sde.idaho.gov/cnp/sch-mp/snacks.html>

## Procurement

- A separate procurement review was completed by contractors Keddington & Christensen, LLC in December 2018. That review found while the SFA has a procurement policy, it is missing several required elements. Please follow the guidance included in the SA procurement review closure letter sent on April 23, 2019.

## Fiscal Action

There was no fiscal action as a result of this review, so no financial adjustment will occur.

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

No fiscal action will be taken as a result of 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,



Heather Blume, MS, RD, LD, SNS  
NSLP Coordinator

cc: Colleen Fillmore, PhD, RDN, LD, SNS, Director, Child Nutrition Programs  
Angela Coates, Child Nutrition, Idaho Arts Charter School

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1400 Independence Avenue, SW  
Washington, D.C. 20250-9410;

(2) fax: (202) 690-7442; or  
(3) email: [program.intake@usda.gov](mailto:program.intake@usda.gov).

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