



May 3, 2019

Mr. Paul Anselmo, Superintendent
West Bonner County SD #083
134 Main Street
Priest River, ID 83856

REVISION OF CERTIFIED, RETURN RECEIPT LETTER #7016 1370 0000 2344 3436

Dear Mr. Anselmo,

On December 14, 2018, State Department of Education (SDE) Coordinators Lynda Westphal, Jennifer Butler, Teresa Goodsell, and Tamara Donovan conducted an Administrative Review (AR) of West Bonner County School District for the following United States Department of Agriculture (USDA) programs:

- National School Lunch Program (NSLP)
- School Breakfast Program (SBP) (Operating a Provision 2 base year)
- After School Snack Program (ASSP) (Priest River Lamanna High School)
- Fresh Fruit and Vegetable Program (FFVP) (Priest River Elementary School)
- USDA Foods

The sites reviewed were Priest River Lamanna High School and Priest River Elementary School. The State agency (SA) would like to commend Terri Johnson and the staff of West Bonner County 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 – Meal compliance

CN Resources conducted the menu review, and found the following for the week of review:

1. The lunch menu did not meet the minimum daily and weekly requirements for meat/meat alternate. A meat/meat alternate was offered daily, however the minimum daily and weekly requirements were not met.
2. The lunch menu did not meet the minimum weekly requirement for the beans/legumes vegetable subgroup.

Corrective Action:

1. Provide a written statement that the daily and weekly meat/meat alternate and beans/legumes 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: 11/13/18 - Completed

Corrective Action Response: For the meat/meat alternate the turkey was changed from 1.5 LB to 3 1/8 LB to reflect the correct amount needed to meet daily requirements. Beans/legumes-added 1/2 cup of refried beans on Chili Crispito meal to meet requirement.

Finding 2 - Provision 2

At Lamanna High School (HS), breakfast was served in the classroom, however, implementation indicated non-compliance with valid meal counting. Students who did not take a reimbursable meal were counted, guests counted, and food service staff stated that if the meal count sheet is returned with no students marked as having selected breakfast, it is assumed that all took a reimbursable meal so all are counted and claimed for Federal reimbursement.

Students must select at least three food components/items in the proper quantities to make a reimbursable breakfast meal. Breakfast meals that do not contain the required minimum of ½

cup fruit or vegetable along with at least two other items, are not reimbursable. (7 CFR 210.10 (e)). It was observed at the HS that there were students taking only some of the components; not taking a complete reimbursable meal. In addition, the teacher was not counting meals as the students receive a complete meal resulting in an inadequate Point of Service (POS) counting. USDA programs require an adult to monitor and count reimbursable meals, and what was observed is an unallowable practice. The HS must move breakfast to the cafeteria starting January 2, 2019, upon returning from break, in order to implement proper practices of meals counted at the POS to ensure accurate counts for claiming reimbursements. As this was a Provision 2 base year, and adequate POS counting was not occurring, the HS base year must be stopped and attempted again next year, if the district chooses to continue with Provision 2 Breakfast at the HS (see Technical Assistance (TA) item below).

- Page 267 of the USDA Administrative Review Manual states, “The SA ... must determine whether SPO schools have acceptable processes to establish accurate claiming percentages and funding levels. **NOTE:** If systemic errors identified during the on-site review required full recalculation, the SA must require the SPO site(s)/SFA to conduct another base year in a subsequent school year.”

Corrective Action: Move the meal counting at Lamanna HS to the cafeteria and take POS meal counts using a trained adult. This must be started when school resumes January 2, 2019, and continue through the end of the year. The January meal counts will be used as a guide to adjust the September through December claims, using the fix and apply method. Beginning February 1, 2019, applicable breakfast meal charges will need to be applied as breakfast can no longer be offered at no charge under Provision. Submit a written statement to the SA indicating understanding of requirement to accurately count reimbursable meals.

Due Date for CAP Completion: February 4, 2019

Corrective Action Response: On January 11, 2018, the SA was advised that the pricing for breakfast will go before the board on January 16, 2019, and MyIdahoCNP meal prices at this site were changed to reflect a pricing program. The January 2019 claim numbers were used to fix and apply the September-November claims at this school, resulting in a fiscal action amount of \$12,353.85.

Finding 3 - Verification

One application selected for verification should have resulted in a reduction of meal benefits from reduced to paid status. To more accurately evaluate income, consider year-to-date income and/or more than one current pay stub when verifying income.

Corrective Action: Send a notification of benefit change to the household, giving ten calendar days' notice of adverse action and provide a copy to the SA. Update the benefit issuance list when benefits have changed.

Due Date for CAP Completion: January 11, 2019

Corrective Action Response: A copy of the notification letter was provided to the SA on the day of on-site review. A benefit issuance list showing the change effective December 24, 2018, was provided.

Finding 4 – Offer versus Serve

Annual refresher training must occur when implementing Offer versus Serve (OVS). As this annual requirement was not met, staff must be trained. OVS training is available through the State agency training portal and a professional standards training log is available in MyIdahoCNP Download Forms. All staff training should include a dated agenda and sign-in sheet, and training documentation should be maintained on file at the SFA for three years plus the current year.

Corrective Action: Upload, into MyIdahoCNP, a sign-in sheet documenting that serving line staff have been trained on OVS.

Due Date for CAP Completion: January 11, 2019, extended until January 18, 2019

Corrective Action Response: Staff were trained on January 17, 2019.

Finding 5 – Food Safety

All food safety plans must include a procedure for cleaning up bodily fluids and an employee exclusion and restriction section. A HACCP Bodily Fluid Cleanup sample is located in MyIdahoCNP in the Download Forms under the Food Safety heading. The manual in use at Lamanna HS is dated 2005. Please make use of the 2016 HACCP Manual from ICN available in Download Forms. Annual food safety training must be completed by all staff and documented.

Corrective Action: Ensure all required elements are in the food safety manual and train staff. Upload, into MyIdahoCNP, a sign in sheet to document all staff have received food safety training.

Due Date for CAP Completion: January 11, 2019, extended to January 18, 2019, extended to February 1, 2019.

Corrective Action Response: A copy of the HACCP plan was uploaded into MyIdahoCNP, staff training was completed on January 17, 2019.

Finding 6 – Local School Wellness Policy

The Local School Wellness Policy must be in compliance with the USDA Final Rule established in July 2016, including the requirement that reports on the progress towards goals stated in the wellness policy be publicly available. The final rule requires LEAs to fully comply with the requirements of the final rule by June 30, 2017.

Corrective Action: Please provide a plan for how and when the wellness policy language will be brought into compliance with Federal requirements.

Due Date for CAP Completion: January 11, 2019

Corrective Action Response: The Wellness Policy 8200-4 was updated on January 16, 2019.

Finding 7 – Certification and benefit issuance

Homeless/migrant/runaway (categorically eligible) lists are lists of students generated by the appropriate school district liaison who are certified to be homeless, migrant, or runaway, and, therefore, qualify to receive free meal benefits. The list(s) must be signed and dated by the designated liaison and retained on file.

Corrective Action: Ensure all lists are signed and dated by the Liaison in order to be certified for free meals. Upload the current lists on file when they are signed by the CAP due date.

Due Date for CAP Completion: January 11, 2019

Corrective Action Response: The Homeless, Migrant, and Runaway student list was signed and uploaded on January 10, 2019.

Finding 8 – Afterschool Snack

Some snacks served in November 2018 may not have met the 1 oz. eq. minimum serving of grain, so the snacks may not be reimbursable. If valid product formulation statements (PFS) can justify that the grains met the 1 oz. eq., or if adequate portion sizes were served per Exhibit A, then the snacks would count as reimbursable.

Corrective Action: For all grain products used in the review month of November 2018, upload PFS or documentation of the portion size of the grain items. If PFS are not available, inform the SA in writing. Upload production records for the Afterschool Snack Program (ASSP) for one week for the period of January 7-11, 2019, to demonstrate compliance with ASSP USDA components and production record completion.

Train ASSP facilitators at sites operating ASSP.

Due Date for CAP Completion: January 11, 2019, extended to January 18, 2019, extended to February 1, 2019.

Corrective Action Response: Product formulation statements and production records were uploaded and determined to be compliant. All ASSP facilitators were trained in the program.

Commendations

- CNR contractor gave this commendation:
 - Great job meeting all meal pattern requirements for breakfast, for the week of menu review.
- Great job determining applications. Only one application in the Verification file affecting two students was in error; no other application errors were identified. The Second Review of Applications will not be required starting next year.
- Laurie shows great enthusiasm for the FFVP and the opportunity to interact with children during service. The students are courteous and enjoy interacting with Laurie making it a very positive experience for the younger students. Twila is very supportive of the program and was open to suggestions of promotion and nutrition education.

Technical Assistance (TA)

Certification and Benefit Issuance

- Due to a zero percent error rate in application determination, the SFA will no longer be required to conduct a second review of applications or submit the FNS 874 report.
- Ensure the hearing official's name and contact information is included on the notification of denied benefits letters. This was taken care of on the day of SA on-site review.

Verification

- A change resulting in decreased benefits shall be made ten calendar days of the date the school food authority makes the final decision on the child's eligibility status.

- When making notes on applications, please include the initials of the person who added the information.
- Ensure the hearing official's information is listed on the notice of adverse action letters. This was taken care of on the day of SA on-site review.
- Please use the appropriate boxes in the "Official Use Only" section on applications. The first person who reviews the application is the Determining Official, the second review is done by the Confirming Official. The Verifying Official conducts verification after the confirmation review and completes the "Notice" and "Results" section.
- Please attempt to directly certify students selected for verification before sending the verification notification letter to the household.

Meal Components and Quantities

- During lunch at Lamanna HS, three meals counted at the POS did not contain at least 1/2 cup fruit and/or vegetable, so they are not reimbursable. The POS staff member reminded a number of students of the need to select a fruit or vegetable and handed out apples.
- CN Resource completed the menu review and provided the following TA:
 - 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. Please note that per USDA guidance any repeat menu findings in future Administrative Reviews, may result in fiscal action.
 - The federal regulations require menus to be planned that meet the minimum daily 2 oz. equivalent meat/meat alternate requirement. Planned menu does not meet the daily minimum meat/meat alternate requirement each day due to the measurements of the meat on the sub-line not providing a full 1 oz. eq. meat/meat alternate (per manufacturer PFS). When combined with cheese, the sandwiches are below the minimum daily 2 oz. eq. meat/meat alternate for the turkey, ham and chicken fajita sub sandwiches.
 - The federal regulations require menus to be planned that meet the minimum weekly 10 oz. equivalent meat/meat alternate requirements. Adjusting the meat/meat alternate contributions on the sub line as listed above will ensure that weekly requirements are also met.
 - Subgroups of vegetables must be met for each grade group. The ½ cup weekly bean/legumes vegetable subgroup requirement was not met. The only beans/legumes offered this week is a daily offering of 2/3 Tbsp. hummus with the salad bar, which is not a large enough amount to credit. The green beans offered on Thursday are categorized in the "Other" vegetable's category. Consider offering ½ cup baked beans with the corn dog meal or ½ cup refried beans with the chili Crispito meal this week.

Offer versus Serve (OVS)

- At breakfast, OVS is implemented with breakfast in the classroom service at Lamanna HS. Not enough milk was observed in the crates which meant the milk component was not available to all students as required for OVS meal pattern compliance. After

mentioning it to the food service staff, they placed additional milk in the crates. All required components must be offered to each student.

- The "What's for Breakfast" poster must be completed daily to help students understand what comprises a reimbursable meal.

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)). While onsite, the following non-domestic items were identified: pineapple from Thailand, pepperoncini from Turkey, and mandarin oranges from China. 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).
- Ensure an annual public health inspection is requested for the warehouse.
- Wire racks in Lamanna HS dry storage were in disrepair and a notable layer of dust was evident on the salad bar sneeze guard. Best practice is to store food at least six inches off the floor and keep kitchen and cafeteria surfaces clean and sanitized.

Afterschool Snack Program (ASSP)

- The Afterschool Snack program is free to students based on 5 year eligibility and all children are claimed at the free rate. The claim only included the children that qualified as free. This resulted in an under claim of 103 snacks.

Fresh Fruit and Vegetable Program (FFVP)

- Awarded schools must widely publicize the FFVP. Promoting this competitive grant on the school's website or newsletter would meet this requirement. The SA provided a certificate of award and should be posted at the school site for the public to see.
- Priest Lake ES provides coloring sheets during FFVP for children who wish to consume their offering inside and color. Some of these sheets had images of fruits, but most were winter holiday images. Since this action is being taken, it is encouraged to take the opportunity to promote and educate about fruits and vegetables. The SA directed the SFA to the SA FFVP website for links to activity pages related to fruits and vegetables that can be utilized. Additionally, nutritional education opportunities for the older grades were discussed involving providing information to classroom teachers either with the daily delivery or letting the teachers know what is scheduled in advance so lessons on the offering can be incorporated.

Resource Management

- The financials were uploaded on the day of review. During the next review, please upload these important documents 4 weeks prior to the review date.

Civil Rights

- Keep a civil rights binder / folder up-to-date with all required information and place in a location known to food service staff. The SA helped organize the file to include civil rights complaint forms.
- Ensure the civil rights complaint log is dated annually, with a new log started each year. If no complaints were received during the school year, best practice is to write "No complaints" on the log at the end of the school year; keep on file (three years plus the current year).
- Ensure the complete USDA nondiscrimination statement is added to the school district's child nutrition web page.

SFA On-Site Monitoring

- Breakfast point of service (POS) on-site reviews are covered in 7 CFR 220.11(d)(1) which states: every school year, each school food authority with more than one school shall perform no less than one on-site review of the breakfast counting and claiming system and the readily observable general areas of review identified under 7 CFR 210.18(h) of this chapter, as specified by FNS, for a minimum of 50 percent of schools under its jurisdiction with every school within the jurisdiction being reviewed at least once every two years. The on-site review shall take place prior to February 1 of each school year. Further, if the review discloses problems with a school's meal counting or claiming procedures or general review areas, the school food authority shall ensure that the school implements corrective action, and within 45 days of the review, conduct a follow-up on-site review to determine that the corrective action resolved the problems. Each on-site review shall ensure that the school's claim is based on the counting system and that the counting system, as implemented, yields the actual number of reimbursable free, reduced price and paid breakfasts, respectively, served for each day of operation.

Smart Snacks

- Per Public Law 111-296 as clarified in 7 CFR 210.11, "All Foods Sold in School," vending, school stores, and fundraising need to comply with specific nutrition standards. These Smart Snacks standards can be found at the State Department of Education, Child Nutrition Programs, School Meal Programs, Smart Snacks website.
- All fundraisers, exempted, compliant, and non-food, must be tracked. Per state policy, a maximum of ten 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 ten must be pre-approved by the SA using the Request form. (7CFR 210 (b)(2)) Details and a tracking form are available on the SDE CNP Smart Snacks web page.

Professional Standards

- Ensure warehouse staff receives annual training on proper receiving of food items at delivery outlined in the food safety manual; document training.
- The USDA has established minimum Professional Standards for school nutrition professionals who manage and operate the NSLP and SPB, effective July 1, 2015. The

standards provide annual training requirements for all school nutrition professionals. It is required that some form of documentation be kept on file to show Professional Standards compliance; ensure training is tracked / logs completed for all food service employees.

Special Provision Option (Provision 2)

- Lamanna HS claiming percentages cannot be used to establish a Provision 2 base year. The school must return to standard counting and claiming beginning January 2, 2019, but the school will have until January 31, 2019, to continue to allow students to eat for free. Beginning February 1, 2019, students participating in breakfast at the HS must pay for meals at their determined eligibility rate, or general funds can pay for all students to continue to eat at no charge.
- The SFA will need to establish a paid price for the breakfast meal. The SA will remove Lamanna HS from operating under a Provision 2 base year, and return the site application for the SFA to enter the paid breakfast price for SA approval.
- A Provision 2 Base Year is currently being established (SY18-19) at other sites and SA reviewers validated benefit issuance documents and application determination. Please ensure all required Provision 2 documentation, including base year daily meal count records by student name and eligibility, is maintained by school per requirements. If you wish to continue with Provision 2 breakfast, you must contact the SA prior to the expiration date in June 2022 to see if you qualify for an extension.
- Because all breakfast meals are served at no charge to children in Provision 2 schools, there is no revenue from households who would normally pay 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 considering or implementing 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. Currently, only Priest River ES meets this recommended threshold.
 - Following are the free and reduced percentages to be used in subsequent non-base years based on filed claims through February 2019:
 - 57.70 Idaho Hill ES
 - 41.21 Priest Lake ES
 - 72.78 Priest River ES
 - 51.17 Priest River JHS

Procurement

- A separate procurement review was completed by contractors Keddington & Christensen, LLC. Please follow the guidance included in the SA procurement review closure letter sent on January 25, 2019, and make the identified corrections.

You were previously notified, on April 19, 2019, that fiscal action in the amount of \$12,353.85 would be recovered from the March 2019 claim due to the meal counting errors found in the administrative review. As a result of updated USDA guidance, this amount has been **adjusted downward** to \$9,566.14. This new amount will be the total withheld from the March 2019 claim. You have a right to appeal this finding. The appeal procedures were included with the original letter and are 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,



Lynda Westphal
NSLP Coordinator

cc: Colleen Fillmore, PhD, RDN, LD, SNS, Director, Child Nutrition Programs
Terri Johnson, Food Service Director, West Bonner County SD #391

Civil Rights

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(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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