

February 13, 2023

Superintendent Jan Bayer  
**Boundary County S.D. #101**  
7188 Oak Street  
Bonners Ferry, ID 83805

Dear Superintendent Bayer,

On October 17, 2022, State Department of Education (SDE) Coordinators Jamie Gibson, Jenifer Butler, Cambria Steffler, and Jax Dunham conducted an Administrative Review (AR) of Boundary County School District for the following United States Department of Agriculture (USDA) programs:

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

The site reviewed was Naples Elementary School.

The State agency (SA) would like to commend Cynthia Sumpter and the entire staff of Boundary 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 AR 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 AR a minimum of one time during a three-year cycle, however Idaho has received a waiver to conduct reviews on a five-year schedule to evaluate Critical and General Areas of Review, including:

- Performance Standard 1: Meal Access and Reimbursement

- Performance Standard 2: Meal Pattern and Nutritional Quality
- General Areas of Review: Resource Management, Food Safety, Local School Wellness Policy, Smart Snacks, Civil Rights, Buy American, Professional Standards, and other areas of general program compliance.

These were the SA determined findings and the SFA response to the findings:

## Findings and Corrective Action Plan (CAP)

### Finding 1 – Certification and Benefit Issuance

As a result of carryover guidance with Waiver 26, the online application system in conjunction with the benefit issuance/point of service (POS) software automatically granted direct certification (DC) eligibility benefits to students that were directly certified last year. The online application system did not recognize that the DC benefit was from a prior year and recognized it as being current.

**CAP:** Identify all students that had a DC eligibility from a previous year that was used for SY22-23 eligibility. If students are on a DC list from this current SY, ensure benefit reflects accurate eligibility date. If a household application was received for those students, process benefits based on the household application. As households were informed of qualifying for free meals based on DC, send a new letter explaining that situation and informing them of the new determination based on the submitted application. Work with software vendors as needed to establish correct eligibility and dates.

**Completed:** 11/1/2022

**CAP Response:** The SFA sent out letters to incorrectly determined DC students and collected applications for those students or changed them to paid status. The director was able to contact the online application software system and POS software system to rectify the incorrect determinations and update the benefit issuance list.

### Finding 2 – Certification and Benefit Issuance

As outlined in 7CFR 245.5(a), notification letters sent to families must include the full USDA Non-Discrimination Statement when advising of approval or denial of benefits. The Notification of Approval or Denial letter only includes the short USDA Non-Discrimination Statement (NDS) and requires the full NDS.

**CAP:** Update the template letter in the software system household notification letter to include the full statement.

**Completed:** 10/26/2022

**CAP Response:** The SFA updated district templates for both approval and denial of benefits and uploaded the letters with the correct long NDS statement.

### Finding 3 – Certification and Benefit Issuance

A statistical sample of 290 applications were reviewed. Four applications required changes in benefits. Nine applications were incomplete due to either missing household names, household totals, missing SSN, signature, require additional information. Contact households to get

information or responses to complete applications. Calculate any changes to benefits based on additional income that may need to be added for households missing household members.

**CAP:** Change student benefits as required and send household notification. Upload status change documentation showing that the required benefit changes took effect following the 10-day adverse action period.

**Completed:** 11/8/2022

**CAP Response:** A benefit issuance list (BIL) reflecting the correct changes was uploaded into the attachments list in MyIdahoCNP on 11/04/2022. The BIL did reflect the correct/new application. The SFA used good note taking on the application to indicate corrections made. Based on the 7.93% error rate fiscal action was applied SFA wide which resulted in \$450.40 for NSLP and \$165.39 for SBP.

*Based on the administrative error of 7.93 % associated with certification and benefit issuance, the SFA will be required to conduct a second review of applications beginning school year 2023-2024, and continuing 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 must be filed 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*

#### **Finding 4 – Verification**

The SFA had not yet begun the verification process for SY22-23 as of the date of the on-site review. Beginning October 3, the SFA should have counted approved applications for the current year, identified the number and type of applications to be selected, have confirming official validate eligibility, and send letters to households selected for verification. This allows second notices to be sent to any household that hasn't responded by mid-to-late October.

**CAP:** Begin the verification process by identifying the sample per instructions provided via email on September 28 by Melissa Cook from the SA. Select households for verification and upload a copy of the letter sent to those households to show that the process has begun. Continue working through the verification process and complete the required report.

**Completed:** 11/14/2022

**CAP Response:** The SFA completed the verification process and uploaded the completed report in MyIdahoCNP on 11/14/22, a day before the deadline.

#### **Finding 5 – Resource Management**

The site applications in MyIdahoCNP were approved by the SA with a \$4.35 adult lunch price, however adults were only charged \$4.00. The SFA must charge the price they were approved for in their renewal application.

**CAP:** Provide documentation showing that POS staff from all sites have been trained that adults must be charged the price listed in the site application and approved for SY23.

**Completed:** 10/26/2022

**CAP Response:** The adult meal price was updated for Naples Elementary and an email informing all kitchen managers of the correction was sent and uploaded with a screen shot of the meal price in the POS.

### **Finding 6 - Civil Rights**

Update the non-discrimination statement on the school district website to the correct USDA non-discrimination statement available at [USDA Nondiscrimination Statement | Food and Nutrition Service](#).

**CAP:** The updated long NDS was provided to the SFA, the link will be sent to the School District web designer to be updated.

**Completed:** 10/26/2022

**CAP Response:** The SFA updated the website with the correct link to the log statement on the District website on 10/26/2022.

### **Finding 7 – Reporting and Recordkeeping**

The “Community Eligibility Provision (CEP) - Site Eligibility for School Year: 2021 – 2022” report was completed with incorrect data in MyIdahoCNP. Based on the submitted data, the Identified Student Percentage (ISP) showed that Naples Elementary School qualified for CEP, even though the SA had not identified them as potential site. The SFA let the SA know of their intention to operate Community Eligibility Provision (CEP) by the deadline, but the required validation documentation from the SFA was not submitted to the SA. The documents uploaded did not meet the requirements for the SA to validate the ISP for the site. The SFA continued to try to locate required documentation, but began operating CEP even though the renewal application was not approved for CEP and the CEP validation could not be completed. When the SA identified that the site did not qualify, they immediately had the SFA discontinue operations and advise households that CEP was no longer available effective September 21, 2022.

**CAP:** Provide a narrative identifying how accurate ISP data will be reported in the future and that CEP deadlines will be met as required, including informing the SA of intention to operate by June 30, and obtaining the required enrollment and direct certification lists to show ISP as of April 1. Contact the point of service software to correct the benefit issuance discrepancy at the site that previously operated CEP. Provide October meal counts by student eligibility to the SA.

**CAP Completed:** 11/8/2022

**CAP Response:** The SFA uploaded a narrative into the attachments list detailing how April 1 data reporting will be gathered. The SA also showed the SFA the ISP calculator available in the Download Forms section of MyIdahoCNP if that is needed. October meal counts were uploaded based on eligibility for Naples Elementary.

### **Finding 8 – Food Safety**

A copy of the food safety plan (HACCP) must be posted in a location accessible to all food service staff. 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. (CFR210.13(b)).

**CAP:** Print off the updated copy of the Institute of Child Nutrition (ICN) HACCP plan and place at each site. Staff will need to be trained on applicable standard operating procedures.

**CAP Completed:** 10/26/2022

**CAP Response:** The director created HACCP's for each site using the ICN website as suggested and uploaded a picture of the new manuals. SA did advise to implement a plan to record yearly review of HACCP Plan by site/district staff.

### **Finding 9– Food Safety – Buy American**

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 out of compliance product observed was bananas, canned mandarin oranges from China, and canned pineapple tidbits from Thailand. The limited exception form is located in Download Forms.

**CAP:** Provide the Buy American Exception form for each product procured outside of America for each item.

**CAP Completed:** 11/1/2022

**CAP Response:** The director uploaded completed forms for each item.

### **Finding 10 - Meal Components and Quantities - Naples Elementary Lunch**

Independent contractor CN Resource (CNR) identified that for the week of menu review, the 3/4 cup weekly red/orange vegetable subgroup requirement was not met for grades K-5. Only 5/8 cup red/orange vegetables were offered during the week.

**CAP:** Provide a written statement that the red/orange vegetable subgroup requirements are now met with supporting documentation.

**Completed:** 10/11/22

**CAP Response:** Submitted the corrected menu with corrected production records.

## **Commendations**

- The director is still new to the role and has a positive, can-do attitude. Feedback provided by SA reviewers was readily accepted and Corrective Action and Technical Assistance was actively implemented.
- Lunch served on the day of on-site review was great. Site manager knew many students by name and was very patient at the point of service.
- Independent contractor CN Resource (CNR) identified that the site manager has a spotless kitchen and student workers were observed to be very conscious of kitchen sanitation with good personal hygiene and practiced excellent handwashing and proper glove use throughout the lunch service.

## **Technical Assistance (TA)**

### **Certification and Benefit Issuance**

- The State agency Direct Certification program identifies students that qualify based on SNAP, TAFI, Idaho Foster, and Migrant. Medicaid does not qualify students for free

meals. A liaison signed and dated list is required for students that are eligible due to being identified a homeless or runaway.

- The SA recommends 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.
- The income frequency listed on the application must be used to determine the application. If multiple frequencies are listed then all income must be converted to an annual amount per USDA regulations.
- Best practice is that student names should be run through Direct Certification every week at the beginning of the school year, so that all the new students, as well as any new matches, that may be available may be identified. Once the students are identified, this documentation must be printed and saved for three years plus the current year (the DC system does not save information).
- Direct certification (DC) notification letters should be sent out as soon as a child is directly certified. The DC list should be run after July 1 each school year in order to identify students and notify household in a timely manner so that the household knows they do not need to complete a free and reduced meal application.
- USDA Non-Discrimination Statement must be included on documents referencing USDA Child Nutrition Programs.
- SFA opted-in to Waiver #26 to utilize eligibility from prior years for carry-over purposes.
- The director implemented Corrective Action in a timely manner to correct the carryover discrepancy identified. All missing information or miscategorized applications identified were handed with good note taking.

## Verification

- The confirming official, who must be a different individual than the determining official, must review an application prior to beginning the Verification process. This ensures the application eligibility was determined correctly. Both officials complete the “Official Use Only” box on the free and reduced meal application that has been 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 complete the “Official Use Only” box on the meal application. 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.
- Per 7 CFR 245.6a (h), all verified applications must be readily retrievable. The applications should be retained with all supporting records including, all documents submitted by the household for the purpose of confirming eligibility and all relevant correspondence between the households selected for verification and the school or LEA. This documentation, including documentation concerning any appeals, must be kept by the LEA to demonstrate compliance with the verification requirements when LEAs are reviewed by State or Federal officials. The documentation must be kept for a minimum of three years, after the date of the fiscal year to which they pertain.

### Meal Counting and Claiming

- The SA identified the POS system and online application system were incorrectly implementing carryover for the targeted site. The SFA was instructed to get in contact with the POS system to discontinue CEP counting and claiming for Naples Elementary School. The director was able to upload meal counts for the month of on-site review broken down by day and by eligibility for SA review.

### Civil Rights

- 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).

### Buy American Provision

- Per 7 CFR 210.21 (d) Sponsors must purchase, to the maximum extent practicable, domestic commodities and products for use in the NSLP.
  - A domestic commodity or product is an agricultural commodity produced in the US and a food product that is processed in the US using substantial; agricultural commodities.
- Applies to all food/beverage products purchased using funds from the non-profit food service account.

### Offer versus Serve (OVS)

- Train staff on OVS annually. All staff training should include an agenda and sign-in sheet and training documentation should be maintained on file at the SFA for three years plus the current year. OVS training is available through the State agency training portal and a training log is available in MyIdahoCNP Download Forms.

### SFA On-Site Monitoring

- During SY 2021-2022, Naples Elementary School and Valley View Elementary School received SFA on-site reviews after February 1, 2022. 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. Ensure that this review is conducted for all feeding sites as indicated no later than February 1 and retain documentation for three years plus the current year. The required SFA On-site Monitoring form is located in Download Forms.

### Professional Standards

- Training standards apply to all school nutrition program employees, regardless of student enrollment in the school district or size of the Local Educational Agency (LEA). Note: If hired January 1 or later, an employee must only complete half of the required training hours.

- Directors – must complete at least 12 hours of annual continuing education/training. These required hours are in addition to the food safety training required in the first year of employment.
- Managers - must complete at least 10 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. (7 CFR 210.30 Professional Standards Regulations)
- All food service staff are required to have annual training in Civil Rights, Food Safety, and Offer v. Serve. At the time of the review, only the Civil Rights training has been completed.

### Local School Wellness Policy

- 8230 nutrition standards are posted on the school district website. Policy 2305 nutrition services and policy 8250 guidelines for food and beverages sales are cross referenced on the website but not linked. A full policy was uploaded and provided on-site.
- All 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.
- The Local Wellness Policy assessment is required to be completed and must be available to the public. Posting this to the school or school district website would support this requirement. Parents, students, physical education teachers, school health professionals, school administrators, the school board, representatives of the SFA, and the general public must be permitted to contribute to the development, implementation, periodic review, and update of the Local School Wellness Policy. For further guidance please refer to the State Agency website: <https://www.sde.idaho.gov/site/cnp/wellness/>
- SFA opted-in to Waiver #7 to extend the deadline for triennial assessment of the Local Wellness Policy until June, 30, 2023.

### Smart Snacks

- Schools must meet the minimum requirement in 7 CFR 210.11, for all foods and beverages sold in school (also known as Smart Snacks in School) to increase consumption of healthful foods during the school day and support a healthy school environment. Food and beverages sold to students must either comply with Smart Snack specific nutrition standards, be tracked as exempt fundraiser(s), or be inaccessible during the school day (defined as midnight the day before until 30 minutes after the school day ends). Refer to [A Guide to Smart Snacks School](#) available at the USDA website. All fundraisers, both exempted and compliant, including non-food sales, must be tracked. Per state policy, the school administrator may approve a maximum of ten exempted fundraisers, per school site, per year. 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](#).

- Per 7CFR210.11, the school should have knowledge of and keep a written record of (track) food sales that occur within the school day, but outside of food service. Only foods sold in school and intended for consumption during the school day (from midnight until 30 minutes after the end of school) fall under Smart Snacks regulations. Smart Snacks information and resources, including a sample site tracking form, can be found at <http://www.sde.idaho.gov/cnp/sch-mp/snacks.html>
- The apple juice sold as an a la carte item is not compliant with Smart Snacks regulation. The apple juice is 296 mL (10 fluid ounces). Smart Snack regulations state that elementary schools may sell up to 8 oz. portions of milk and juice.
- The selling of non-compliant snacks during the lunch meal time puts reimbursement in jeopardy.

### School Breakfast and SFSP Outreach

- SFAs must inform eligible families of the availability of reimbursable breakfasts served under the School Breakfast Program (SBP) and Summer Food Service Program (SFSP). At the beginning of the school year, the SFA must send all households informational packets with Free and Reduced Meal Applications. In addition, schools must send reminders regarding the availability of the SBP multiple times throughout the school year. (7 CFR 210.12 (d))

### Resource Management

- A Capital Expenditure Request must be submitted for review and approval prior to the purchase of any item over \$5,000, including annual maintenance fees of previously procured software. In review of the Fund 290 a annual maintenance fee was made without a Capital Expenditure request submitted.
- Assessing the current NPFRT, the SFA must increase the nonprogram food prices to bring the tool into compliance.
- 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 supports the production of reimbursable school meals does not subsidize the sale of non-program foods. All foods purchased by the food service department to be used as non-program food sales must be marked up to account for the cost of the food, labor, storage, and delivery of the products.
- Due to the past two years of operating under the COVID public health emergency, USDA allowed for SY2022-23 CNP 12(l) Waiver#25. By opting-in to Waiver#25, the SFA was exempted from complying with paid lunch equity requirements in 42 U.S.C. 1760(p)(2) and 7 CFR 210.14(e) for SY 2022-2023. Otherwise, each year, SFA are required to comply with Paid Lunch Equity (PLE) requirements. USDA provides a targeted weighted average price for a paid lunch meal and the SFA is required to adjust their weighted average lunch price to align with the USDA target or to add non-Federal funds to non-profit school food service account. The amount per meal increase is

calculated using a 2 percent rate increase plus the Consumer Price Index. The USDA PLE Tool released in the spring of 2023 will identify the required weighted average price for SFAs.

### **Procurement**

- A procurement review is currently being completed for 2021 – 2022. Kat Forstie, Procurement Specialist is waiting for updated policies in order to complete the review. Please follow the guidance provided in a separate closure letter.

### **Fiscal Action**

Due to benefit issuance errors, fiscal action resulted in \$450.40 for NSLP and \$165.39 for SBP. However, since this amount falls under the \$600 threshold for both programs, the fiscal action will be disregarded and no financial adjustment will occur. If, during the next Administrative Review, there are repeat Certification and Benefit Issuance findings, there will be no disregard of fiscal action.

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

There is no fiscal action resulting from this review.

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,

Jamie Gibson  
NSLP Coordinator

cc: Lynda Westphal, MHS, SNS, Director, Idaho Child Nutrition Programs  
Cynthia Sumpter, Child Nutrition Director, Boundary County S.D. #101

### **Civil Rights Nondiscrimination Statement**

In accordance with federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, this institution is prohibited from discriminating on the basis of race, color, national origin, sex (including gender identity and sexual orientation), disability, age, or reprisal or retaliation for prior civil rights activity.

Program information may be made available in languages other than English. Persons with disabilities who require alternative means of communication to obtain program information (e.g., Braille, large print, audiotape, American Sign Language), should contact the responsible state or local agency that administers the program or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339.

To file a program discrimination complaint, a Complainant should complete a Form AD-3027, USDA Program Discrimination Complaint Form which can be obtained online at: <https://www.usda.gov/sites/default/files/documents/USDA-OASCR%20P-Complaint-Form-0508-0002-508-11-28-17Fax2Mail.pdf>, from any USDA office, by calling (866) 632-9992, or by writing a letter addressed to USDA. The letter must contain the complainant's name, address, telephone number, and a written description of the alleged discriminatory action in sufficient detail to inform the Assistant Secretary for Civil Rights (ASCR) about the nature and date of an alleged civil rights violation. The completed AD-3027 form or letter must be submitted 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; or
2. **fax:**  
(833) 256-1665 or (202) 690-7442; or
3. **email:**  
[Program.Intake@usda.gov](mailto:Program.Intake@usda.gov)

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