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April 11, 2017

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Mr. Mark Kress
Hagerman School District
324 North 2nd Avenue
Hagerman, ID 83332

Dear Mr. Kress,

On February 7, 2017, State Department of Education (SDE) Coordinators Jennifer Butler and Lynda Westphal conducted an Administrative Review of Hagerman School District for the following United States Department of Agriculture (USDA) programs:

- National School Lunch Program (NSLP)
- School Breakfast Program (SBP) Provision 2 Breakfast base year 2016-17 operating at each school site
- USDA Foods

The site reviewed was Hagerman Junior Senior High School.

The State agency (SA) would like to commend Bette Reed and the entire staff of the Hagerman 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 (HHFKA), requires a unified accountability system designed to ensure that participating school food authorities (SFA) comply with USDA requirements. The objectives of the Administrative Review are to:

- Determine whether the SFA meets program requirements
- Provide technical assistance
- Secure any needed corrective action
- Assess fiscal action and, when applicable, recover improperly paid funds

Review Frequency and Scope of Review

The Healthy Hunger-Free Kids Act mandates State agencies conduct an Administrative Review a minimum of one time during a three-year cycle to evaluate Critical and General Areas of Review, including:

- Performance Standard 1: Meal Access and Reimbursement
- Performance Standard 2: Meal Pattern and Nutritional Quality

- General Areas of Review: Resource Management, Food Safety, Local School Wellness Policy, Smart Snacks, Civil Rights, Buy American, Professional Standards, and other areas of general program compliance

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

Finding and Corrective Action Plan (CAP)

Finding 1- Meal Component and Quantities

During the SA Contractor on-site visit it was noted that several enriched grain products (non-whole grain rich or WGR) were in the storeroom. District Food Service Director (Director) stated their supplier had sorted their deliveries and sent products that aren't their normal products. The SA contractor instructed the Director to replace these items with the correct products and it would be checked during the administrative review (AR) on February 7, 2017. During the AR, enriched macaroni products were located. Director had advised she tossed some of the previously mentioned products. Director had found some WGR products to replace the current products being served. While SA reviewers were onsite a WGR pizza crust was delivered. Director will continue to discard non-WGR items and replace them with compliant options. Upload Product Formulation Sheets for complaint WGR items and invoices indicating that these compliant items have been ordered and delivered.

Timeframe for CAP completion: February 22, 2017, extended to March 10, 2017

Sponsor Response to CAP: Invoices showing receipt of whole grain rich items being purchased was uploaded on March 1, 2017.

Finding 2 - 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 Confirming and Hearing Official, must have annual civil rights training. Business Manager is listed as the Confirming Official and the Superintendent is listed as the Hearing Official so both must have annual USDA civil rights training. Training is available at the [SA Civil Rights website](#). Upload a dated sign in sheet to provide documentation that the Hearing Official received civil rights training.

Due Date for CAP Completion: February 22, 2017

Sponsor Response to CAP: Training occurred and sign-in sheet was uploaded February 8, 2017.

Finding 3 – Food Safety

Each SFA must have a written food safety plan for compliance with Hazard Analysis Critical Control Point (HACCP) program criteria found in 7 CFR 210.13(c). SFAs are required to update HACCP-based food safety programs to cover any facility where food is stored, prepared or served for the purposes of the NSLP, SBP or other FNS programs. This means the food safety program should contain standard operating procedures for safe food handling on school buses, in hallways, school courtyards, kiosks, classrooms, or other locations outside the cafeteria, as applicable. Upload a copy of the kitchen's HACCP-based food safety procedure manual. Director printed it off and will modify it to fit the Hagerman SD.

Due Date for CAP Completion: February 22, 2017

Sponsor Response to CAP: The State agency created a simplified HACCP plan containing the minimum necessary components for the district and the District assured that they would train on the new HACCP plan.

Finding 4 - Certification and Benefit Issuance

Free and reduced applications appeared to be inaccurately determined, resulting in a 9.79% error rate. Please inform the households of the change in status and update the Benefit Issuance List. Standard letters are available at the SA website under Download Forms. All households for whom benefits are to be reduced or terminated must be given ten calendar days' written advance notice of the change; all households for whom benefits are changed to higher benefits are effective immediately and must be implemented no later than three operating days (Eligibility Manual). The notification letters for applications approved in September were sent out in October (must be sent within ten days). Some of the benefits on the Meal Time Report were given to students prior to the application being determined. Develop a procedure for this to be avoided in the future and send to the State agency. Since this is a Provision 2 base year, fiscal action must be assessed from the beginning of the school year.

Due Date for CAP Completion: February 22, 2017

Sponsor Response to CAP: The District uploaded documents relating to all applications found in error changing their status, or providing clarification.

Based on an administrative error of 9.79% associated with certification and benefit issuance, the SFA will be required to continue to conduct a second review of applications for school year 2017-18, and continue 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, as well as the completion of the Second Review of Applications report in MyIdahoCNP. Depending on the outcomes of this second review, the SFA may be required to complete this process until the next administrative review. Please reference the Independent Review of Applications section in the Eligibility Manual.

Finding 5 - Verification

Applications selected for Verification must be chosen from a sample size of applications received by October 31. The one application given for Verification proof was dated November 30. Choose another application received from the beginning of the school year through October 31 and upload all of the documentation (application and all submitted documentation) by the due date of February 22, 2017. This includes having the Confirming Official double check the application prior to sending out the letter.

Due Date for CAP Completion: February 22, 2017, extended to March 13, 2017

Sponsor Response to CAP: The District uploaded the results of Verification on March 15, 2017.

Finding 6 - Resource Management

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 nonprogram 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 nonprogram foods. SFAs are required

to determine if the percent of total revenue that is generated from their nonprogram food sales is equal to or greater than the percent of total food costs that are attributable to the SFA's purchase of nonprogram foods. Provide documentation of the simplified approach to assess compliance by completing one of the nonprogram food revenue tools provided by the SA. This simplified approach allows SFAs to separate their nonprogram food costs from their program food costs for a period of at least 5 consecutive operating days. Upload a completed tool into MyIdahoCNP for SA review.

Due Date for CAP Completion: February 22, 2017, Extended to March 13, 2017

Sponsor Response to CAP: The District uploaded on March 1, 2017.

Commendations

- Meal service was provided in a quick and efficient manner.
- Kitchen staff wore appropriate hair restraints as required per Idaho Food Code.

Technical Assistance (TA)

Certification and Benefit Issuance

- Best practice is that student names (i.e., a current enrollment list) 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).

Offer versus Serve

- All staff must be trained annually on Offer vs Serve (OVS). 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 online training is available on the State agency website and may be used for training. The Food Service Director received this training during annual training, but needs to train the staff with agenda and sign-in sheet.

Dietary Specifications and Nutrient Analysis

- Products were not updated in the Nutrikids software to reflect current products being used. This caused sodium to be much higher than it should have been.
- The salad bar was not included on the production records which contained recipes for salad dressing. If the salad bar is unmonitored, then the salad bar is considered an extra and not part of the required components. The entree served on February 7 only had 1/8 cup of vegetable making the students unable to select a cup of vegetable prior to leaving the line. This means the day of review was short in components. At the next review if this is the case, then all meals will be disallowed for the review week. Consider having the students select fruit and vegetables from the salad bar before going through the regular service line to ensure that at least 1/2 cup of fruit or vegetable is selected.
- Recipes and product information needs to be updated to reflect current products being used for more accurate sodium and calorie values. The contractor provided suggestions under review attachments to bring the menu back into compliance.

- Using low sodium foods and watching the saturated fat of foods will ensure compliance with these nutrients.
- Review menus to assure daily minimum serving requirements are met for all components for each grade group.
- Salted butter is being utilized and may contribute to sodium being outside of the allowable ranges. Also, the salad bar includes many canned options, such as pickled beets, olives, and pepperoncini. Please focus on low sodium items in order to ensure compliance.

Meal Components and Quantities

- Production records were only showing 1/2 cup of fruit being offered at breakfast. District Director explained they typically offered a whole fruit and fruit juice which would equal 1 full cup. SA contractor explained this should be reflected in the production records to show the meals are in compliance.
- A full cup of fruit must be offered to all students at breakfast to all grade levels, although when OVS is implemented, only 1/2 cup of fruit must be selected for a reimbursable meal. Offering 1/2 cup fruit and 1/2 cup 100% juice qualifies as offering 1 cup of fruit.
- SA contractor was unable to observe whole fruit being offered at breakfast due to a broken refrigerator. The equipment was too cold and had frozen all the fresh produce on the day contractor did on-site visit.
- Production records for high school were only showing 3/4 cups of vegetables being offered. District Director did not have the salad bar shown on the production records. SA contractor had her update her production records for future menu to reflect the salad bar being offered to all the students, bringing that component back into compliance.
- The production records also only showed the high school students being offered 1/2 cup of fruit. It was explained that high school students needed to be offered 1 full cup but they only needed to take a 1/2 cup when implementing offer versus serve.
- Starting October 1, 2017, a new meal pattern is required for Pre-K students. It is suggested to start the new meal pattern at the beginning of the school year. Begin planning menus now, as some nutrition requirements for food items differ from the current Pre-K meal patterns.

Food Safety and Buy American Provision

- Food safety training should be ongoing, and all applicable HACCP (Food Safety) topics should be covered annually. Staff training must be documented with an agenda and sign-in sheet and must be kept on file for three years plus the current year.
- Each SFA is required to purchase domestic agricultural commodities or products that are produced and processed substantially using agricultural commodities that are produced in the United States or territories, as applicable (7 CFR 210.21 (d)). Two 34 fluid oz. bottles of hot sauce from Mexico were found to be out of compliance. If a product from another country is sourced, then the foodservice must have proof that the domestic product is significantly higher in price. Include the Buy American Provision in SFA solicitation documents for the purchase of commercial foods. The Food Service Director and Kitchen Manager must check products upon receipt and not accept products that do not comply with the Buy American Provision without documentation to justify the exception (exorbitant pricing or product shortages).

Civil Rights

- Please update your household letters to include the correct long non-discrimination statement available at the [SA Civil Rights website](#).
- Ensure the Civil Rights complaint log is dated annually, with a new log started each year. If no complaints were received, best practice is to write "No complaints" on last year's log and keep this on file (three years plus the current year).

Local School Wellness Policy

- On July 29, 2016, the USDA Food and Nutrition Service (FNS) finalized regulations to create a framework and guidelines for written wellness policies established by LEAs. (§210.30) The final rule requires LEAs to fully comply with the requirements of the final rule by June 30, 2017. Federal legislation requires school districts to implement a local wellness policy that must include language:
 - Permitting parents, students, school board, PE teachers, school health professionals, school food service staff, administrators, and community members to participate in the development, implementation, review, and update of the local wellness policy.
 - Identifying wellness policy leadership of one or more LEA and/or school official(s) who have the authority and responsibility to ensure each school complies with the wellness policy.
 - Specifying measurable goals for nutrition education, nutrition promotion, physical activity, and other school-based activities to promote student wellness that are written with consideration for evidence-based strategies.
 - Addressing nutrition guidelines for all foods and beverages sold on the school campus during the school day and for providing school meals that adhere to Federal meal pattern requirements.
 - Identifying nutrition standards for non-sold foods and beverages available during classroom and school celebrations.
 - Stating a policy for food and beverage marketing that allows the marketing and advertising of only those foods and beverages that meet Smart Snacks in School nutrition standards.
 - Addressing an evaluation conducted once every three years of the wellness policy and the extent to which schools are in compliance, how the district policy compares to model wellness policies, and the progress made in attaining local wellness policy goals.
 - Identifying a way to share the wellness policy content and implementation with the public.
 - For more information regarding local wellness policies, please visit the Idaho SDE website: [Child Nutrition Programs School Wellness](#).

Smart Snacks

- The vending machines in the Jr/Sr. High School were not compliant with Smart Snack regulations and either need to be made compliant or count non-compliant food sales as a fundraiser when in operation. Staff was provided with the Smart Snacks in School Brochure and shown how to determine if a product is compliant or not. If non-compliant

products are sold in the machine during the school day, then each day counts as one of the 10 exempt fundraisers. Prior approval from the State agency is required for sales beyond the 10 days.

- Per current Idaho policy, 10 exempted food sales of no more than 4 days in length may be approved by school site administrator. Exempt food sales beyond those 10 must be approved by the State Department of Education. All fundraisers - both compliant and noncompliant - must be tracked. Details and required documentation found at the [Smart Snack Webpage](#)
- All exempted fundraisers beyond ten must be pre-approved by the State agency using the request form. (7CFR 210.11) Details available on the State agency Child Nutrition Programs webpages under [Smart Snacks, Standards](#).

Your review is now closed.

Fiscal action in the amount of \$1301.90 from claims from August through February will be recovered from future claims for the Provision 2 adjustment. Should you wish to appeal any of these findings please follow the appeal procedures on the [State Agency Appeal Procedures](#) document. 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, MHS, SNS
NSLP Coordinator

Cc: Colleen Fillmore, PhD, RDN, LD, SNS, Director, Child Nutrition Programs
Bette Reed, Business Manager, Hagerman School District

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