

May 5, 2023

Luke Schroeder, Superintendent
Kimberly School District #414
141 Center Street West
Kimberly, ID 83341

Dear Superintendent Schroeder,

On March 17, 2023, State Department of Education (SDE) Coordinators Jax Dunham, Jamie Gibson, and Pamela Murray conducted an Administrative Review (AR) of Kimberly School District for the following United States Department of Agriculture (USDA) programs:

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

The site reviewed was Kimberly High School.

The State agency (SA) would like to commend Carla Hogue and the entire staff of Kimberly 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

There were 32 students whose benefits were supposed to end on October 6, 2023 due to the end of the 30-day carryover period. However, as of the review date, they were still receiving benefits from a previous year. These 32 students were changed to paid while the SA was on-site. During the August 11, 2022 annual mandatory training in Twin Falls, the requirement for children to have a free and reduced application dated after July 1, 2022 and the 30-day carryover rules for SY 22-23 were covered in slides 16-18.

CAP: Provide a procedure detailing how the SFA will ensure that all students without documentation for the current school year will be switched to paid at the end of the 30-day carryover period. In the procedure, provide details on which reports from the software will be reviewed to ensure that accurate benefits are being issued at the end of the 30-day carryover period. Additionally, upload a benefit issuance list showing that all of the students have been changed to paid.

Date of CAP completion: Due April 12, 2023; submitted April 12, 2023; accepted April 12, 2023

Corrective Action Response: A benefit issuance list showing that the appropriate benefits are now being issued was uploaded. Additionally, a procedure was uploaded detailing how the SFA will ensure that students without documentation for the current school year will be changed to paid at the end of the 30-day carryover period in the future.

Finding 2 – Certification and Benefit Issuance

A statistical sample of 322 students resulted in an 11.18% error rate. In addition to the 32 carryover errors, two students with applications from the current school year were missing documentation. These students must be sent adverse action letters before being switched to paid. Additionally, four applications affecting four students were incomplete due to missing a social security number. This was covered on slides 21, 22 and 31, which included an application activity, during annual mandatory training. The Child Nutrition division also has a 4-minute tiny bite training addressing a complete application.

CAP: Upload an updated benefit issuance list showing that the appropriate changes have been made to the students' benefits. Additionally, upload the adverse action letters sent to households as well as the four applications showing that social security numbers have been obtained.

Date of CAP completion: Due April 12, 2023; submitted April 12, 2023; accepted April 12, 2023

Corrective Action Response: Adverse action letters sent to the two households missing applications from the current school year were uploaded. One of the applications was found on file, and the other household submitted a new application which was determined as free. The

uploaded benefit issuance list reflects the correct benefits. Additionally, the four applications with missing social security numbers were uploaded with completed information.

Based on the administrative error of 11.18% 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 outcome 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 3 – Certification and Benefit Issuance

The SFA's current free/reduced and denied benefit notification letters do not include all of the required wording or the current full nondiscrimination statement (NDS). To ensure that approval/denial of benefit notification letters meet all the requirements, the SFA should refer to the template letters provided by the SA in download forms of MyIdahoCNP.

CAP: Upload a copy of the new approved/denied benefits notification letter that the SFA will use going forward.

Date of CAP completion: Due April 7, 2023; submitted April 4, 2023; accepted April 7, 2023

Corrective Action Response: The SFA uploaded a copy of the new approval/denial of benefits notification letter which includes the required wording and current full NDS.

Finding 4 – Meal Counting and Claiming

The SFA incorrectly claimed lunch and breakfast for the month of review at Kimberly High School. The SFA overclaimed 18 paid lunch meals. Additionally, the SFA overclaimed 15 reduced-price breakfasts and 3 paid student breakfasts. This error was due to the SFA claiming second student meals at Kimberly High School. If second meals are desired by students, they may purchase them at the adult meal price.

CAP: Stop claiming second meals and proceed by only using the total meals counted at the POS in addition to the student server meal tracking sheet to total meals. Upload a narrative detailing that no second meals will be claimed. Additionally, upload end of month meal count information for Kimberly High School to confirm the claim amount.

Date of CAP completion: Due April 12, 2023; submitted April 10, 2023; accepted April 10, 2023

Corrective Action Response: The SFA provided a procedure detailing that second student meals will no longer be claimed. Additionally, a meal claim report and student server meal tracking sheet were provided for March at Kimberly High School to confirm that claim numbers are accurate.

Finding 5 – Resource Management

The Kimberly SD auditor found a discrepancy during a test of compliance. The auditor's test of the district's documentation for meals served did not match with the reimbursement requested to Idaho Child Nutrition Programs. There were two instances in the sample of cash draws where

the supporting documentation did not support the requested reimbursement. The District's existing control procedures for reviewing cash draws was not strong enough to identify that incorrect data was submitted for reimbursement.

CAP: The District must review the current control process over the reimbursement requirement to ensure accuracy.

Date of CAP Completion: Completed November 1, 2022

Corrective Action Response: Kimberly School District self-reported the audit finding to Idaho Child Nutrition Programs on October 31, 2022. An accounting for the FY21 and FY22 school years showing the discrepancies in documentation versus reimbursement amounts was provided to Idaho Child Nutrition Programs. Previously, tally sheets and the point of sale (POS) were used to document meals served. Beginning FY23, only the POS will be used to document meals served. Kimberly School District appointed a third-party staff member that will reconcile, on a weekly basis, the production records for each school along with the POS documentation. Additionally, this staff member reconciles that the monthly reimbursement amount requested from the State Department of Education (SDE) matches the POS documented meals served. This ensures that Kimberly School District has the correct and accurate documentation for meals served in relationship to the reimbursement requested from the SDE.

Finding 6 – Meal Components and Quantities - Lunch

It is required that menus be planned to meet the minimum daily 2-ounce equivalent grain requirement for grades 9-12. This requirement was not met on Wednesday of the week of menu review. It is also required that weekly minimum amounts of grains are to be served. The weekly requirement of 10 oz. eq. was not met for grades 9-12 as the menu offered a minimum of 9.25 oz. eq. of grain throughout the week. Additionally, only 2 oz. eq. of creditable grain-based desserts are allowed per week. The menu had 2.25 oz. eq. grain-based desserts for the week for grades 9-12.

CAP: Provide a written statement that the daily and weekly grain requirements are now met. Include a detailed statement to describe what specific changes were made to the menu for the week of review to correct all menu review findings and bring the menu into compliance. Submit supporting documentation to demonstrate that the menu now meets the daily and weekly grain minimums without exceeding the maximum weekly grain-based dessert. This documentation may include: menus, 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. Additionally, submit the position title(s) of the SFA representative(s) that will oversee this area and ensure future compliance.

Date of CAP Completion: Due February 20, 2023; submitted February 28, 2023; accepted March 1, 2023

Corrective Action Response: Documentation showing that the daily and weekly grain requirements have been met for grades 9-12 was uploaded.

Finding 7 – Meal Components and Quantities - Lunch

It is required that menus be planned to meet the minimum daily 2-ounce equivalent meat/meat alternate requirement for grades 9-12. This requirement was not met on Tuesday. It is also required that weekly minimum amounts of meat/meat alternate are to be served. The weekly

requirement of 10 oz. eq. was not met for grades 9-12 as the menu offered a minimum of 9.5 oz. eq. of meat/meat alternate throughout the week.

CAP: Provide a written statement that the daily and weekly meat/meat alternate requirements are now met. Include a detailed statement to describe what specific changes were made to the menu for the week of review to correct all menu review findings and bring the menu into compliance. Submit supporting documentation to demonstrate that the menu now meets the daily and weekly meat/meat alternate minimums. This documentation may include: menus, 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. Additionally, submit the position title(s) of the SFA representative(s) that will oversee this area and ensure future compliance.

Date of CAP Completion: Due February 20, 2023; submitted February 28, 2023; accepted March 1, 2023

Corrective Action Response: Documentation showing that the daily and weekly meat/meat alternate requirements have been met for grades 9-12 was uploaded.

Commendations

- The Food Service Director is knowledgeable about the program yet eager to learn more. She is very organized, efficient, and was able to quickly provide anything the SA asked for.
- The Food Service Director shows determination in operating a compliant program, and she is passionate about providing students with valuable nutrition throughout the day.
- Administration at Kimberly High School was on-site during both breakfast and lunch, and they were engaging with students to encourage participation in the program.
- The kitchen staff showed great rapport with the students. Staff operating the express line are professional and friendly with the students. They are quick to accommodate their requests when they can and always interact with a smile.

Technical Assistance (TA)

Certification and Benefit Issuance

- Last school year's eligibility status can carry over 30 operating days into the new school year, allowing time for households to reapply without interruption of benefits. Failure to reapply during the carryover period is not a denial of benefits for the current school year. LEAs are not required to notify families or send reminders. A notice of adverse action is not required as eligibility was not established for the current school year (7CFR 245.6).
- At the beginning of the school year, the determining official was calculating annual income for all applications. 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.

- If benefits are decreased, except in the case of benefit changes after the 30-day carryover period, a notice of adverse action must be sent. LEAs must provide 10 days advance notification to households that are to receive a reduction or termination of benefits, prior to the actual reduction or termination [7 CFR 245.6a(j)].
- The SFA had many applications not included in the verification sample with the verifying official section signed. The Foodservice Director (FSD) stated that the confirming official had accidentally signed this section while looking over applications. The verifying official section of the application should only be used at the conclusion of verification for applications which have been selected for verification. The confirming official is required to confirm and sign the confirming official section of the application for applications selected for verification and during a second review of applications.

Verification

- The SFA must ensure any and all indicated incomes on the free and reduced application are verified during the verification process.

Meal Counting and Claiming

- The Food Service Director is collecting student worker meals on an FS-4 daily meal count sheet and adding the total meals served along with student worker meals by eligibility by hand before claiming. The SA provided an FS-4 monthly meal consolidation sheet to complete an edit check before submitting claims.

Meal Components and Quantities

- Independent contractor CN Resource completed the menu review and provided the following TA:
 - The submitted production records did not provide adequate information. It is a requirement to maintain complete and accurate production records. Grade groups were not stated on the production records.

Food Safety (HACCP)

- Independent contractor CN Resource provided the following TA:
 - Ensure product that is removed from box is also dated along with the date on the box to ensure that all food items are used in a “first-in, first-out” method.

Civil Rights

- It is recommended that the SFA holds a staff-wide training which includes the Civil Rights Training at or near the beginning of each school year so all staff are trained annually.

SFA On-Site Monitoring

- Though the SFA completed the SFA On-Site Monitoring Form prior to February 1 for SY 2022-2023, the SFA On-Site Monitoring Form was not completed by this time for SY 2021-2022. 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.

Professional Standards

- The SFA is using the Idaho SDE Professional Standards tracking log print version. Some of the trainings completed by staff were not included on their personal log, but supporting documentation was provided. The SFA should ensure there is a seamless process for tracking training hours to ensure the minimum requirements are met.

Procurement

- A procurement review was previously completed. Please follow the guidance provided by Procurement Specialist Kat Forstie in a separate closure letter.

Fiscal Action

Due to benefit issuance and meal counting and claiming errors, fiscal action totals \$15,551.09 and will be withheld from future claims. Should you wish to appeal this fiscal action, please follow the appeal procedures on the State Agency Appeal Procedures document located on [the SDE web page](#).

Your review is now closed.

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,

Jax Dunham

Jax Dunham, BS, RDN
NSLP Coordinator

cc: Lynda Westphal, MHS, SNS, Director, Idaho Child Nutrition Programs
Jennifer Butler, MEd, SNS, NSLP Coordinator, Idaho Child Nutrition Programs
Carla Hogue, Child Nutrition Director, Kimberly School District #414

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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; or
2. **fax:**
(833) 256-1665 or (202) 690-7442; or
3. **email:**
Program.Intake@usda.gov

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