NH DOE, Bureau of Nutrition Programs and Services

NSLP/SBP/FFVP/ASSP Administrative Review and Procurement Review Report for SAU #9

(Pine Tree Elementary School and John Fuller School)

Conducted on October 24-26, 2016

This report addresses areas of the USDA Administrative Review (AR) and Procurement Review (PR) for the **National School Lunch Program (NSLP), School Breakfast Program (SBP), Fresh Fruit and Vegetables Program (FFVP) and After School Snack Program (ASSP)** that had Findings of noncompliance requiring a Plan of Corrective Action (CA) with potential Fiscal Action (FA) or Technical Assistance (TA) provided to strengthen current systems and understanding of USDA regulations. FA is the recovery of overpayment due to errors in critical review areas associated with federal dollars or repeat Findings. The School Food Authority (SFA) is responsible for overseeing all aspects of the administration of the USDA Child Nutrition Programs. Findings must be corrected system wide (all schools in SAU). *Please note that information requested was not sent on time and after multiple requests, everything was still not received.* At the exit conference held on October 26, 2016, a copy of the Draft Action Summary Plan of the AR/PR outcome was provided to: Kevin Richard, Superintendent; Katie Wilson, Assistant Superintendent; Becky Jefferson, Director of Budget & Finance; Brian Coffey, Conway District Food Service Director.

The 6 cents per lunch meal claimed was found to be in compliance and will be maintained.

Review Areas:

Meal Access and Reimbursement

Certification and Benefit Issuance

Observations:

* As a best practice, confirmation reviews had been done for “denied” applications - kudos.
* Some of the Bartlett District household applications had single frequency incomes converted to annual; the eligibility status was not affected for these households, but the potential exists for an incorrect eligibility status determination.

Findings:

* For the Review Month of September: there were application errors resulting in incorrect meal benefits being assigned; 4 students’ eligibility status was determined incorrectly and there were missing applications for 8 students. *There may be a fiscal action for errors associated with eligibility status.* The State Agency discussed the SFA-1 document (Eligibility Certification and Benefit Issuance Error Worksheet) and SFA-2 (Other Eligibility Certification and Benefit Issuance Error Worksheet) and left them for correction*.*
* Conway District application eligibility determinations are “backdated to beginning of month” received.
* Software-generated letters of notification of eligibility status and direct certification were used instead of the State template, (Attachment M, “Forms for School Food Authority Use”, NSLP Sponsor Application Materials) and the letters did not contain all the required information; the direct certification letter contained incorrect information regarding what a household should do if their food stamp status changed.

Technical Assistance:

* Application eligibility determination could be dated back to date that application is submitted by the household if a waiver is in place with the SA and is done for all applications; otherwise eligibility status begins on the date of determination.
* When determining income eligibility, convert only mixed-frequency incomes to annual income.
* The Eligibility Manual for School Meals, July 2016 (<http://education.nh.gov/program/nutrition/documents/2016_eligibility_manual_school_meals.pdf> ) is the resource for Certification and Benefit Issuance.

Corrective Action: By January 3, 2017, please submit: Plan for Corrective Action that will 1) ensure that eligibility status of students’ begins on correct date and that future household notifications of eligibility contain all required information; 2) SFA-1 and SFA-2 must be acted upon and returned to the SA with completed dates of correction.

Verification

Recommendation:

* Maintain supportive documentation for verification process in a central folder (rather than 3 separate folders) to include copies of the 2 sided application with the Confirmation Reviewer’s signature, selection notice to the household, one required follow up attempt by phone or email, household’s response to the letter, appeal documentation and any other additional correspondence.

Technical Assistance:

* The Eligibility Manual for School Meals, July 2016 (<http://education.nh.gov/program/nutrition/documents/2016_eligibility_manual_school_meals.pdf> ) is the resource for Verification.

Meal Pattern and Nutritional Quality

Meal Components and Quantities

Menu and Meal Pattern

Observation:

* Breakfast production records indicate that significantly more juice than fruit is offered.

Findings:

* Acceptable supportive documentation for crediting of food components was not available; *Repeat Finding*.
* Lunch weekly minimum requirements were not met for legumes vegetable subgroup, meat/meat alternate, grain ounce equivalents; lunch daily minimum requirements were not met for meat/meat alternate and grain ounce equivalents; ¾ cup of vegetables was not always offered daily; insufficient quantities is a Repeat Finding; *there may be a fiscal action for this Repeat Finding.*
* Non-whole-grain-rich items were offered; *there may be a fiscal action for this Repeat Finding.*
* Margarine with trans fat was being used; *Repeat Finding*.
* Milk was not listed on menu as being offered, but was observed on-site and on the Production Records; *Repeat Finding*.
* Cycle menu appears to exceed federal standards for calories and is not meeting the meal pattern for sufficient quantities.

Technical Assistance:

* No more than 50% of total fruit for the week can come in the form of juice.
* Ensure that menu reflects all food components that are offered.
* Ensure that meals offered, including condiments, meet dietary specifications regarding fat, sodium and calories; copy of Dietary Specifications Assessment tool with “yellow” flags was reviewed with Brian Coffey.
* <http://www.fns.usda.gov/cnd/Governance/Legislation/dietaryspecs.pdf> Final Rule Nutrition Standards in the National School Lunch and School Breakfast Programs – Jan. 2012

Corrective Action: By January 3, 2017, please submit: a Plan of Corrective Action that will 1) identify the process/procedure to be used in maintaining acceptable supportive documentation for crediting of food components; 2) menu worksheets (<http://www.fns.usda.gov/school-meals/certification-compliance>) for all weeks of the cycle menu including completion of the Simplified Nutrient Assessment tab and 3) discontinue offering non-whole-grain-rich products.

Production Records (PRs)

Findings:

* PRs didn’t match menu.
* Meal component contribution on PR was not accurate; *Repeat Finding*.

Technical Assistance:

* Production Records are a federal requirement. Proper documentation on Production Records validates the meal pattern, reflects all food items served, including milk types and condiments, and supports menus and claims.
* Production Records must match the menu, with any changes noted.
* Sample food item production record from Connecticut: <http://www.sde.ct.gov/sde/cwp/view.asp?a=2626&q=320672>

Corrective Action: By January 3, 2017, please submit a Plan of Corrective Action that will ensure that required information on the Production Record will be maintained.

OVS (Offer vs Serve)

Observations:

* Prior to the AR, a parent complaint was received at BNPS regarding Pine Tree staff making her son take milk or a “sugary fruit drink” with his meal. As Pine Tree is an OVS school, they are required to offer 5 components, but the student may choose 3 of the 5 components offered. One of these must be a fruit or vegetable, but they are not required to take milk. Cheri White, BNPS Administrator, discussed the issue with parent as well as Brian Coffey; during the on-site visit, food service staff still did not understand OVS as they thought that a fruit AND a vegetable had to be taken with a reimbursable meal.
* John Fuller staff was pre-plating trays with vegetable, entrée and grain.

Recommendation:

* Although both schools had changed OVS practices by the end of the on-site visits, OVS training is recommended.

Finding:

* There was no OVS signage at Pine Tree Elementary School, but it was posted by the end of the on-site visit; *no further Corrective Action needed*.

Technical Assistance:

* http://education.nh.gov/program/nutrition/documents/offervservesp41\_2015a.pdf Offer Versus Serve-Guidance for the National School Lunch Program and School Breakfast Program; Effective beginning School Year 2015-16

Resource Management

Revenue from Non-program Foods

Findings:

* Non-program costs/revenues haven’t been tracked as it has been assumed that 15% of food costs are for non-program foods.
* Jackson’s adult meals are not priced to cover the overall meal costs and to cover the cost of USDA Foods used in the preparation of the meals.

Technical Assistance:

* Regulation 7 CFR 210.14(f) and FNS Instruction 782-5 REV.1
* Revenues from the sale of non-program foods must generate at least the same proportion of total school food service account revenues that expenditures from the purchase of non-program foods contribute to total school food service account costs.
* Adult meals must be priced so that adult payments are sufficient to cover the overall costs of meals, including the value of any USDA Foods used in the production of adult meals.

Corrective Action: By January 3, 2017, please submit: a Plan of Corrective Action that will 1) identify the procedure that will be implemented to capture non-program foods expenses and revenues; 2) identify the new adult meal price for Jackson.

General Program Compliance

Civil Rights

Findings:

* There is no written procedure for receiving and processing discrimination complaints for the School Meals Program as all non-discrimination complaints were handled by Director of Special Services and referred to DOE/Boston and not USDA*.*
* Most current nondiscrimination statement was not on menu or in John Fuller or Pine   
  Tree Family Handbooks; *Repeat Findings*.
* State Special Dietary Needs Prescription form was not being used and the one being used did not contain all the required information.

Technical Assistance:

* Food Service should either be added to the existing district complaint procedure or a separate one specifically for Food Service should be created.
* Civil Rights Training for all staff is required annually, including any non-food service staff who work with students, Point of Service, applications, etc*.* and documentation of training must be maintained.

Corrective Action: By January 3, 2017, please submit a Plan of Corrective Action that will address how SAU #9 will ensure that: 1) there is a written complaint procedure for Food Service; 2) most current nondiscrimination statement is used on all pertinent documents referencing Child Nutrition Programs; 3) Special Dietary Needs Prescription information is obtained.

On-site Monitoring (formerly Accuclaim)

Finding:

* On-site monitoring was not done last year using the Accuclaim forms, but Brian Coffey, Food Service Director, had monitored using a form that he developed that didn’t include Corrective Actions or Follow-up; *Repeat Finding*.

Technical Assistance:

* A SAU with more than one school must conduct an onsite review of the lunch meal counting and claiming system at each school and 50% of schools operating the breakfast program under its jurisdiction and act upon any Corrective Actions required, by February 1 of each year. Best practice is to ensure that Corrective Actions address identified issues.
* School Food Authority (SFA) On-site Review Checklists <http://education.nh.gov/program/nutrition/accuclaim.htm>

Corrective Action: By January 3, 2017, please submit a Plan of Corrective Action that will address how SAU #9 will ensure that on-site monitoring is done.

School Wellness Policy (LWP)

Observations:

* There is a very active SAU wellness team and the LWP is in process of being updated.
* Pepsi paper cups were observed in Pine Tree kitchen; moved to dry storage and labelled “teachers” before end of on-site visit.

Finding:

* LWP does not include assessment, public input, transparency, and implementation.

Technical Assistance:

* Only foods and beverages that meet Smart Snacks nutrition standards may be marketed and advertised.
* Each local educational agency that participates in the National School Lunch Program or other federal Child Nutrition programs is required by federal law to establish a local school wellness policy for all schools under its jurisdiction.
* <http://www.fns.usda.gov/tn/local-school-wellness-policy-outreach-toolkit>
* Please note additional requirements have been added to Local School Wellness Policy Implementation. This information is located on our website: <http://www.education.nh.gov/program/nutrition/school_lunch.htm> under Local Wellness Policy Toolkit and related resources. This includes:
* Review and update the Wellness Policy to set goals, document meetings/activities and track progress toward attaining objectives.
* The LEA should be moving towards strengthening local wellness policies, by

1. Making efforts to include teachers of physical education, school health professionals, and school administrators in the development, implementation and periodic review and update of the policy
2. Expand the scope of the local wellness policy to include nutrition promotion; and
3. Required steps regarding implementation, transparency, public input and assessment available to the public.

Corrective Action: By January 3, 2017, please submit a Plan of Corrective Action that will address how SAU #9 will ensure that the Local School Wellness Policy includes required elements.

Smart Snacks

Observations:

* Each school in the SAU has their own procedure for tracking Smart Snacks fund-raiser exemptions but documentation was not available of tracking systems used.
* Pine Tree had an ice cream fund-raiser on Fridays from 11-12:30.

Technical Assistance:

* Any food sold to students in schools during the defined school day must meet Smart Snacks Nutrition Standards.
* Documentation should be maintained for Smart Snacks items.
* Each school is allowed 3 exempt food-based fund-raisers per school year and must be monitored.
* <https://www.healthiergeneration.org/take_action/schools/snacks_and_beverages/smart_snacks/alliance_product_calculator/> Smart Snacks calculator
* <http://www.fns.usda.gov/healthierschoolday/tools-schools-focusing-smart-snacks> Smart Snacks resource

Professional Standards

Findings:

* Hiring standards were not being tracked for the SAU.
* Conway District was using a tracker for training but SY 16-17 dates were recorded for SY 15-16; there was no tracking of training for Bartlett District and Jackson District.
* Conway District had some supporting documentation and Bartlett was maintaining supporting documentation; nothing was available for Jackson District.

Technical Assistance:

* <http://www.fns.usda.gov/school-meals/professional-standards>
* NSLP Policy Memo: SP 38-2016, Questions and Answers on the Final Rule “Professional Standards for State and Local School Nutrition Programs Personnel as Required by the Healthy, Hunger-Free Kids Act of 2010”

Corrective Action: By January 3, 2017, please submit a Plan of Corrective Action that will address how SAU #9 will ensure Professional Standards compliance.

Food Safety and Buy American

Observations:

* Good initial food safety staff training and implementation of procedures.
* Cases of water on floor in Pine Tree walk-in; moved before end of on-site visit.
* Sanitizing logs were not being kept at Pine Tree.
* Case of taco seasoning in dry storage at Pine Tree with a “best by” date of January 2016.
* Cream cheese was not kept on ice at Pine Tree breakfast.
* Documentation was not available for non-domestic product at Pine Tree: pineapple tidbits (Thailand); Northeast whole kernel corn (Thailand); red potatoes (Canada); granulated garlic (China).

Findings:

* Food Safety Plan didn’t include all recipes/menu items in process approach; *Repeat Finding*.
* Standard Operating Procedures weren’t documented as implemented; *Repeat Finding*.
* Pine Tree did not have 2 food safety inspections during the last school year and there was no documentation of a request for a second inspection; documentation was available for response to current school year request; *no further Corrective Action needed*.

Technical Assistance:

* Items must be stored away from walls and at least 6 inches off the floor.
* Recordkeeping and monitoring are essential elements in a Food Safety Plan based on Hazard Analysis Critical Control Point (HACCP) principles.
* Food must be rotated in storage so that those with the earliest use-by or expiration dates are used before items with later dates; food that has passed its manufacturer’s use-by or expiration date should be discarded.
* Cold food should be held at 41◦F or lower. If it’s held without temperature control, then appropriate practices for holding without temperature control should be followed.
* Schools participating in NSLP and/or SBP are required to implement a Food Safety Plan based on HACCP principles. This became a requirement in the school year beginning July 1, 2005. Section 111 of the Child Nutrition and WIC Reauthorization Act of 2004 (Public Law 108-265) amended section 9(h) of the Richard B. Russell National School Lunch Act.
* <http://www.nfsmi.org/documentlibraryfiles/PDF/20080220092722.pdf> USDA HACCP Guidance
* <http://www.nfsmi.org/ResourceOverview.aspx?ID=57> National Food Service Management Institute (NFSMI) Developing a School Food Safety Plan resources
* <http://sop.nfsmi.org/sop_list.php> NFSMI SOPs
* If a non-domestic product is used in Child Nutrition Programs, documentation must be kept supporting the exception.
* Policy Memo SP-24-2016; Compliance with, and Enforcement, of the Buy American Provision in the National School Lunch Program.

Corrective Action: By January 3, 2017, please provide a Plan of Corrective Action for addressing missing elements of Food Safety Plan based on HACCP principles.

Reporting and Recordkeeping

Finding:

* Program records have not been maintained for 3 years plus the current.

Technical Assistance:

* Any documents pertaining to operating Child Nutrition Programs (with the exception of temperature logs) must be maintained for a period of 3 years after submission of the final claim for reimbursement for the fiscal year. If audit findings have not been resolved, the 3-year period is extended as long as required for resolution of audit issues.

Other Federal Program Reviews

Afterschool Snacks (ASSP)

Observations:

* Pricing structure of snacks should be reviewed to ensure cost effectiveness.
* Conway Elementary School and John Fuller School’s snacks have been claimed as Free/Reduced/Paid rather than all Free even though the schools are area-eligible.

Findings:

* Production Records haven’t been maintained for ASSP.
* Two annual site reviews haven’t been done.
* Person responsible for meal counting has not been trained.
* Area eligibility documentation is not maintained (but applicable schools haven’t been claiming appropriately).

Technical Assistance:

* Complete ASSP Production Records must be maintained daily.
* Site reviews must be done twice annually, with the first visit occurring within the first four weeks of operation.
* Any staff with Child Nutrition Program responsibilities must be included in Professional Standards training and tracking requirements.
* Documentation must be maintained that the site is located in an area served by a school in which at least 50% of the enrolled students are certified eligible for free or reduced price meals (i.e., “Area Eligible”) if all meals are claimed free.

Corrective Action: By January 3, 2017, please submit a Plan of Corrective Action that will address how SAU #9 will ensure that 1) ASSP Production Records are maintained and 2) self-monitoring is done.

Fresh Fruit and Vegetable Program (FFVP)

Finding:

* Pine Tree Elementary School September claim food, labor, supply and administrative costs could not be substantiated from source documents. The specific costs were discussed with Brian Coffey during a telephone call after the on-site visit. *There may be a fiscal action for errors associated with unsubstantiated costs.*

Technical Assistance:

* Supporting documentation must be maintained to validate claims for reimbursement.
* The claim submitter should be reviewing the source documentation to confirm accuracy of claim before submission.
* FFVP resource <http://www.education.nh.gov/program/nutrition/ffvp/documents/manual.pdf>

Corrective Action: By January 3, 2017, please submit a Plan of Corrective Action that will address how SAU #9 will ensure that 1) supporting documentation is maintained for FFVP claims and 2) requested documentation for September FFVP claim is submitted.

*Remember: There are no appeals for the identification of Findings requiring plans of Corrective Action. However, if this review includes a financial finding you may appeal the financial amount, 7 CFR 210.18(q). Financial findings will be determined upon receipt of all plans of Corrective Action.*

Procurement Review

Code of Conduct

Finding:

* Jackson District doesn’t have a Code of Conduct.

Technical Assistance with Action:

* A Code of Conduct must be developed for Jackson.

Procurement Procedures

Finding:

* The Procurement Procedures provided specifically noted that it was not applicable to Food Service.

Technical Assistance with Action:

* Written Procurement Procedures must be developed that are applicable to Food Service.

Micro Purchases/Small Purchases/Formal Purchases

Finding:

* For SY 15-16 Procurement Procedures were not followed.

Technical Assistance with Action:

* Follow 2 CFR 200 (replacing Part 3016) offers guidance surrounding federal procurement.

Vended Meals

Findings:

* There is no contract for Bartlett Pre-School vended meals; revenue from Bartlett Pre-School would be considered non-program food revenue to Bartlett School District.
* Bartlett appears to be billing Jackson for amount served rather than amount ordered.

Technical Assistance with Action:

* Initiate contract for Bartlett Pre-School vended meals.
* Bartlett should bill Jackson for amount ordered rather than amount served so that non-program food revenue can be in compliance.

State Agency Reviewers: Nancy Bradford-Sisson, Kathryn Hodges, Cheri White