



**New Mexico Public Education Department
Coordinated School Health & Wellness Bureau
Administrative Review Corrective Action Plan**

SFA Name: Borrogo Pass
 Administrative Review Conducted on: 11/7/2016
 Sites Selected for Review: Borrogo Pass

Date Corrective Action Plan was provided to SFA: Monday, November 7, 2016

Due Date for Corrective Action Plan: 21-Jan-17

The following pages address the findings that were identified during your Administrative Review. For each finding you will be presented with the following:

The finding, and details specific to the SFA regarding the finding	A summary of the regulation / requirement
The Code of Federal Regulations citation number or alternate resource citation	Suggested guidance for the SFA in order to achieve compliance SFA area for reply to state how, when and by whom corrections will be made

Please provide a detailed response to each finding in the spaces provided.

Finding #1
700. The SFA was unable to show they have a separate financial account for the nonprofit school food service program
Technical Assistance Provided
The SFA must separately track the food service account's fund balance, to ensure that food service funds are used only for allowable food service expenditures and to ensure compliance with the net cash resource limitation. Although the SFA separately tracks food service revenues & expenditures, they do not appear to track the fund balance and were unable to provide a year-end balance. The SFA should refer to fund accounting guidelines, accounting regulations (GAAP & GASB), and relevant authorities (such as the BIE & PED) when correcting their accounting system to properly track food service funds separately. The SFA was given financial management training material from the NFSMI as part of the technical assistance.
Regulation / Citation and Summary
7 CFR 210.14 (a) Nonprofit school food service. School food authorities shall maintain a nonprofit

school food service. Revenues received by the nonprofit school food service are to be used only for the operation or improvement of such food service, except that, such revenues shall not be used to purchase land or buildings, unless otherwise approved by FNS, or to construct buildings. Expenditures of nonprofit school food service revenues shall be in accordance with the financial management system established by the State agency under § 210.19(a) of this part.

SFA Suggested Guidance for Compliance

As the corrective action response, please provide documentation showing that you are now separately tracking the food service fund balance. This could include a Balance Sheet/Statement of Financial Position for the food service program, or other accounting documentation showing a beginning and/or ending fund balance.

SFA Response

Finding #2

Resource Management Comprehensive Review: NonProgram Revenues

The SFA did not accrue all nonprogram food revenues to the food service account

Technical Assistance Provided

The SFA is not accruing adult meal sales to the food service account. Using the meal counts provided by the SFA and the adult lunch price of \$2.50, there should have been \$7,350 of adult meal revenues for SY 15-16. The only revenue recorded to the food service account are USDA reimbursements. The SFA should begin recording all nonprogram revenues to the food service account, and properly transfer the funds into the food service account for the review year (SY 15-16) and the current year.

Regulation / Citation and Summary

7 CFR 210.14 Resource management. (3) All revenue from the sale of nonprogram foods shall accrue to the nonprofit school foodservice account of a participating school food authority.

SFA Suggested Guidance for Compliance

As the corrective action response, please provide documentation showing that 1) adult meal sales are now being recorded to the food service account and 2) adult meal sales from the review year and the current year have been transferred into the food service account.

SFA Response

Finding #3

Resource Management Comprehensive Review: Adult Meal Prices

The SFA priced adult meals below the cost of producing these meals.

Technical Assistance Provided

The SFA's adult meal price of \$2.50 does not meet the USDA pricing guidelines. For the review year (SY 15-16), the SFA should have priced their adult meals at \$3.39 or higher (\$3.15 free reimbursement rate + \$.2375 value of commodities). A school district can choose to pay for adult meals. If you determine \$3.50 should be the price of an adult lunch, but you only charge \$2.50, the general fund needs to pay the food service account an additional \$1.00 for every adult lunch served.

Regulation / Citation and Summary

FNS Instruction 782-5: Pricing of Adult Meals in the National School Lunch And School Breakfast Programs "Breakfasts and lunches served to teachers, administrators, custodians and other adults must be priced so that the adult payment in combination with any per-lunch revenues from other sources designated specifically for the support of adult meals (such as State or local fringe benefit or payroll funds, or funding from voluntary agencies) is sufficient to cover the overall cost of the lunch. Including the value of any USDA entitlement and bonus donated foods used to prepare the meal. If cost data are not available, the minimum adult payment should reflect the price charged to Students paying the school's designated full price, plus the current value of Federal cash and donated food assistance (entitlement and bonus) for full price meals. In nonpricing programs, the adult charge should be at least the amount of reimbursement received for a free lunch under Section 4 and 11 of the National School Lunch Act, plus the per-meal value of both entitlement and bonus donated foods, or for breakfasts, the rate established for free meals under Section 4 of the Child Nutrition Act, plus the value of bonus commodities."

SFA Suggested Guidance for Compliance

As the corrective action response, please explain the process that will be put into place to ensure that an adult meal pricing policy is established and reviewed annually. This pricing policy should establish guidelines for determining the cost of adult meals and document any sources of revenue designated specifically for the support of adult meals if the adults will not be charged directly. Additionally, explain how adult meal prices will either be sufficiently priced going forward, or explain how the SFA will use non-federal funds to make up for the adult meal price deficiency.

SFA Response

Finding #4

Resource Management Comprehensive Review: NonProgram Food Compliance
The SFA did not complete the USDA Nonprogram Food Revenue Tool.

Technical Assistance Provided

The NonProgram Food Revenue Tool should be completed every year. You can use a one-week reference period instead of gathering numbers for an entire year. This tool should include adult meals as your nonprogram foods. If the tool shows you are out of compliance, you need to increase nonprogram food prices (even if you are meeting the USDA adult meal pricing guidelines). A copy of the tool and a link to the USDA memo was sent in an email during this review. Both documents can be found on the USDA website. The reviewer completed the tool for last year using information provided by the SFA and sent a copy to the SFA. Per the tool, the SFA would have needed \$8,115 in adult meal sales to be in compliance. The SFA's adult meal price is too low, and would not have resulted in this revenue amount.

Regulation / Citation and Summary

7 CFR 210.14 (f) Revenue from non-program foods. Beginning July 1, 2011, school food authorities shall ensure that the revenue generated from the sale of non-program foods complies with the requirements in this paragraph. (1) Definition of non-program foods. For the purposes of this paragraph, non-program foods are those foods and beverages; (i) Sold in a participating school other than reimbursable meals and meal supplements; and (ii) Purchased using funds from the nonprofit school food service account. (2) Revenue from non-program foods. The proportion of total revenue from the sale of non-program foods to total revenue of the school food service account shall be equal to or greater than: (i) The proportion of total food costs associated with obtaining non-program foods (ii) The total costs associated with obtaining program and non-program foods from the account.

SFA Suggested Guidance for Compliance

As the corrective action response, please explain the process that will be put into place to ensure that the USDA Nonprogram Food Revenue Tool is completed each year. This should include a timeframe for when the tool will be completed, and the steps that will be taken if the tool shows you are out of compliance.

SFA Response

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Finding #5

410. For the week of menu review, the K-8 breakfast menu did not meet the minimum daily requirement of 1 ounce equivalent grain. A grain was provided, however the minimum required portion size was not met.

Technical Assistance Provided

During the review, the portion sizes required by the meal patterns were discussed with the SFA. The SFA must ensure that all meals counted for reimbursement contain the required components in the minimum portion size required for the specific grade group. The SFA should review all menus to ensure that at least the minimum portion size is planned for the specific grade group. The SFA should also provide additional training to the kitchen staff on the requirements of a reimbursable meal. The training should include what to do if a certain planned menu item is not available or if the item runs out during service. The USDA FNS website can be used for training materials, resources and guidance on the meal pattern. <http://healthymeals.nal.usda.gov/>

Regulation / Citation and Summary

220.8(c) Meal pattern for school breakfasts. A school must offer the food components and quantities required in the breakfast meal pattern established. K-12: 1 oz. equivalent of grains daily.

SFA Suggested Guidance for Compliance

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To come into compliance with meal pattern requirements, the SFA must provide the State Agency with a written plan that will be implemented to ensure future compliance. The plan should include; a statement that all menus will be reviewed to ensure that all portion sizes planned meet at least the minimum required amount for the specific grade group, a process for sites to reference when they do not have one of the planned menu items or there is insufficient quantities, a statement that the serving line will be visually reviewed prior to service to confirm that all required components are available and that additional menu training for all SFA staff will be provided. Provide the outline and dates for the trainings that will be completed. In addition please submit the name(s) and title(s) of the SFA representative(s) that will oversee this area and ensure future compliance. Submit the menu from the week of review with the corrections that were made to the menu to bring it into compliance moving forward. Provide any needed documentation to support the changes such as labels, recipes, production records, etc.

SFA Response

Finding #6

805. The SFA is not following the requirements in the fluid milk substitution rule.

Technical Assistance Provided

During the review, the fluid milk substitution rule discussed with the SFA. This rule must be followed as outlined in 7 CFR 210.10(m)(2)(i).

Regulation / Citation and Summary

210.10(m)(2)(i) Fluid milk substitutions for non-disability reasons. Schools may make substitutions for fluid milk for non-disabled students who cannot consume fluid milk due to medical or special dietary needs. A school that selects this option may offer the nondairy beverage(s) of its choice, provided the beverage(s) meets the nutritional standards established under paragraph (d) of this section. Expenses incurred when providing substitutions for fluid milk that exceed program reimbursements must be paid by the school food authority. (ii) Requisites for fluid milk substitutions. (A) A school food authority must inform the State agency if any of its schools choose to offer fluid milk substitutes other than for students with disabilities; and (B) A medical authority or the student's parent or legal guardian must submit a written request for a fluid milk substitute identifying the medical or other special dietary need that restricts the student's diet. (iii) Substitution approval. The approval for fluid milk substitution must remain in effect until the medical authority or the student's parent or legal guardian revokes such request in writing, or until such time as the school changes its substitution policy for non-disabled students.

SFA Suggested Guidance for Compliance

To come into compliance with this requirements for special dietary needs, the SFA must provide the State Agency with an assurance that appropriate staff understand the requirement, and the SFA must put a plan in place to ensure future compliance. The plan must include the SFA's process for students that have life threatening allergies and the SFA's process for student with special dietary needs that do not rise to a level of a disability. Each process should include; the type of documentation that must be maintained on file, how the sites will be informed of the child's specific needs, the process that will be used to ensure that the SFA is meeting the requirements for both groups of dietary needs, and the name and title of the SFA representative that will oversee compliance.

SFA Response

Finding #7

1002. The SFAs Local School Wellness Policy has not been reviewed or updated.

Technical Assistance Provided

During the on-site review, Local Wellness Policies were discussed with the SFA. The Local Wellness Policy is required to be reviewed and updated on a periodic basis to ensure that the policy reflects current requirements and SFA practices.

Regulation / Citation and Summary

210.30 Local School Wellness Policy (e) Implementation assessments and updates. Each local educational agency must: (1) Designate one or more local educational agency officials or school officials to ensure that each participating school complies with the local school wellness policy; (2) At least once every three years, assess schools' compliance with the local school wellness policy, and make assessment results available to the public. The assessment must measure the implementation of the local school wellness policy, and include: (i) The extent to which schools under the jurisdiction of the local educational agency are in compliance with the local school wellness policy; (ii) The extent to which the local educational agency's local school wellness policy compares to model local school wellness policies; and (iii) A description of the progress made in attaining the goals of the local school wellness policy.

(3) Make appropriate updates or modifications to the local school wellness policy, based on the triennial assessment.

SFA Suggested Guidance for Compliance

To come into compliance with this requirement the SFA must submit a statement that the wellness policy will be reviewed and updated by the wellness committee. In addition to the statement the SFA must submit the minutes from the meeting that was held to determine the needed updates. If the policy has been updated by the corrective action due date, submit a copy of the revised wellness policy. If the due date is prior to the completion of the updates, submit a detailed timeline for the implementation of the changes. Once the revisions have been made a copy of the wellness policy should be submitted to the state agency for review.

SFA Response

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Finding #8

1005. An assessment of the Local School Wellness Policy has not been completed.

Technical Assistance Provided

During the review, Local Wellness Policies were discussed with the SFA. The SFA is required to perform an assessment of the Local Wellness Policy at a minimum once every three years. The results of the assessment need to be made available to the public. The SFA should use the results of the assessment to determine any changes or updates that need to be made to the wellness policy.

Regulation / Citation and Summary

210.30 Local School Wellness Policy (e) Implementation assessments and updates. Each local educational agency must: (1) Designate one or more local educational agency officials or school officials to ensure that each participating school complies with the local school wellness policy; (2) At least once every three years, assess schools' compliance with the local school wellness policy, and make assessment results available to the public. The assessment must measure the implementation of the local school wellness policy, and include: (i) The extent to which schools under the jurisdiction of the local educational agency are in compliance with the local school wellness policy; (ii) The extent to which the local educational agency's local school wellness policy compares to model local school wellness policies; and (iii) A description of the progress made in attaining the goals of the local school wellness policy.

(3) Make appropriate updates or modifications to the local school wellness policy, based on the triennial assessment.

SFA Suggested Guidance for Compliance

To come into compliance with this requirement the SFA must submit a statement that an assessment of the wellness policy will be completed by the wellness committee. In addition to the statement the SFA must submit the minutes from the meeting that was held to complete the assessment. If the assessment has been updated by the corrective action due date, submit a copy of the assessment report. If the due date is prior to the completion of the assessment, submit a detailed timeline for the completion of the assessment. Once it is completed copy of the assessment should be submitted to the state agency for review.

SFA Response

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Finding #9

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318. The point of service did not provide an accurate meal count by eligibility status. This is a systemic error. Students were observed walking through the POS without a staff member taking meal count. The SFA uses tray counts as a backup method for meal counts. This is a repeat finding.

Technical Assistance Provided

During the review, an accurate point of service was discussed with the SFA. The point of service does not provide an accurate meal count by eligibility status. This is a systemic error. To be in compliance, the SFA must ensure that meal counts taken at the point of service correctly identify the number of free, reduced priced and paid lunches served. Tracking students accurately at the point of service was reviewed with the SFA. The SFA acknowledged the finding and will implement needed changes immediately.

Regulation / Citation and Summary

210.7(c)(1) Lunch count system. To ensure that the Claim for Reimbursement accurately reflects the number of lunches and meal supplements served to eligible children, the school food authority shall, at a minimum:(iii) Base Claims for Reimbursement on lunch counts, taken daily at the point of service, which correctly identify the number of free, reduced price and paid lunches served to eligible children; (iv) Correctly record, consolidate and report those lunch and supplement counts on the Claim for Reimbursement.

SFA Suggested Guidance for Compliance

To come into compliance with the requirements for counting and claiming, the SFA must provide the State Agency with an assurance that the appropriate staff understand these requirements, and the SFA must put a plan in place to ensure future compliance. Please submit the assurance and plan to the State Agency. The plan must include: an indication that the SFA will advise the State Agency that the systemic error has been corrected, a description of the new process that has been implemented, a description of the training that was provided to staff to inform them of the new process, the date the training was completed and the name and title of the SFA representative that will ensure compliance moving forward.

SFA Response

Finding #10

403. On the day of review, fluid milk was not available in at least two varieties on all serving lines for breakfast. There was milk available throughout the meal, however there was only one option.

Technical Assistance Provided

During the on-site review, the fluid milk requirements were discussed with the SFA. The SFA must ensure that fluid milk is offered that is 1% unflavored or nonfat unflavored or flavored. Milk that is above 1% fat content is not allowable for a reimbursable meal. The SFA must provide at least 2 different varieties of milk throughout the meal service.

Regulation / Citation and Summary

220.8(d) Fluid milk requirement. A serving of fluid milk as a beverage or on cereal or used in part for

each purpose must be offered for breakfasts. Schools must offer students a variety (at least two different options) of fluid milk. Effective July 1, 2012 (SY 2012-2013), all milk must be fat-free or low-fat. Milk with higher fat content is not allowed. Fat-free fluid milk may be flavored or unflavored, and low-fat fluid milk must be unflavored. Low fat or fat-free lactose-free and reduced-lactose fluid milk may also be offered.

SFA Suggested Guidance for Compliance

To come into compliance with the fluid milk requirements, the SFA must provide the State Agency with a written assurance that staff administering the Program understand these requirements, and the SFA must put a plan in place to ensure future compliance. Please submit the assurance and plan to the State Agency, along with an indication that corrections have been made at this site, as well as system-wide, in order to bring the menus into compliance. Submit a copy of documentation (milk receipts, labels, menus, or production records) to demonstrate compliance.

SFA Response

Finding #11

409. The SFA is not maintaining daily production records.

Technical Assistance Provided

During the review, production records were discussed with the SFA. The SFA must ensure that all sites are keeping accurate and complete production records for the meals they produce. The records must be completed throughout meal service and maintained everyday. At a minimum the production records should include the name of the item, the recipe or item number, the portion size, the number of planned portions, the component contribution amount and the number of actual servings. All kitchen staff should be trained on completing production records so that everyone can complete the records.

Regulation / Citation and Summary

210.10(a)(3) Production and menu records. Schools or school food authorities, as applicable, must keep production and menu records for the meals they produce. These records must show how the meals offered contribute to the required food components and food quantities for each age/grade group every day. Labels or manufacturer specifications for food products and ingredients used to prepare school meals must indicate zero grams of trans fat per serving (less than 0.5 grams). Schools or school food authorities must maintain records of the latest nutritional analysis of the school menus conducted by the State agency. Production and menu records must be maintained in accordance with FNS guidance

SFA Suggested Guidance for Compliance

To bring this area into compliance the SFA must submit a written assurance that includes; a statement that the SFA is aware of the production records requirement, a statement that production records will be maintained for all meals produced, a process for completing the productions records, and a statement that additional training will be provided to the SFA staff, include the training outline and the dates that the trainings will be held. In addition please submit the name(s) and title(s) of the SFA representative(s) that will oversee this area and ensure future compliance. Submit a week of completed production records for review.

SFA Response

Finding #12

1707. The program was not monitored within the first 4 weeks of operation.

Technical Assistance Provided

During the review, program monitoring was discussed with the SFA. The SFA must monitor the program within the first 4 weeks of operation.

Regulation / Citation and Summary

210.9(c) Afterschool care requirements. Those school food authorities with eligible schools (as defined in §210.10(n)(1)) that elect to serve meal supplements during afterschool care programs, shall agree to: (7) Review each afterschool care program two times a year; the first review shall be made during the first four weeks that the school is in operation each school year, except that an afterschool care program operating year round shall be reviewed during the first four weeks of its initial year of operation, once more during its first year of operation, and twice each school year thereafter.

SFA Suggested Guidance for Compliance

To come into compliance with monitoring requirements, the SFA must provide an assurance that staff administering the Afterschool Care Snack Program understand these requirements, and the SFA must put a plan in place to ensure future compliance. Please submit the assurance and plan. The SFA must also complete the monitoring reviews and submit them or, if early in the year, must provide the date when monitoring will occur. Once these reviews are completed, they should be submitted to the State Agency at that point. Include the person by position will be in charge of completing the snack program monitoring reviews.

SFA Response

Finding #13

1706. Production records were not complete for each day of the review period.

Technical Assistance Provided

During the review, production record requirements were discussed with the SFA. The SFA must complete production records as described in 7 CFR 210.10(a)(3). How to complete these records was discussed with the SFA. This finding may result in fiscal action.

Regulation / Citation and Summary

210.10(a)(3) Production and menu records. Schools or school food authorities, as applicable, must keep production and menu records for the meals they produce. These records must show how the meals offered contribute to the required food components and food quantities for each age/grade group every day.

SFA Suggested Guidance for Compliance

To come into compliance with production record requirements, the SFA must provide an assurance that staff administering the Afterschool Care Snack Program understand these requirements, and the SFA must put a plan in place to ensure future compliance. Please submit the assurance and plan. Training for all afterschool snack program staff must be completed. Submit a copy of the completed sign in sheet and agenda for the training along with the date that the training was completed. The SFA must also submit revised production records to the State Agency, for each day of the review period.

SFA Response

Finding #14

1221. The SFA has additional employees outside of the school nutrition program whose responsibilities include duties related to the operation of the school nutrition program who have not received applicable training.

Technical Assistance Provided

During the on-site review, training requirements were discussed with the SFA. To be in compliance, the SFA must ensure that employees outside of the School Nutrition programs (whose responsibilities include duties related to the operation of the School Nutrition program) receive adequate training specific to the task they perform. For further information, please see the USDA's Guide to Professional Standards for School Nutrition Programs.

Regulation / Citation and Summary

SP 39-2015: Question 29: Do the professional standards apply to a staff such as a secretary or an office assistant who processes free and reduced-price meal applications during the fall months only? No. Office staff members that process free and reduced-price meal applications or that provide other support for the school nutrition program for a short period of time during the school year are not required to meet the annual training standards. However, these individual should receive adequate training specific to the task they will perform.

SFA Suggested Guidance for Compliance

To come into compliance with the requirements for Professional Standards, the SFA must provide the State Agency with an assurance that the appropriate staff understand these requirements, and the SFA must put a plan in place to ensure future compliance. Please submit the assurance and plan to the State Agency, indicating how the SFA will ensure that the appropriate training is completed.

SFA Response

Signature of Reviewer: *Ramellia M. Ridy* Date: 11/7/2016

Signature of SFA Representative: _____ Date: _____

If you have any questions, feel free to contact CN Resource at your convenience. Thank you.



Coordinated School Health & Wellness Bureau

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Please insert your detailed responses, save, print, sign, and scan/email or mail the signed copy to your NMPE address above by the due date indicated. Thank you.

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