



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

SFA Name: Chooshgai Community School  
 Administrative Review Conducted on: 11/15/2016  
 Sites Selected for Review: Chooshgai Community School  
 \_\_\_\_\_  
 \_\_\_\_\_

**Date Corrective Action Plan was provided to SFA:** \_\_\_\_\_

**Due Date for Corrective Action Plan:** 23-Mar-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<br>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.**

|   |
|---|
| <b>Finding #1</b>   |
| 800. The SFA must use the current civil rights statement on all Program materials. The SFA is not using the civil rights statement on all Program materials.  |
| <b>Technical Assistance Provided</b>  |
| During the review the requirement for the most current civil rights statement to appear on all Program material was discussed with the SFA. The SFA must use the most current statement on all Program material. Per USDA requirements the new Non-discrimination statement must be on all program materials no later than September 30, 2016. The SFA was provided with the new USDA non-discrimination statement. <a href="http://www.fns.usda.gov/fns-nondiscrimination-statement">http://www.fns.usda.gov/fns-nondiscrimination-statement</a> |
| <b>Regulation / Citation and Summary</b>  |

FNS Instruction 113-1 IX A 3 Nondiscrimination Statement. All information materials and sources, including Web sites, used by FNS, State agencies, local agencies, or other subrecipients to inform the public about FNS programs must contain a nondiscrimination statement. It is not required that the nondiscrimination statement be included on every page of the program information Web site. At the minimum, the nondiscrimination statement, or a link to it, must be included on the homepage of the program information.

#### **SFA Suggested Guidance for Compliance**

To come into compliance with civil rights requirements, the SFA must submit an assurance to the State Agency that the current non-discrimination statement has been added to all program materials. In addition, the SFA must submit a sample of program materials, such as a menu or letter to households with the statement added to the State Agency.

#### **SFA Response**

#### **Finding #2**

316. The SFA has claimed meals in error based on inaccurate counting and/or claiming procedures. The counts by category were not correctly used in the claim for reimbursement. This is a non-systematic claiming error.

#### **Technical Assistance Provided**

During the review, claiming was discussed with the SFA. The SFA and State Agency claims do not match. The SFA has a non-systemic claiming error. To be in compliance, the SFA must ensure that claims are being filed accurately. The SFA must correctly submit the claim based on the edit check for each meal service. The SFA acknowledged the finding and will implement needed changes immediately.

#### **Regulation / Citation and Summary**

210.7(c) Reimbursement limitations. To be entitled to reimbursement under this part, each school food authority shall ensure that Claims for Reimbursement are limited to the number of free, reduced price and paid lunches and meal supplements that are served to children eligible for free, reduced price and paid lunches and meal supplements, respectively, for each day of operation.

#### **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 has corrected inaccurate counting and/or claiming procedures, 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. Additionally, SFA staff will need to complete the Meal Counting and Claiming training found in the School Nutrition Toolbox at <http://www.schoolnutritiontoolbox.org/snt-v3/index.php>.

#### **SFA Response**

|  |
|--|
|  |
|--|

| <b>Finding #3</b>   |
|---|
| Resource Management Comprehensive Review: Adult Meals<br>The SFA priced adult meals below the cost of producing these meals.  |
| <b>Technical Assistance Provided</b>  |
| It is important that adult meals are priced completely above cost, since you cannot use program funds to pay for adult meal costs. The USDA pricing guidelines for adult meals is based on the student reimbursement rate. For the SY 16-17, the free reimbursement rate of a lunch plus the value of commodities is \$3.39. The SFA's adult meal price listed in their application is only \$3.00. The SFA should raise adult meal prices to at least \$3.39, and should recalculate the minimum adult meal price every year with the updated reimbursement rates. The SFA should also be aware that lunch duty staff cannot eat for free at the cost of the program, per PED's Program Adult Meals memo dated October 1, 2015. Only program adults such as food service directors and kitchen staff may eat for free at the cost of the program. A school district can choose to pay for adult meals. The general fund would need to make a transfer into the food service account for every free adult meal served. This transfer can be done on a weekly, monthly or other timely basis.  |
| <b>Regulation / Citation and Summary</b>  |
| 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." |
| <b>SFA Suggested Guidance for Compliance</b>  |
| 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 all non-program adults will be charged the full price of their meal going forward, or explain how the SFA will use non-federal funds to make up for the adult meal price deficiency.   |
| <b>SFA Response</b>   |



| <b>Finding #4</b>   |
|---|
| 1000. The SFA does not have a Local School Wellness Policy.   |
| <b>Technical Assistance Provided</b>  |
| <p>During the review, Local Wellness Policies were discussed with the SFA. The Local Wellness Policy is required to contain the following: a designation of one or more SFA officials in charge of school compliance oversight; a plan for measuring compliance; goals for nutrition education, nutrition promotion, other school based activities to promote student wellness, and physical activity; and guidance for all foods available on school campus. The SFA should also contact the state agency to determine if there are any additional requirements from the state or if they have any state specific resources. The SFA was provided with the USDA link for Wellness Policies.<br/> <a href="http://www.fns.usda.gov/tn/local-school-wellness-policy">http://www.fns.usda.gov/tn/local-school-wellness-policy</a></p>   |
| <b>Regulation / Citation and Summary</b>  |
| <p>210.30 Local School Wellness Policy. (c) Content of the plan. At a minimum, local school wellness policies must contain: (1) Specific goals for nutrition promotion and education, physical activity, and other school-based activities that promote student wellness. In developing these goals, local educational agencies must review and consider evidence-based strategies and techniques; (2) Standards for all foods and beverages provided, but not sold, to students during the school day on each participating school campus under the jurisdiction of the local educational agency; (3) Standards and nutrition guidelines for all foods and beverages sold to students during the school day on each participating school campus under the jurisdiction of the local educational agency that; (i) Are consistent with applicable requirements set forth under §§ 210.10 and 220.8 of this chapter; (ii) Are consistent with the nutrition standards set forth under § 210.11; (iii) Permit marketing on the school campus during the school day of only those foods and beverages that meet the nutrition standards under § 210.11; and (iv) Promote student health and reduce childhood obesity. (4) Identification of the position of the LEA or school official(s) or school official(s) responsible for the implementation and oversight of the local school wellness policy to ensure each school’s compliance with the policy; (5) A description of the manner in which parents, students, representatives of the school food authority, teachers of physical education, school health professionals, the school board, school administrators, and the general public are provided an opportunity to participate in the development, implementation, and periodic review and update of the local school wellness policy; and (6) A description of the plan for measuring the implementation of the local school wellness policy, and for reporting local school wellness policy content and implementation issues to the public, as required in paragraphs (d) and (e) of this section.</p> |
| <b>SFA Suggested Guidance for Compliance</b>  |

To come into compliance with the requirements for Local School Wellness Policies, the SFA must submit a written assurance that the appropriate staff understand the requirements for the wellness policy. The SFA must also develop a Local Wellness Policy that has all of the required areas and submit this to the State Agency. If the SFA needs additional time to develop the wellness policy and have it approved by the school board, the SFA must submit a detailed timeline that shows when each step will be completed. Once the policy is in place it must be submitted to the state agency for review. Submit the name and title of the SFA representative that will oversee this process and ensure compliance.

**SFA Response**

**Finding #5**

1100. The SFA does not have a policy for all food sold outside of the reimbursable meals sold. This policy would cover the student council fundraiser on Friday afternoons.

**Technical Assistance Provided**

During the review Smart Snack requirements were reviewed with the SFA. They must have a policy in place for all food sold on campus during the normal school day. The SFA should contact the state agency to determine if there are any state specific requirements. The SFA was provided with the USDA website for Smart Snacks. <http://healthymeals.nal.usda.gov/smartsnacks>

**Regulation / Citation and Summary**

The Smart Snacks interim final rule amends the National School Lunch Program and School Breakfast Program regulations to establish nutrition standards for all foods sold in schools, other than food sold under the lunch and breakfast programs. It is recommended that the SFA update its policies for all foods sold on campus outside of the reimbursable meals sold, to include all requirements of the Smart Snacks regulations.

**SFA Suggested Guidance for Compliance**

To bring this finding into compliance the SFA must create a policy for all food and beverage items that are sold within the SFA during the normal school day. The policy must state that all items will be reviewed to ensure that the Smart Snack requirements are met. The policy should also include, but not limited to; a statement that a copy of all product labels will be maintained by the SFA, the process that will be implemented to verify that each food/beverage item meets Smart Snack requirements, the name and title of the SFA representative that will ensure compliance moving forward, and the training/information that will be provided to all LEA departments that sell food/beverages during the school day. A copy of this policy must be submitted to the SA.

**SFA Response**

**Finding #6**

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 was unable to provide the financial documents needed to complete the resource management comprehensive review, including a Statement of Revenues & Expenditures and the detailed general ledger from the month selected for Allowable Cost testing. The SFA should set up a system in-house to track the financial transactions for the food service program. This should include a record of all revenues accrued to the food service account (USDA reimbursements and adult meal sales) and all expenditures purchased using the food service funds. The Institute of Child Nutrition has some helpful, free resources about financial management for a food service program. Their "Financial Management: A Course for School Food Service Directors" can be found at <http://www.nfsmi.org/> under School Nutrition Programs.

#### Regulation / Citation and Summary

7 CFR 210.19 Additional responsibilities. (a) General Program Management (1) Assurance of compliance for finances. Each State agency shall ensure that school food authorities comply with the requirements to account for all revenues and expenditures of their nonprofit school food service. School food authorities shall meet the requirements for the allowability of nonprofit school food service expenditures in accordance with this part and, 7 CFR part 3015 and 7 CFR part 3016, or 7 CFR part 3019, as applicable.

#### SFA Suggested Guidance for Compliance

To come into compliance with the nonprofit school food service program requirements, the SFA must submit documentation that demonstrates a separate account has been established for the food service account. Documentation should include a report from the general ledger showing the food service revenue and expenditure accounts. If the SFA does not use accounting software to maintain a general ledger, they must show how they are tracking all food service receipts and disbursements.

#### SFA Response

#### Finding #7

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

#### Technical Assistance Provided

The SFA did not complete the NonProgram Food Revenue Tool. The NonProgram Food Revenue Tool should be completed every year to determine compliance with nonprogram food revenue requirements. 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.

| <b>Regulation / Citation and Summary</b>   |
|--|
| <p>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.</p> <p>(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.</p> <p>(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.</p> |
| <b>SFA Suggested Guidance for Compliance</b>   |
| <p>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 correctly each year. This should include a timeframe for when the tool will be completed, and proper training for the person responsible for completing the tool.</p>   |
| <b>SFA Response</b>  |
|  |

| <b>Finding #8</b>  |
|--|
| <p>801. The SFA's public release did not contain the statement: "In the operation of child feeding programs, no child will be discriminated against because of race, sex, color, national origin, age or disability."</p>  |
| <b>Technical Assistance Provided</b>   |
| <p>During the review the required components of the public release were discussed with the SFA. The letter of notice must include the statement: "In the operation of child feeding programs, no child will be discriminated against because of race, sex, color, national origin, age or disability."</p> |
| <b>Regulation / Citation and Summary</b>   |
| <p>§245.5(a)(1) After the State agency, or FNSRO where applicable, notifies the local educational agency</p>   |

(as defined in §245.2) that its criteria for determining the eligibility of children for free and reduced price meals and for free milk have been approved, the local educational agency (as defined in §245.2) shall publicly announce such criteria: Provided however, that no such public announcement shall be required for boarding schools, residential child care institutions (see §210.2 of this chapter, definition of Schools), or a school which includes food service fees in its tuition, where all attending children are provided the same meals or milk. Such announcements shall be made at the beginning of each school year or, if notice of approval is given thereafter, within 10 days after the notice is received. The public announcement of such criteria, as a minimum, shall include the following: (1) Except as provided in §245.6(b), a letter or notice and application distributed on or about the beginning of each school year, to the parents of all children in attendance at school. The letter or notice shall contain the following information: (i) In schools participating in a meal service program, the eligibility criteria for reduced price benefits with an explanation that households with incomes less than or equal to the reduced price criteria would be eligible for either free or reduced price meals, or in schools participating in the free milk option, the eligibility criteria for free milk benefits; (ii) How a household may make application for free or reduced price meals or for free milk for its children; (iii) An explanation that an application for free or reduced price benefits cannot be approved unless it contains complete information as described in paragraph (1)(i) of the definition of Documentation in §245.2; (iv) An explanation that households with children who are members of currently certified SNAP, FDPIR or TANF households may submit applications for these children with the abbreviated information described in paragraph (2)(ii) of the definition of Documentation in §245.2; (v) An explanation that the information on the application may be verified at any time during the school year; (vi) How a household may apply for benefits at any time during the school year as circumstances change; (vii) A statement to the effect that children having parents or guardians who become unemployed are eligible for free or reduced price meals or for free milk during the period of unemployment, Provided, that the loss of income causes the household income during the period of unemployment to be within the eligibility criteria; (viii) The statement: "In the operation of child feeding programs, no child will be discriminated against because of race, sex, color, national origin, age or disability."; (ix) An explanation that Head Start enrollees and foster, homeless, migrant, and runaway children, as defined in §245.2, are categorically eligible for free meals and free milk and their families should contact the school for more information; (x) How a household

#### **SFA Suggested Guidance for Compliance**

To come into compliance with civil rights requirements, the SFA must indicate that the public release will be sent to the local media at the beginning of the school year. Additionally, the SFA must identify the name(s) and title(s) of the person(s) who will be responsible for submitting the public release for publishing. Please submit the assurance and plan to the State Agency.

#### **SFA Response**

|  |
|--|
|  |
|--|

#### **Finding #9**

803. The SFA is attempting to resolve complaints alleging discrimination within the FNS School Meal Programs.

#### **Technical Assistance Provided**

|  |
|--|
|  |
|--|



During the review the process for receiving and processing complaints alleging discrimination was discussed with the SFA. The SFA should not attempt to resolve complaints in-house and should forward all complaints to the appropriate outside agency.

#### **Regulation / Citation and Summary**

FNS Instruction 113-1 Section XV All complaints, written or verbal, must be forwarded to the appropriate Regional or FNS OCR Director, unless an approved State complaint procedure is in place. Anonymous complaints will be handled as any other complaints, to the extent feasible, based on available information.

#### **SFA Suggested Guidance for Compliance**

To come into compliance with civil rights requirements, the SFA must develop a procedure that will be put into place to handle any discrimination complaints and to forward them to an appropriate agency. The process must outline the steps that will be taken when a complaint is received, the name and contact information of the agency that the complaint will be forwarded to, and the name(s) and title(s) of the person(s) who will be responsible for forwarding complaints to the appropriate agency. Please submit the procedure to the State Agency.

#### **SFA Response**

Signature of Reviewer: \_\_\_\_\_

Date: \_\_\_\_\_

Signature of SFA Representative: Rich Crandall

Date: 11/15/2016

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



#### **Coordinated School Health & Wellness Bureau**

**120 S. Federal Place, Suite 207**

**Santa Fe, NM 87501**

**Phone: 505-827-1829**

**email: [laura.henry@state.nm.us](mailto:laura.henry@state.nm.us)**

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



















\_\_\_\_\_  
\_\_\_\_\_

D at the