



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

SFA Name: Hagerman Municipal Schools
 Administrative Review Conducted on: 4/25/2017
 Site(s) Selected for Review: Hagerman Elementary

Date Corrective Action Plan was provided to SFA: 5/15/2017
Due Date for Corrective Action Plan: 6/14/2017

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*
- The Code of Federal Regulations citation number or alternate resource citation*
- A summary of the regulation / requirement*
- 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 space provided.

Finding #1 - Meal Components and Quantities: Week of Review
For the week of menu review, the K-5 lunch menu did not meet the minimum weekly requirement of 1/2 cup beans/legumes vegetable subgroup. No beans/legumes were served this week.
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. This includes meeting the weekly requirements for the vegetables sub-groups. Over the course of the standard school week the SFA must at a minimum meet the required servings for each sub-group. The SFA should review all menus to ensure that at least the minimum serving for each sub-group 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

210.10(c)(iii) Vegetables component. Vegetable offerings at lunch over the course of the week must include the vegetable subgroups, as defined in this section in the quantities specified in the meal pattern in paragraph (c) of this section: K-12: 1/2 C bean/peas/legumes.

SFA Suggested Guidance for Compliance

To come into compliance with meal pattern requirements, the SFA must provide 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 weekly requirements for vegetable subgroups are met 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 the following documentation to support the changes: updated menus and production records showing that 1/2 cup beans/legumes were added to the menu this week as well as pertaining labels/recipes for any added product (s).

SFA Response

Finding #2 - Resource Management

The SFA had an excess of three months' average expenditures in its year-end net cash resources. This is a repeat finding.

Technical Assistance Provided

Three-month average expenses were \$108,439 (total expenditures of \$32,318 divided by 9 months, multiplied by 3 months), and the ending net cash resources were \$144,169, resulting in an excess balance of \$35,730.

Regulation / Citation and Summary

7 CFR 210.14 (b)

Net cash resources. The school food authority shall limit its net cash resources to an amount that does not exceed 3 months' average expenditures for its nonprofit school food service or such other amount as may be approved by the State agency in accordance with §210.19(a).

SFA Suggested Guidance for Compliance

As the corrective action response, please explain how you will lower the nonprofit school food service fund balance to a level below 3 months' average expenditures. Additionally, explain the internal controls that have been put into place to ensure that the food service net cash resource balance will remain under 3-months' average expenses or prior approval will be received from the State Agency if an excess balance is expected.

SFA Response

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Finding #3 - Resource Management

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.

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 #4 - Resource Management

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

Technical Assistance Provided

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The SFA's adult meal price of \$2.85 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). In the current year, the SFA should charge at least \$3.47. A school district can choose to supplement adult meal prices. If you determine \$3.50 should be the price of an adult lunch, but you only charge \$2.85, the general fund needs to pay the food service account an additional \$.65 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 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. Additionally, 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.

SFA Response

Finding #5 - Meal Counting and Claiming

The SFA is not claiming meals served during field trips properly because the count is not taken at the point of service.

Technical Assistance Provided

During the review, claiming meals during field trips was discussed with the SFA. The SFA is not claiming meals served during field trips properly because the count is not taken at the point of service. To be in compliance, the SFA must ensure that meals served during field trips are claimed based on accurate counts taken at the point of service. 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 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. The plan must include: an indication that the SFA has established a point of service for field trips and is now claiming meals served during field trips properly, 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 #6 - Meal Counting and Claiming
For breakfast, the point of service did not provide an accurate meal count by eligibility status. This is a systemic error. Staff taking meal count at the beginning of the line and does not have a staff member at the end of the line confirming reimbursable meals have been selected. This is a repeat finding. A recalculation is required. Fiscal action may apply.
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 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. The plan must include: an indication that the SFA will advise 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. Submit a copy of the meal counts from April 26 through the end of the school year.

SFA Response

Finding #7 - Civil Rights

The SFA is using the incorrect civil rights statement. They are using an outdated version of the statement.

Technical Assistance Provided

During the review the requirement for the civil rights statement to appear on all Program material was discussed with the SFA. The SFA must use the statement on all Program material.

Regulation / Citation and Summary

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 assurance 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.

SFA Response

Finding #8 - Professional Standards

The SFA is not tracking training hours.

Technical Assistance Provided

During the on-site review, training requirements were discussed with the SFA. To be in compliance, the SFA must track the hours of training completed by all School Nutrition staff. For further information, please see the USDA's Guide to Professional Standards for School Nutrition Programs.

Regulation / Citation and Summary

210.30(g) School food authority oversight. Each school year, the school food authority director must document compliance with the requirements of this section for all staff with responsibility for school nutrition programs, including directors, managers, and staff. Documentation must be adequate to establish, to the State's satisfaction during administrative reviews, that employees are meeting the minimum professional standards.

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 indicating how the SFA will ensure that training is now being tracked. A completed tracker must be submitted to CNR that includes all employees.

SFA Response

Finding #9 - School Breakfast Program and Summer Food Service Program

The SFA has not performed SFSP outreach.

Technical Assistance Provided

It was determined during the review that the SFA has not performed SFSP outreach. The SFA must perform SFSP outreach before the end of the school year. Methods of outreach such as posting SFSP information on the SFA's website, parent newsletters and district-wide emails were discussed with the SFA.

Schools may fulfill this requirement through Robo calls, flyers or other methods that notify the community of locations of summer meal sites.

Methods to locate sites that serve free meals to children during the summer include the following:

- Call 211
- Call 1.866.3Hungry or 1.877.8Hambre
- Visit the website: www.fns.usda.gov/summerfoodrocks (note, this replaces the whyhunger.org website)
- Use the site locator for smartphones - Rangeapp.org

Regulation / Citation and Summary

210.12(d)(2) School food authorities must cooperate with Summer Food Service Program sponsors to distribute materials to inform families of the availability and location of free Summer Food Service Program meals for students when school is not in session.

SFA Suggested Guidance for Compliance

To come into compliance with this requirement, the SFA must submit an assurance that the SFA will cooperate with Summer Food Service Program sponsors to conduct outreach on the availability of the Summer Food Service Program. Additionally, please state the name and position of the person who will oversee compliance in this area.

SFA Response

Finding #10 - Meal Components and Quantities

The SFA is not maintaining standardized recipes.

Technical Assistance Provided

During the review, standardized recipes were discussed with the SFA. The SFA must ensure that all sites are using standardized recipes for the meals they produce. If the SFA is using USDA recipes, they are already standardized, however if they make any modifications to the recipe it must be documented. If the SFA creates their own recipes it is recommended that they use the USDA template for standardized recipes to ensure that they include all required areas.

Regulation / Citation and Summary

210.10(c)(5) Standardized recipes. All schools must develop and follow standardized recipes. A standardized recipe is a recipe that was tested to provide an established yield and quantity using the same ingredients for both measurement and preparation methods. Standardized recipes developed by USDA/FNS are in the Child Nutrition Database.

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 standardized recipe requirement, a statement that standardized recipes will be maintained for all menu items, a process for completing the standardized recipes, 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 standardized recipes with the corresponding menu and planned production records for review.

SFA Response

Finding #11 - Offer versus Serve: Day of Review

Offer versus Serve is not being implemented correctly.

Technical Assistance Provided

<p>Requirements under Offer vs. Serve include that the SFA must offer the five food components specified in the meal pattern, and students must be allowed the option to deny two items, except that they must take at least a 1/2 cup of either the fruit or vegetable component or 1/2 cup combination of fruit and vegetable. During the review, it was determined that the SFA is not following these requirements. The requirement as well as examples of the findings and possible solutions were reviewed with the SFA.</p>
<p>Regulation / Citation and Summary</p>
<p>210.10 (e) Offer versus serve. School lunches must offer daily the five food components specified in the meal pattern in paragraph (c) of this section. Under offer versus serve, students must be allowed to decline two items at lunch, except that the students must select at least 1/2 cup of either the fruit or vegetable component. Senior high schools (as defined by the State educational agency) must participate in offer versus serve. Schools below the senior high level may participate in offer versus serve at the discretion of the school food authority.</p>
<p>SFA Suggested Guidance for Compliance</p>
<p>To come into compliance with the requirements of Offer vs. Serve, the SFA must submit a written process that has been put in to place to ensure Offer vs Serve is now being implemented correctly at the senior high school(s). In addition to the new process the SFA must also provide the name and title of the SFA representative that will ensure compliance with this finding moving forward, an outline of the training that was provided to staff to inform them of the requirements and the new process and the date the training was completed.</p>
<p>SFA Response</p>
Empty space for SFA Response

Signature of Reviewer: Danielle Reidy

Date: 4/25/2017

Signature of SFA Representative: _____

Date: _____

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



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Please insert your detailed responses, save, print, sign, scan and upload the signed copy to cnrsupport.com by the indicated. Thank you.

due date