

**State of New Mexico  
Public Education Department**

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<https://webnew.ped.state.nm.us/bureaus/student-success-wellness/>

Howie C. Morales  
Lieutenant Governor

Michelle Lujan Grisham  
Governor

**Administrative Review Summary and Corrective Actions**

SFA Name:	Lordsburg Municipal Schools
SFA Code/ ID Number:	029000
Administrative Review Conducted on:	Tuesday, February 26, 2019
SFA Contact Name and Title:	Polly Acquino, District Secretary, Rex Lish, SFE
CNR Reviewer:	Rich Crandall

The purpose of this spreadsheet is to inform you of the results of the Administrative Review that was conducted on February 26, 2019; an exit conference summarizing the findings took place on the same day.

The Administrative Review (AR) is a comprehensive evaluation of the Local Education Agency's (LEA's) National School Lunch Program (NSLP) and School Breakfast Program (SBP). The AR consists of two performance standards. No findings were identified and the two performance standards reviewed were found to be satisfactory. During the Administrative Review, compliance with the new meal pattern requirements is also evaluated, at this time, there are no menu findings that warrant the termination of the performance based reimbursement.

This summary includes a comprehensive list of the technical assistance that was provided throughout the review as well as all findings that require a written response from the SFA. All items listed on the red Corrective Action tabs (Menu and Review) require a written response and must be submitted in writing to CN Resource by April 27, 2019. Please complete the responses electronically. If any additional responses are needed, please respond on district letterhead. In addition to responding to the findings please ensure that additional training is provided to all staff to bring all finding areas into compliance. Failure to submit the required materials by the due date may result in the withholding of claims. Should corrective actions not be submitted, a follow-up review may take place to ensure all required corrective actions were completed and implemented system-wide as appropriate.

Any potential fiscal action will be calculated once the corrective action responses have been received and approved.

I appreciate the courtesies extended by you and your personnel during the review. If you have questions or need assistance concerning the school food service program, please call our office. Please respond to the Administrative Review Corrective Actions by April 27, 2019.

Thank you,



**Casey O'Neill, RD, SNS, Senior Child Nutrition Specialist**

**CN Resource**  
**1930 N Arboleda, 101, Mesa, Arizona 85213**  
**p 866 941.6368 f 480 325.9967**

## Administrative Review Technical Assistance Summary

SFA Name:	Lordsburg Municipal Schools
SFA Code/ID Number:	029000
Administrative Review Conducted on:	Tuesday, February 26, 2019
SFA Contact Name and title:	Polly Acquino, District Secretary
CNR Reviewer:	Rich Crandall

### Commendations & Suggestions

All individuals involved with the school foodservice program, including the district personnel and the contractor (SFE), were well trained and knew their specific roles and responsibilities.

The menu had no findings and was noted for having lots of variety and fresh fruits and vegetables.

I was impressed that the contractor took the extra effort with things like the Local Wellness Policy, Annual Training Requirements, Food Safety Plan and Meal Signage.

### Other areas of Technical Assistance (Does NOT require SFA Response)

Resource Management - Per FNS Policy Memo SP 31-2014, SFAs are required to receive prior approval from the State Agency for any equipment purchases over \$5,000. During SY 17-18, the SFA purchased a stove valued over \$10,000 and did not notify PED. The SFA was advised they must notify PED prior to making food service capital expenditures over \$5,000. If PED releases a pre-approved equipment list, the SFA would not need approval to purchase any item on the list.



**Required Corrective Actions- Review Areas**  
**New Mexico Public Education**  
**Student Success & Wellness Bureau**  
**Administrative Review Corrective Action Plan**

SFA Name: Lordsburg Municipal Schools  
 SFA Code/ID: 029000

Administrative Review Conducted: Tuesday, February 26, 2019  
 Site(s) Selected for Review: R.V. Traylor Elementary School

Date Corrective Action Plan was provided to SFA: 3/28/2019

Due Date for Corrective Action Plan: 4/27/2019

The following pages address the findings that were identified during the Administrative Review. There is an area for a response for each finding.

**Please enter the detailed response for each in the spaces provided.**

Finding #1: Resource Management			
The SFA had an excess net cash resource balance of \$2,480.			
Technical Assistance			
The SFA may not accumulate net cash resources exceeding three months' average expenditures unless they receive prior approval from PED. The three month average expenses for the year were \$102,759 and ending net cash resources were \$105,239. A detailed explanation on how to calculate compliance with net cash resources was provided in an email during the review. The SFA will need to submit a detailed spend-down plan explaining how they will reduce the excess balance through allowable expenses. This should include estimated dates and amounts of any planned expenses, as well as an expected timeline for spending down the balance. Examples of allowable expenses include purchasing new equipment, improving food quality, upgrading food service software, implementing additional food service training, increasing food service wages and benefits where appropriate, etc. in order to improve the food service program.			
For detailed regulation see: 7 CFR 210.14(b) Net Cash Resources			
Required SFA Response	SFA Response	CNR Internal Use	
		Appv.	Intls.
1. Attach a detailed spend down plan explaining how the nonprofit school food service balance will be spent down to a level at or below 3 months average expenditures.			
2. Provide a written statement explaining the internal controls that have been put into place to better monitor compliance with net cash resource limitations.			
3. Provide the name(s) and title(s) of the SFA representative(s) that will ensure compliance.			

Finding #2: Resource Management			
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Nonprogram adult meals were served for free. The SFA misclassified staff on cafeteria duty as program adults eligible for free meals.

Technical Assistance

Only food service employees may eat for free at the cost of the food service program. Any other staff members, visiting adults, or "lunch duty" staff must pay for the full cost of their meal, as outlined in FNS Instruction 782-5. The SFA was sent a copy of the October 2015 PED memo concerning Program Adult Meals. This memo clarifies that cafeteria monitors cannot eat for free, as they do not meet the definition of a program adult. If adults will not be charged directly, the food service program must be reimbursed for the full cost of these meals. The SFA should bill the department or organization that will pay for the free meals and ensure the non-federal funds are received by the food service program. These meals should accrue as nonprogram revenue to the food service account.

For detailed regulation see: FNS Instruction 782-5

Required SFA Response	SFA Response	CNR Internal Use	
		Appv.	Intls.
1. Provide a list of district employees by job title who receive free meals. Label each employee on this list as "program" or "nonprogram" based on the PED Program Adult memo. The district must pay for any nonprogram adult meal served for free.			
2. If the district will pay for the nonprogram meals instead of directly charging the adults, provide a signed statement on school letterhead explaining the new procedures for ensuring the food service fund is repaid. This should include the source of the nonfederal funds, the frequency at which the food service program will be reimbursed (weekly, monthly, etc.), and the rate the food service program will charge for these meals.			

Check the confirmation check box, sign and date the form (typing in your signature is acceptable) and upload the signed copy to cnrsupport.com by the due date indicated.

By checking this box you confirm that all of the above responses have been reviewed and are representative of practices within the SFA. In addition the SFA ensures that additional training will be provided to all applicable staff to bring all finding areas into compliance moving forward.

Signature of SFA Representative: \_\_\_\_\_

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

Signature of CN Resource Reviewer: Rich Crandall

Date: February 26, 2019

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



Administrative Review Team  
CN Resource  
P.O. Box 31060  
Mesa, AZ 85275  
866-941-6368



## Helpful Resources

*The following are a list of links to resources that may be helpful when responding to the findings from the Administrative Review and helping to bring all finding areas into compliance.*

### USDA Federal Regulations:

National School Lunch Program: [USDA FNS 7 CFR 210](#)

School Breakfast Program: [USDA FNS 7 CFR 220](#)

Determining Eligibility: [USDA FNS 7 CFR 245](#)

### Certification and Benefit Issuance:

2017-2018 Federal Income Eligibility Guidelines:

<https://www.fns.usda.gov/school-meals/fr-041017>

2017-2018 USDA prototype Household Application and supporting forms:

<https://www.fns.usda.gov/school-meals/applying-free-and-reduced-price-school-meals>

### Verification:

2017-2018 USDA prototype Household Application and supporting forms:

<https://www.fns.usda.gov/school-meals/applying-free-and-reduced-price-school-meals>

### Counting and Claiming:

2017-2018 USDA Reimbursement Rates:

<https://www.fns.usda.gov/school-meals/rates-reimbursement>

### Menu Compliance:

USDA Nutrition Standards for School Meals:

<https://www.fns.usda.gov/school-meals/nutrition-standards-school-meals>

Whole Grain Resource Guide:

<https://fns-prod.azureedge.net/sites/default/files/WholeGrainResource.pdf>

Meal Pattern Guide by Grade Group:

<https://fns-prod.azureedge.net/sites/default/files/dietaryspecs.pdf>

### Offer vs Serve:

USDA Offer versus Serve Guidance Manual:

<https://fns-prod.azureedge.net/sites/default/files/SP57-2014a.pdf>

### Resource Management:

2017-2018 USDA Paid Lunch Equity Tool:

<https://www.fns.usda.gov/school-meals/paid-lunch-equity-sy2017-18-calculations-and-revised-tool>

USDA Non-Program Food Revenue Tool:

<https://www.fns.usda.gov/guidance-paid-lunch-equity-and-revenue-nonprogram-foods>

### Civil Rights:

USDA Non-Discrimination Statement

<https://www.fns.usda.gov/fns-nondiscrimination-statement>

USDA-FNS Accommodating Children with Disabilities in the School Meal Programs

<https://fns-prod.azureedge.net/sites/default/files/cn/SP40-2017a1.pdf>

**On-Site Monitoring:**

USDA On-Site Monitoring forms for National School Lunch and School Breakfast Programs:

<https://fns-prod.azureedge.net/sites/default/files/cn/SP56-2016os.pdf>

**Wellness Policy:**

USDA Wellness Policy Implementation Tools and Resources:

<https://www.fns.usda.gov/tn/implementation-tools-and-resources>

**Smart Snacks:**

USDA Guide to Smart Snacks:

<https://fns-prod.azureedge.net/sites/default/files/tn/USDASmartSnacks.pdf>

**Professional Standards:**

USDA Professional Standards tools and references:

<https://www.fns.usda.gov/school-meals/professional-standards>

**Food Safety:**

USDA Food Safety Resources:

<https://www.fns.usda.gov/ofs/food-safety>

Institute of Child Nutrition Food Safety Plan:

<http://www.theicn.org/ResourceOverview.aspx?ID=75>

**Buy American Provision:**

2017 USDA Memo on Compliance with Buy American Provision:

<https://fns-prod.azureedge.net/sites/default/files/cn/SP38-2017os.pdf>

**School Breakfast and Summer Food Service Program Outreach:**

<https://www.fns.usda.gov/sfsp/raise-awareness>

**Afterschool Snack Program:**

USDA Webpage for the Afterschool Snack Program:

<https://www.fns.usda.gov/school-meals/afterschool-snacks>

**Special Milk Program:**

USDA Webpage for the Special Milk Program:

<https://www.fns.usda.gov/smp/special-milk-program>

**Fresh Fruit and Vegetable Program:**

USDA Fresh Fruit and Vegetable Program Handbook:

<https://fns-prod.azureedge.net/sites/default/files/handbook.pdf>

*Community Eligibility Provision and Provision II:*

USDA Community Eligibility Guidance and Updated FAQs:

<https://www.fns.usda.gov/community-eligibility-provision-guidance-and-updated-qas-1>