



**Arizona Department of Education  
Health and Nutrition Services Division**

**Provision 2 Base Year - Administrative Review Summary Report**

School Food Authority Name: Espiritu Community Development Corp.

CTD: 07-81-03

Site: Reyes Maria Ruiz Leadership Academy

Contacts: Mr. Armando Ruiz, CEO & Mr. Fernando Ruiz, Food Service Director

Review Date: March 5, 2020

Review Period: February 2020

Programs Reviewed:

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| <input checked="" type="checkbox"/> National School Lunch | <input checked="" type="checkbox"/> School Breakfast | <input type="checkbox"/> Afterschool Snack         |
| <input type="checkbox"/> Fresh Fruit & Vegetable          | <input type="checkbox"/> Special Milk                | <input type="checkbox"/> At-Risk Afterschool Meals |

No.	Review Observations & Findings	Technical Assistance Provided	Required Corrective Action
<b>Performance Standard 1: Certification &amp; Benefit Issuance- Critical Area</b>			
1	Application(s) were certified incorrectly or utilized incomplete information. This contributed toward fiscal action calculations. Specifically, (1) applications were marked Free and should have been Reduced, (7) applications were marked incorrectly for Household Number - the number in the box was higher than the amount of names listed.	Discussed errors found and required corrective action. Referred to Processing Applications, Reviewing Applications Based on Income, Assessing Completeness of Categorically Eligible Applications, Determining Eligibility for Categorically Eligible Applications section(s) in USDA's Eligibility Manual for School Meals.	<i>Corrections have been made to certification errors. Please describe the process that will be implemented to reduce the amount of errors that occur while determining the eligibility status for each student.</i>
2	Children who do not have any certification documentation on file at the beginning of the school year, and do not qualify for carryover of previous year's eligibility, are being provided free or reduced-price benefits. Specifically, (5) Pre-K students and (2) regular students were claimed as Free with no documentation on file. This contributed toward fiscal action calculations.	Referred to Section 3: Establishing Eligibility in USDA's Eligibility Manual for School Meals found on ADE's website at <a href="http://www.azed.gov/hns/nslp/program_guidance/">http://www.azed.gov/hns/nslp/program_guidance/</a> under The Eligibility Manual for School Meals.	<i>Corrections have been made to certification status of these students. Please provide written assurance that students without certification documentation on file and who do not qualify for carryover of the previous year's eligibility at the start of the school year will be placed in the paid category until further documentation is processed to certify the student in the free or reduced category.</i>

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**Performance Standard 1: Meal Counting & Claiming- Critical Area**

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| 3 | Breakfast and Lunch service observed for the month of review were not correctly combined and recorded. SFA claimed the same number of meals at breakfast and lunch. This was found to be due to the incorrect Attendance Factor in CNPWeb, the SFA claimed the maximum number of allowable meals. This was deemed a systemic error and will contribute towards fiscal action calculations. A full recalculation of Breakfast and Lunch served during SY19/20 will be conducted until issue is corrected in SY20/21. | Discussed how current system allowed for this to happen and potential changes that could be made to ensure it doesn't continue. | <i>Please provide a written description of the changes made to the system to ensure that meal count totals are accurate. Additionally, provide the SY20/21 start and end date for the 30 day clean count period.</i> |
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**Meal Access & Reimbursement: Certification & Benefit Issuance**

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| 4 | During the month of review, it was found that there were (19) days in which the meal counts exceeded the number of eligible students. This does not contribute toward fiscal action, however a full recalculation of Breakfast and Lunch served during SY19/20 will be conducted until issue is corrected in SY20/21. | Discussed how current system allowed for this to happen and potential changes that could be made to ensure it doesn't continue. Discussed using daily edit checks to monitor this. An Active Daily Edit Check Worksheet can be found on ADE's website at <a href="http://www.azed.gov/hns/nslp/forms/">http://www.azed.gov/hns/nslp/forms/</a> . | <i>Please provide a written description of changes to the system that have been implemented to ensure that meal counts do not exceed the number of eligible students.</i> |
| 5 | The benefit issuance document does not contain all required sections. Specifically, the date eligibility was determined was not listed on the BID.  | Referred to Step by Step Instruction: How to Create a Benefit Issuance Document (BID) on ADE's website found at <a href="http://www.azed.gov/hns/nslp/trainings/">http://www.azed.gov/hns/nslp/trainings/</a> .  | <i>Please provide a complete benefit issuance document that contains all required sections.</i>   |

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**Meal Access & Reimbursement: Verification**

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| 6 | The notice of adverse action did not meet requirements. Specifically, ten calendar days advance notice was not given as the date of the letter and the date of explanation of changes were the same - both were 10-25-19, and the changes should not have started until 11-4-19. | Discussed requirements for notifying households of adverse action, including timelines and dates to be included on the notice. Referred to Letter of Verification Results and Online Training: Verification Review found on ADE's Verification webpage:<br><a href="http://www.azed.gov/hns/nslp/verification/">http://www.azed.gov/hns/nslp/verification/</a> . Additionally, referred to Section 6: Verification in USDA's Eligibility Manual for School Meals, Revised July 2017 found on ADE's website at <a href="http://www.azed.gov/hns/nslp/programguidance/">http://www.azed.gov/hns/nslp/programguidance/</a> . | <i>Please provide written assurance that an adequate notice of adverse action will be provided to households that will have a decrease in benefits.</i> |
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**Meal Access & Reimbursement: Meal Counting & Claiming**

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| 7 | Daily edit checks are not being conducted appropriately. Specifically, the attendance factor on the daily edit check does not match the attendance factor on the monthly reimbursement claims. | Discussed how to complete daily edit checks using ADE's Daily Edit Check worksheet. The Daily Edit Check Worksheet can be found on ADE's website at <a href="http://www.azed.gov/hns/nslp/forms/">http://www.azed.gov/hns/nslp/forms/</a> . The Step by Step Instruction: How to Complete Daily Edit Checks can be found on ADE's website at <a href="http://www.azed.gov/hns/nslp/trainingps/online/">http://www.azed.gov/hns/nslp/trainingps/online/</a> . A request by SFA to Grants to increase the ADE Attendance Factor was sent to Grants in December 2019, then resent May of 2020. | <i>Please provide an updated daily edit check worksheet for the month of February using the correct Attendance Factor used for the monthly claims. Additionally, please provide written assurance that daily edit checks will be used appropriately using the correct Attendance Factor.</i> |
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**Comments/Recommendations:**

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Espiritu Community Development Corp. Administrative Review findings revealed a systemic error in the counting and claiming system, and thus, a fiscal recalculation is necessary. Errors were consistently found with Breakfast in the Classroom and Lunch meal counts. The fiscal recalculation will be based on meal count data from an error-free period of 30 consecutive operating days. This data will be used to recalculate the reimbursement previously received based on erroneous claims. It is imperative that the 30 days of meal counts reflects the corrective action implemented to yield an accurate meal counting and claiming system. If errors are still present, this process will continue until the errors have been resolved.

Due to SY19/20 COVID-19 school closures, Espiritu Community Development Corp. will be unable to provide 30 consecutive operating days of meal counts and the recalculation of meal counts will not be able to be completed. Reyes Maria Ruiz Leadership Academy provision 2 base year administrative review will remain open until 30 consecutive operating days of breakfast in the classroom meal counts are received and fiscal action can be determined for Espiritu Community Development Corp.

**To stay on track with NSLP requirements, check out the NSLP at a Glance Calendar & Monthly Checklist on our website at <http://www.azed.gov/hns/nslp/>.**

**Training: In-person classes, Web-based training, and How-To guides can be found on ADE's website at <http://www.azed.gov/hns/nslp/trainings/>.**

Fiscal Action Assessed?

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|-----------------------------------|------------------------------------|-----|
| <input type="checkbox"/> No- SBP  | <input type="checkbox"/> Yes- SBP  | TBD |
| <input type="checkbox"/> No- NSLP | <input type="checkbox"/> Yes- NSLP | TBD |

Please submit corrective action response by September 4, 2020 to Chesha Rich, [chesha.rich@azed.gov](mailto:chesha.rich@azed.gov) or 1535 W. Jefferson St. Bin #7, Phoenix, AZ 85007



8/6/2020

Reviewer Signature

Date

If you disagree with any finding that affects the claim for reimbursement, you may appeal the decision by following the National School Lunch Program Administrative Review Appeal Procedures found here:

<https://cms.azed.gov/home/GetDocumentFile?id=58dbe2581130c01500d4b08b>

Kathy Hoffman, Superintendent of Public Instruction  
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