



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

Administrative Review Summary Report

School Food Authority Name: Nadaburg Unified School District

CTD: 07-03-81

Site(s): Nadaburg Elementary School

Contacts: Dr. Aspasia Angelou, Superintendent; Kerre Laabs, Director of Business Services; Barbara Hogan, Manager

Review Date: May 17, 2022

Review Period: April 2022

Programs Reviewed:

- National School Lunch
 School Breakfast
 Afterschool Snack
 Fresh Fruit & Vegetable
 Special Milk
 At-Risk Afterschool Meals

No.	Review Observations & Findings	Technical Assistance Provided	Required Corrective Action
Performance Standard 1: Certification & Benefit Issuance - Critical Area			
	Not Applicable		

Performance Standard 1: Meal Counting & Claiming - Critical Area			
1	Meal count totals for the month of review were not correctly combined and recorded for breakfast and lunch. This was deemed a non-systemic error and contributed toward fiscal action calculations.	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 changes to the system that have been implemented to ensure that meal service lines provide an accurate count by eligibility category.</i>

Performance Standard 2: Meal Components & Quantities - Critical Area			
2	The following vegetable subgroup was not offered during the review period: beans/peas. This was not determined to be a repeat finding from the previous cycle and did not contribute toward fiscal action calculations.	Discussed vegetable subgroup requirements for the age/grade groups served. Vegetable Subgroup Quick Guide can be found on ADE's website at https://www.azed.gov/hns/nslp/forms under the Menu Planning tab. The Step-by-Step Instruction: How to Plan a Lunch Menu can be found on ADE's website at http://www.azed.gov/hns/nslp/training under the Online Training Library tab. Please note that repeated violations involving vegetable subgroups may result in fiscal action and/or termination of performance-based reimbursement (extra 7 cents).	<i>Please provide one week of lunch production records which demonstrate compliance with the vegetable subgroups. Additionally, please provide written assurance that moving forward, all menus will be planned to meet the vegetable subgroup requirements. Additionally, the certificate of completion of Step-by-Step Instruction: How to Plan a Lunch Menu must be submitted.</i>

Performance Standard 2: Dietary Specifications & Nutrient Analysis - Critical Area			
No findings			

Meal Access & Reimbursement: Certification & Benefit Issuance

Not applicable

Meal Access & Reimbursement: Verification

Not applicable

Meal Access & Reimbursement: Meal Counting & Claiming

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| 3 | The current approved Free and Reduced-Price Policy Statement does not reflect current practices and procedures observed on-site. Specifically, the FRPPS was not updated when a new food service director was hired. | Referred them to FRPPS template on ADE's website at website at https://www.azed.gov/hns/nslp/forms under the Organizational tab. | <i>Please provide an updated and signed Free and Reduced-Price Policy Statement. Additionally, please provide written assurance that moving forward, the Free and Reduced Price-Policy Statement will reflect current practices.</i> |
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Meal Pattern & Nutritional Quality: Offer Versus Serve

No findings

Meal Pattern & Nutritional Quality: Meal Components & Quantities

No findings

Resource Management

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| 4 | Breakfast meals served to teachers, administrators, custodians, and other adults were not priced so that the adult payment in combination with any per-meal 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) was sufficient to cover the overall cost of the meal. | Discussed ways to determine adult meal prices which included a per meal cost analysis or pricing adult meals to reflect the amount of reimbursement received for a free meal plus the per meal value of entitlement and bonus commodities for non-pricing programs. Referred to HNS 27-2021 Guidance for Adult Meal Pricing in School Year 2021-2022 (SY 22). | <i>Please provide a written description of the steps which have been taken to increase adult meal prices and resolve the discrepancy, including the exact formula used to price adult meals. Additionally, please submit supporting documentation which reflects that prices have been increased to the appropriate level.</i> |
| 5 | Indirect costs were incorrectly calculated. Specifically, an incorrect indirect cost rate was applied to the correct direct cost base. The indirect cost rate of 24.85% was used when the correct rate is 17.67%. \$12,026.82 must be returned to the nonprofit school food service account. | Discussed proper classification of direct/indirect costs. Reviewed requirements that indirect costs be charged consistently across the SFA as required in 2 CFR 200.412-414. Referred to the USDA's Indirect Cost Guidance Manual located at https://www.azed.gov/hns/nslp under the Guidance Manuals tab, which can be used as a resource when determining allowable indirect costs. | <i>Please provide the calculation or tool that will be used to determine the amount of indirect costs charged to the nonprofit school food service account. Additionally, please provide a written plan detailing the steps that will be taken to ensure indirect costs are calculated accurately. If required please also provide supporting documentation which reflects that any indirect costs charged in excess of the allowable rate have been returned to the nonprofit school food service account.</i> |

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| 6 | Sufficient documentation could not be provided to support the indirect costs charged to the nonprofit school food service account. In order for costs to be allowable they must be adequately documented as required in 2 CFR 200.403(g). Specifically, the indirect cost calculator indicates that the lesser of total expenses or revenues would be used which is not an allowable formula methodology. | Discussed cost allowability requirements for federal awards and that all costs charged to a federal award must be adequately documented. Referred to 2 CFR 200.403(g). Reviewed requirements that indirect costs be charged consistently across the SFA as required in 2 CFR 200.412-414. Referred to the USDA's Indirect Cost Guidance Manual located at https://www.azed.gov/hns/nsfp under the Guidance Manuals tab, which can be used as a resource when determining allowable indirect costs. | <i>Please provide written procedures that will be implemented to ensure all indirect costs charged to the nonprofit school foodservice account and any necessary supporting documentation are adequately documented and kept on file.</i> |
| 7 | A plan for spending the emergency operational costs funds was not in place. | Program operators receiving emergency funds must provide information on the planned and/or eventual use of the funds to either reimburse any local source of funds used to supplement the nonprofit school food service account during the reimbursement period to offset the impact of pandemic operations on that account or be used in accordance with normal program requirements. Referred to SP 06-2021a: Q&A for Program Reimbursement for Emergency Operational Costs for Child Nutrition Programs during the COVID-19 Pandemic located on ADE's website at https://www.azed.gov/hns/memos . | <i>Please provide a written plan for spending the emergency operational costs funds.</i> |

General Program Compliance: Civil Rights

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| 8 | The USDA nondiscrimination statement used on program materials (summer outreach flyer) is not the most current USDA statement. Additionally, the menus did not include the USDA nondiscrimination statement. | Discussed where to find nondiscrimination statement on ADE's website at https://www.azed.gov/hns/civilrights and whether long or short statement would be most appropriate. | <i>Please provide an updated program material with the correct nondiscrimination statement. Additionally, please provide written assurance that all program materials have been updated with the proper language.</i> |
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| 9 | Sufficient documentation to support accommodations for special diets has not been maintained. Specifically, there is no form made available to accommodate students with dietary needs that diverge from meal pattern requirements. | Discussed requirements for accommodating special diets and the need for sufficient documentation. Referred to Medical Statement for Students with Special Dietary Accommodations found on ADE's website at https://www.azed.gov/hns/nslp/forms under the Operational tab. Additionally, referred to Accommodating Children with Disabilities in the School Meal Program found on ADE's website at https://www.azed.gov/hns/nslp under the Guidance Manuals tab. Step-by-Step Instruction: How to Complete the Medical Statement for Students with Special Dietary Accommodations can be found on ADE's website at https://www.azed.gov/hns/nslp/training under the Online Training Library tab. | <i>Please provide written procedures for maintaining documentation supporting accommodations for special diets and written assurance that sufficient documentation to support accommodations for special diets will be maintained. Additionally, the certificate of completion of Step-by-Step Instruction: How to Complete the Medical Statement for Students with Special Dietary Accommodations must be submitted.</i> |
| 10 | The Civil Rights Compliance form is not being completed every year by December 15 and kept on file. | Discussed requirement for completing form and how to collect racial/ethnic data from program participants. The form can be found on ADE's website at https://www.azed.gov/hns/civilrights . The Step-by-Step Instruction: How to Complete the Civil Rights Compliance Form can be found on ADE's website at https://www.azed.gov/hns/nslp/training under the Online Training Library tab. | <i>Please provide written assurance that the Civil Rights Compliance form will be completed by December 15 each year and kept on file for 5 years. Additionally, please indicate who will be responsible for completing this form. Additionally, the certificate of completion of Step-by-Step Instruction: How to Complete the Civil Rights Compliance Form must be submitted.</i> |

General Program Compliance: SFA On-Site Monitoring

No findings

General Program Compliance: Local Wellness Policy

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| 11 | The Local Wellness Policy (LWP) did not contain nutrition guidelines for all foods and beverages sold to students on the school campus during the school day. | Discussed developing a LWP with nutrition guidelines for all foods and beverages sold to students that meet Federal regulations. The Local Wellness Policy Final Rule: Guidance and Tools From ADE Webinar can be found on ADE's website at https://www.azed.gov/hns/nslp/training under the Online Training Tab. | <i>Please provide a written description of the changes that will be made to the LWP to meet the requirements for nutrition guidelines for all food and beverages sold to students. The description should include draft language, who will be involved in updating the LWP and the date the update is expected to be completed.</i> |
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- 12 The Local Wellness Policy (LWP) did not contain goals for nutrition promotion. Discussed feasible options for nutrition promotion goals that can be written into the LWP. Discussed activity ideas which included offering contests, surveys, promotions and/or taste testing, providing information to families to encourage consumption of healthy foods at home, and displaying nutrition and health posters throughout campus. Team Nutrition Resources can be found at <http://www.teamnutrition.usda.gov/>. The Local Wellness Policy Final Rule: Guidance and Tools From ADE Webinar can be found on ADE's website at <https://www.azed.gov/hns/nslp/training> under the Online Training Tab. *None required at this time.*
- 13 The Local Wellness Policy (LWP) did not contain policies for food and beverage marketing. Discussed updating the LWP to include policies that allow marketing and advertising of only those foods and beverages that meet Smart Snacks Standards during the school day. Explained that this requirement applies to exterior vending machines, posters, menu boards, coolers, trash cans and cups used for beverage dispensing. The Local Wellness Policy Final Rule: Guidance and Tools From ADE Webinar can be found on ADE's website at <https://www.azed.gov/hns/nslp/training> under the Online Training Tab. *None required at this time.*
- 14 The public is not being notified of the existence and contents of the Local Wellness Policy (LWP). Discussed feasible means of notifying the public about the LWP. The Local Wellness Policy Final Rule: Guidance and Tools From ADE Webinar can be found on ADE's website at <https://www.azed.gov/hns/nslp/training> under the Online Training Tab. *None required at this time.*

<p>15 The required stakeholders are not being permitted to be involved in the review and update of the Local Wellness Policy (LWP). Specifically, parents and students are not able to participate in the review and update of the Local Wellness Policy.</p>	<p>Discussed LEAs must permit participation by the general public and school community (including parents, students, and representatives of the school food authority, teachers of physical education, school health professionals, the school board, and school administrators) in the wellness policy process. Guidance on assembling a Local Wellness Policy Team can be found on Team Nutrition's website at https://www.theicn.org/cnss/community-connection/assembling-the-team/. The Local Wellness Policy Final Rule: Guidance and Tools From ADE Webinar can be found on ADE's website at https://www.azed.gov/hns/nslp/training under the Online Training Tab.</p>	<p><i>None required at this time.</i></p>
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General Program Compliance: Competitive Food Services

No findings

General Program Compliance: Professional Standards

No findings

General Program Compliance: Water

No findings

General Program Compliance: Food Safety, Storage and Buy American

<p>16 The following reviewed products indicated violations of the Buy American Provision in 7CFR 210.21(d) on-site at reviewed schools or at off-site storage facilities: Suncup juices - grape (Argentina, China, Mexico, Spain), apple (Argentina, Brazil, China, Chile, Poland, New Zealand), orange (Brazil, Costa Rica, Mexico) Gravy mix (Canada) Broccoli (Mexico). Additionally, documentation justifying a Buy American exception was not maintained/on file.</p>	<p>Discussed the Buy American provision requirements and procedures to ensure compliance. Referred to SP38-2017, Buy American Webinar and FAQ. Funds used from the non-profit food service account must be used to procure food products that comply with the Buy American Provision. Additional information on the requirements of this provision, including ADE's prototype Buy American exception document, can be found on ADE's website at https://www.azed.gov/hns/nslp/forms under the Operational tab. Buy American Recorded Webinar and FAQ can be found on ADE's website at https://www.azed.gov/hns/nslp/training under the Online Training Library tab.</p>	<p><i>Please provide a written description of the changes that have been made to procurement and/or recordkeeping procedures to ensure that the requirements of the Buy American Provision are met.</i></p>
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17 Storage violations were observed. Specifically, milk crates were not stored 6 inches off the floor in the walk-in fridge.	Discussed specific violations and feasible solutions. Referred to Arizona's School Food Safety Guidance found on ADE's website at https://www.azed.gov/hns/nslp/forms under the Food/Health Safety tab. Additionally, discussed Food Safety Online Courses can be found on ICN's website at https://theicn.org/icn-resources-a-z/food-safety/ .	<i>Please provide a written description of the changes that have been made to correct the storage violations found.</i>
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General Program Compliance: Reporting & Recordkeeping

18 Production record crediting information was not accurate for the following items: cornbread (4/5), steamed broccoli (4/6), and WG dinner roll (4/6).	Discussed how to credit meal components and ensuring consistency with recipes, labels, and production records. Crediting resources can be found on ADE's website at https://www.azed.gov/hns/nslp/forms under the Menu Planning tab.	<i>Please provide updated recipes and production records with consistent crediting.</i>
19 The Annual Financial Report was completed inaccurately. Specifically, the number of operating months was not reported.	Reviewed and discussed errors with Food Service Director. Suggested routing AFR to a second designated official for review prior to submission.	<i>Please describe the steps that will be taken to ensure that the AFR is completed accurately.</i>
20 Published menu does not accurately reflect what is being served. Specifically, menus did not reflect meals served on Fridays during the review month and the month of the day of review.	Discussed that although menus are subject to change, the menu should not list options that the SFA knows will not be offered.	<i>Please provide written assurance that moving forward menus will be available for all meals served at Nadaburg Elementary School.</i>

General Program Compliance: School Breakfast Program & Summer Food Service Program Outreach

No findings

Other Federal Program Reviews: Afterschool Snack Program

21 The counting system employed does not result in accurate snack counts. The reviewer could not validate counts. This contributed towards fiscal action calculations.	Discussed ways to improve the counting system or alter it to ensure accurate counts are submitted in the claim for reimbursement.	<i>Please provide a written description of the system that will be implemented to ensure accurate snack counts are claimed for reimbursement.</i>
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Other Federal Program Reviews: Seamless Summer Option

Will be reviewed in Summer 2022 if applicable.

Other Federal Program Reviews: Fresh Fruit & Vegetable Program

Not applicable

Other Federal Program Reviews: Special Milk Program

Not applicable

Other Federal Program Reviews: At-Risk Afterschool Meals

Not applicable

Comments/Recommendations:

Congratulations - Nadaburg USD has completed the Administrative Review for SY2021-2022. Thank you for your hard work during the review process. Your efforts to serve your students healthy, safe meals is admirable!

To stay on track with NSLP requirements, check out the NSLP at a Glance Calendar & Monthly Checklist on our website at <https://www.azed.gov/hns/nslp/forms> under the Calendars and Checklists tab.

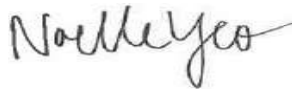
Training: In-person classes, web-based training and How-To guides can be found on ADE's website at <https://www.azed.gov/hns/nslp/training>.

Fiscal Action Assessed?

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| <input checked="" type="checkbox"/> No- SBP | <input type="checkbox"/> Yes- SBP | \$0 |
| <input type="checkbox"/> No- NSLP | <input checked="" type="checkbox"/> Yes- NSLP | \$3,088.50 |
| <input checked="" type="checkbox"/> No- SSO SBP | <input type="checkbox"/> Yes- SSO SBP | \$0 |
| <input checked="" type="checkbox"/> No- SSO NSLP | <input type="checkbox"/> Yes- SSO NSLP | \$0 |

Fiscal Action under \$600 will be disregarded.

Please submit corrective action response by July 14, 2022 to Noelle Yeo at Noelle.Yeo@azed.gov.



6/10/2022

Reviewer Signature

Date

Kerrie Zigler

Digitally signed by Kerrie
Zigler
Date: 2022.06.10 08:34:20
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Director Signature

Date

If you disagree with any finding that affects the claim for reimbursement, you may appeal the decision by following the [School Food Authority Appeal Procedure for the Administrative Review](#) found on the National School Lunch Program Administrative Review tab on the ADE website.

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