



## Health and Nutrition Services Division

### Administrative Review Summary Report

School Food Authority Name: Pendergast Elementary District

CTD: 07-04-92

Site(s): Amberlea Elementary School, Sunset Ridge Elementary School, and Westwind Elementary School

Contacts: Joanne Fimbres, Chief Financial Officer; Matthew Poag, Director of Budget & Finance; Kathy Leon Gil, Child Nutrition Compliance Coordinator

Review Date: December 12-14, 2022

Review Period: November 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
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#### Performance Standard 1: Certification and Benefit Issuance – Critical Area

No Findings

#### Performance Standard 1: Meal Counting and Claiming – Critical Area

1	<p><b>Westwind Elementary School:</b> Meal count totals for the month of review were not correctly combined and recorded. Specifically, there were several errors in transferring breakfast in the classroom meal counts from the classroom tally sheets to the total for the month of review. This was deemed a non-systemic error and contributed toward fiscal action calculations.</p>	<p>Discussed how current system allowed for this to happen and potential changes that could be made to ensure it doesn't continue.</p>	<p><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.</i></p>
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#### Performance Standard 2: Meal Components & Quantities – Critical Area

2	<p><b>Westwind Elementary School:</b> Fluid milk was not available in at least two varieties at lunch on 11/15/2022. This was not a repeat finding from the previous cycle and did not contribute toward fiscal action calculations.</p>	<p>Discussed variety requirement and feasible options for compliance. Allowable milk varieties are fat-free unflavored, fat-free flavored and 1% unflavored. Please note that repeated violations involving milk requirements may result in fiscal action and/or termination of performance-based reimbursement (extra 8 cents).</p>	<p><i>Please provide one week of lunch production records that demonstrate that fluid milk was available in at least two varieties. Additionally, please provide written assurance that fluid milk will always be available in at least two varieties at lunch.</i></p>
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#### Performance Standard 2: Dietary Specifications and Nutrient Analysis – Critical Area

No Findings

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**Meal Access & Reimbursement: Certification and Benefit Issuance**

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| 3 | The household application approval process is not being completed within ten operating days of receipt of the application. Specifically, household applications are not marked with the date of receipt to confirm that all applications are processed within ten operating days.   | Discussed that within 10 operating days of receipt of an application an eligibility determination must be made, the family must be notified of its status, and the status must be implemented. Referred to Application Processing Timeframe section in USDA's Eligibility Manual for School Meals found on ADE's website at <a href="https://www.azed.gov/hns/nslp">https://www.azed.gov/hns/nslp</a> under the Guidance Manuals accordion.   | <i>Please provide written procedures that will be implemented to ensure income applications are processed within ten operating days of receipt.</i>  |
| 4 | In multiple instances, the benefit issuance document was not updated accurately. Specifically, students' eligibility status was updated to reflect new eligibility documentation received, however, the date of the eligibility change was not updated. Additionally, two students were identified for free meal benefits through the homeless liaison, however, the method of determination listed on the benefit issuance document was direct certification. This did not result in fiscal action calculations. | Discussed requirement that eligibility status must be implemented within 10 operating days of receipt of an application. Discussed best practices for ensuring eligibility status is transferred to the benefit issuance document (such as having someone double check on a regular basis). The Step-by-Step Instruction: How to Create a Benefit Issuance Document (BID) can be found on ADE's website at <a href="https://www.azed.gov/hns/nslp/training">https://www.azed.gov/hns/nslp/training</a> under the Online Training Library accordion. | <i>Corrections have been made to the benefit issuance document. Please provide a written description of the process that will be implemented to ensure that the benefit issuance document matches the most recent documentation on file for all current students and their eligibility status.</i> |
| 5 | The household application approval process for a new household application that would be certified for a reduction in meal benefits (free to reduced-price status) was not conducted correctly. Specifically, the household was not contacted to confirm that the family wanted to request a lower level of benefits in writing.  | Discussed that the LEA must explain to the household that a household is not required to report the change due to the year-long duration of eligibility. The change only goes into effect if the household requests the change in writing. The USDA's Eligibility Manual for School Meals can be found on ADE's website at <a href="https://www.azed.gov/hns/nslp">https://www.azed.gov/hns/nslp</a> under the Guidance Manuals accordion.  | <i>Please provide written procedures that will be implemented to ensure that household applications that would reduce a household's meal benefits are processed correctly.</i>   |

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**Meal Access & Reimbursement: Verification**

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No Findings

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**Meal Access & Reimbursement: Meal Counting and Claiming**

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No Findings

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**Meal Pattern & Nutritional Quality: Offer Versus Serve**

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| <b>6 Amberlea Elementary School and Westwind Elementary School:</b> Signage which explains what constitutes a reimbursable meal was not displayed to students at breakfast. | Discussed feasible options for signage and potential content, plan for creating and posting. Prinaccordionle POS Signage can be found on ADE's website at <a href="https://www.azed.gov/hns/nslp/forms">https://www.azed.gov/hns/nslp/forms</a> under the Menu Planning accordion. | <i>Please provide the sign that will be displayed to students that demonstrates what constitutes a reimbursable meal at breakfast. Additionally, please provide written assurance that this sign will be displayed for all students to see.</i> |
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**Meal Pattern & Nutritional Quality: Meal Components and Quantities**

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No Findings

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**Resource Management**

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| <b>7</b> Indirect costs were incorrectly calculated. Specifically, the SFA used the incorrect amount for total expenses (budgeted amount instead of actual) and incorrect amount of exempt costs in the direct cost base. Specifically, the incorrect value of the capital expenses and commodities was used (did not match values reported in AFR). Additionally, the value of other food and FSMC expenses after \$25,000 were included in the direct cost base when they should be exempt. Therefore, the direct cost base should have been \$420,841, not \$5,208,745.79, and the indirect costs charged should have been \$105,210.25, not \$1,302,186.45. | 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 <a href="https://www.azed.gov/hns/nslp">https://www.azed.gov/hns/nslp</a> under the Guidance Manuals accordion, 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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**\$1,196,976.20 must be transferred back to the non-profit school food service account.**

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**Procurement**

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No Findings

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**General Program Compliance: Civil Rights**

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| <b>8</b> The USDA nondiscrimination statement used on program materials is not the most current USDA statement. Specifically, the nondiscrimination statement on the SFSP outreach material (flyer) was not correct.                           | Discussed where to find nondiscrimination statement on ADE's website at <a href="https://www.azed.gov/hns/civilrights">https://www.azed.gov/hns/civilrights</a> 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>   |
| <b>9 Sunset Ridge Elementary School:</b> The current "And Justice for All" poster was not displayed in a prominent location. Rather, both the previous version in the correct size and the current version in a smaller size were displayed. . | Discussed requirements of where poster must be placed and where to find a prinaccordionle "And Justice For All" poster on ADE's website at <a href="https://www.azed.gov/hns/civilrights">https://www.azed.gov/hns/civilrights</a> . Referred to HNS 08-2019 USDA Nondiscrimination And Justice for All Poster Clarification. | <i>Please provide pictures to demonstrate the current poster is now displayed in a prominent location and visible to all program participants. Additionally, please provide written assurance that the "And Justice For All" poster has been displayed in a prominent location and visible to all program participants.</i> |

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**General Program Compliance: SFA On-Site Monitoring**

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No Findings

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**General Program Compliance: Local Wellness Policy**

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| 10 | The Local Wellness Policy (LWP) did not contain all required elements. Specifically, the LWP did not contain specific goals for other school-based activities that promote student wellness. | Discussed developing a LWP with goals for other school-based activities. Discussed other school-based activity ideas which included the HealthierUS School Challenge, offering staff wellness training to inspire them to serve as role models, sponsoring health fairs and incorporating school gardens and/or the Farm to School Program. The Local Wellness Policy Final Rule: Guidance and Tools From ADE Webinar can be found on ADE's website at <a href="https://www.azed.gov/hns/nslp/training">https://www.azed.gov/hns/nslp/training</a> under the Online Training accordion. | <i>Please provide a written plan for how specific goals for other school-based activities that promote student wellness will be added to the LWP. The plan should include draft language of the element to be added, who will be involved in updating the LWP, and the date the update is expected to be completed. Additionally, provide written assurance that the LWP will be specific to your institution.</i> |
| 11 | The Local Wellness Policy (LWP) did not contain all required elements. Specifically, the 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 <a href="https://www.azed.gov/hns/nslp/training">https://www.azed.gov/hns/nslp/training</a> under the Online Training accordion.        | <i>Please provide a written plan for how n policies for food and beverage marketing will be added to the LWP. The plan should include draft language of the element to be added, who will be involved in updating the LWP and the date the update is expected to be completed. Additionally, provide written assurance that the LWP will be specific to your institution.</i>                                      |
| 12 | 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 <a href="https://www.azed.gov/hns/nslp/training">https://www.azed.gov/hns/nslp/training</a> under the Online Training accordion.   | <i>Please provide a written description of how the public will be notified of the existence and contents of the LWP.</i>   |

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**General Program Compliance: Competitive Food Services**

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No Findings

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**General Program Compliance: Professional Standards**

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| 13 The School Nutrition Program Director hired after July 1, 2015 did not complete the required 8 hours of food safety training within 30 days of being hired or within 5 years prior to hire date.   | Discussed requirement and feasibility for attending an available certification training within current school year. Food Safety Online Training Library can be found on ICN's website at <a href="https://theicn.org/icn-resources-a-z/food-safety/">https://theicn.org/icn-resources-a-z/food-safety/</a> .  | <i>Please provide the expected date that food safety certification training will be completed by the School Nutrition Program Director.</i>   |
| 14 The School Nutrition Program Director (Matthew Poag) did not meet the training requirements for the current school year and sufficient plans for meeting the requirements have not been developed. Specifically, 6.75 hours have been completed and a plan was not submitting for the remaining 5.25 hours.                | Discussed 12 hour requirement and feasibility for attending upcoming applicable trainings. Training Curriculum for Arizona Child Nutrition Professionals Operating the National School Lunch and School Breakfast Program can be found on ADE's website at <a href="https://www.azed.gov/hns/nslp/training">https://www.azed.gov/hns/nslp/training</a> under the Build Your Employees Training Plans accordion. The Online Course: Designing Your Employee Training Plan: A Course for School Nutrition Directors can be found on ADE's website at <a href="https://www.azed.gov/hns/nslp/training">https://www.azed.gov/hns/nslp/training</a> under the Online Training Library accordion. | <i>Please provide the expected date that the training requirement will be met as well as the name, date and content information of trainings that the School Nutrition Program Director is registered for. Additionally, the certificate of completion of Online Course: Designing Your Employee Training Plan: A Course for School Nutrition Directors must be provided.</i> |
| 15 The School Nutrition Program Manager (Kathy Leon Gil) did not meet the training requirements for the current school year and sufficient plans for meeting the requirements have not been developed. Specifically, 5.5 hours have been completed and a plan was not submitted for the remaining 4.5 hours.                  | Discussed 10 hour training requirement and feasibility for attending upcoming applicable trainings. Trainings for School Nutrition Professionals can be found on ADE's website at <a href="https://www.azed.gov/hns/nslp/training/">https://www.azed.gov/hns/nslp/training/</a> . The Online Course: Designing Your Employee Training Plan: A Course for School Nutrition Directors can be found on ADE's website at <a href="https://www.azed.gov/hns/nslp/training">https://www.azed.gov/hns/nslp/training</a> under the Online Training Library accordion.   | <i>Please provide the expected date that the training requirement will be met as well as the name, date and content information of trainings that the School Nutrition Program Manager is registered for.</i>   |
| 16 Professional Standards training hours are not being adequately tracked. Specifically, the training tracking system did not include the school site name where each employee is based nor the total hours of training completed for each employee. The date of trainings completed was also not recorded for each training. | Referred to USDA's Professional Standards Training Tracker Tool and discussed requirements for tracking. -OR- Referred to ADE's Training Tracking forms found on ADE's website at <a href="https://www.azed.gov/hns/nslp/forms">https://www.azed.gov/hns/nslp/forms</a> under the Professional Standards accordion. -OR- Discussed creating their own training tracker with all required information. The Online Course: Designing Your Employee Training Plan: A Course for School Nutrition Directors can be found on ADE's website at <a href="https://www.azed.gov/hns/nslp/training">https://www.azed.gov/hns/nslp/training</a> under the Online Training Library accordion.           | <i>Please provide the tracker that will be used to track Professional Standards training hours on an annual basis for all School Nutrition Program staff. Additionally, please provide written assurance that Professional Standards training hours will be tracked for all School Nutrition Program staff on an annual basis.</i>  |

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**General Program Compliance: Water**

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No Findings

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**General Program Compliance: Food Safety, Storage and Buy American**

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17	The following reviewed products indicated violations of the Buy American Provision in 7CFR 210.21(d) on-site at reviewed schools: cantaloupe, baby corn, pineapple, and bananas. Additionally, adequate documentation justifying a Buy American exception was not maintained/on file.	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 <a href="https://www.azed.gov/hns/nslp/forms">https://www.azed.gov/hns/nslp/forms</a> under the Operational accordion. Buy American Recorded Webinar and FAQ can be found on ADE's website at <a href="https://www.azed.gov/hns/nslp/training">https://www.azed.gov/hns/nslp/training</a> under the Online Training Library accordion.	<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>
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**General Program Compliance: Reporting and Recordkeeping**

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18	The Annual Financial Report was completed inaccurately. Specifically, the total expenses reported did not match the sum of the expenses 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>
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**General Program Compliance: School Breakfast Program and Summer Food Service Program Outreach**

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No Findings

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**Other Federal Program Reviews: Afterschool Snack Program**

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No Findings

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**Other Federal Program Reviews: Seamless Summer Option**

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Will be reviewed in Summer 2023 if applicable.

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**Other Federal Program Reviews: Fresh Fruit and Vegetable Program**

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Not Applicable

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**Other Federal Program Reviews: Special Milk Program**

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Not Applicable

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**Other Federal Program Reviews: At-Risk Afterschool Meals**

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Not Applicable

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**Comments/Recommendations:**

Congratulations - Pendergast Elementary District has completed the Administrative Review for SY2022-2023! Thank you for your hard work and diligence throughout the review process. It was a pleasure visiting your schools and witnessing the dedication your staff has to serving healthy, delicious meals. Keep up the great work!

**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?**

<input checked="" type="checkbox"/> No- SBP	<input type="checkbox"/> Yes- SBP	\$148.35
<input checked="" type="checkbox"/> No- NSLP	<input type="checkbox"/> Yes- NSLP	\$0

Fiscal Action under \$600 will be disregarded.

Please submit corrective action response by February 16, 2023 to Noelle Schrankler at [Noelle.Schrankler@azed.gov](mailto:Noelle.Schrankler@azed.gov).

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Reviewer 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 under the Reviews Conducted by the State Agency accordion on ADE's National School Lunch and School Breakfast Program webpage.

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