



ARIZONA DEPARTMENT OF EDUCATION

Health and Nutrition Services Division

Administrative Review Summary Report

School Food Authority Name: Paragon Management, Inc.

CTD: 07-89-12

Site: Paradise Honors Middle School

Contacts: Darcy Weisner, Executive Director and Dawn Merritt, NSLP Director

Review Date: January 22, 2025

Exit Conference Date: January 22, 2025

Review Period: December 2024

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 and Benefit Issuance – Critical Area			
1	Student eligibility certification was incorrectly determined. Specifically, one application with 2 students was certified as reduced when reported income exceeded the income eligibility guidelines. Additionally, one application with 3 students was certified as free utilizing an incorrect case number.	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 sections in USDA's Eligibility Manual for School Meals found on ADE's website at https://www.azed.gov/hns/nslp under the Guidance Manuals accordion. Required completing the training: Step-by-Step Instruction: How to Process Household Applications found on ADE's website at https://www.azed.gov/hns/nslp/training under the Online Training Library accordion.	<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. Additionally, the certificate of completion of Step-by-Step Instruction: How to Process Household Applications must be submitted.</i>
2	The correct conversion factors were not used on applications with more than one income provided. Specifically, an application was converted to annual when a household reported multiple incomes with the same frequency.	Referred to Income Conversion Required under the Reviewing Applications Based on Income section in USDA's Eligibility Manual for School Meal found on ADE's website at https://www.azed.gov/hns/nslp under the Guidance Manuals accordion. The Step-by-Step Instruction: How to Process Household Applications can be found on ADE's website at https://www.azed.gov/hns/nslp/training under the Online Training Library accordion.	<i>Corrections have been made to applications. Please provide written procedures for how and when conversion factors will be utilized and written assurance that the correct conversion factors will be applied to income applications with multiple frequencies.</i>

Performance Standard 1: Meal Counting and Claiming – Critical Area

No findings.

Performance Standard 2: Meal Components & Quantities – Critical Area

No findings.

Performance Standard 2: Dietary Specifications and Nutrient Analysis – Critical Area

No findings.

Meal Access & Reimbursement: Certification and Benefit Issuance

No findings.

Meal Access & Reimbursement: Verification

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| 3 | The person designated as the verification confirming official is the same person who made the initial eligibility determination. | Discussed that the confirmation review must be done by an individual other than the individual who made the initial eligibility determination. The Online Training: Verification Review found on ADE's website at https://www.azed.gov/hns/nslp/training under the Online Training Library accordon. Additionally, referred to Section 6: Verification in USDA's Eligibility Manual for School Meals, Revised found on ADE's website at https://www.azed.gov/hns/nslp under the Guidance Manuals accordon. | Please provide the name and title of the individual designated as the confirming official. Additionally, please provide written assurance that the person designated as the confirming official will not be the same person who made the initial eligibility determination. |
| 4 | An incorrect number of applications were selected for verification based on the sampling method used. Specifically, 6 applications should have been verified using the Alternate 1 sampling method, but 7 were actually verified during verification in School Year 2024-2025. | Discussed correct calculation of sample size and which applications are subject to verification. Referred to the Verification Sample Size Calculators located in CNP Verification Reporting and Online Training: Verification Review found on ADE's website at https://www.azed.gov/hns/nslp/training . Additionally, referred to Section 6: Verification in USDA's Eligibility Manual for School Meals, Revised found on ADE's website at https://www.azed.gov/hns/nslp under the Guidance Manuals accordon. | Please provide written procedures for how the verification sample size will be determined in the future. |
| 5 | Applications selected for verification were not verified correctly. Specifically, the income documentation provided by the household supported that the eligibility status should have been changed from Reduced to Paid; however, the application was processed as eligibility status being changed from Reduced to Free. This contributed toward fiscal action calculations. | Discussed proper verification procedures and how to verify the income. Referred to Online Training: Verification Review ADE's website at https://www.azed.gov/hns/nslp/training under the Online Training Library accordon. Additionally, referred to Section 6: Verification in USDA's Eligibility Manual for School Meals found on ADE's website at https://www.azed.gov/hns/nslp under the Guidance Manuals accordon. | Please provide written procedures that will be followed when verifying a household's income documentation. |

6	Verification procedures were not followed correctly. Specifically, the SFA did not update the benefit issuance document to reflect eligibility status changes as the result of verification.	Discussed that an increase in benefit status should be reflected on the benefit issuance document no later than 3 operating days after verification and an decrease in benefit status should be reflected on the benefit issuance document 10 calendar days after verification. Referred to ADE's Verification Tracking Form and Online Training: Verification Review on ADE's website at http://www.azed.gov/hns/nslp/verification . Additionally, referred to Section 6: Verification in USDA's Eligibility Manual for School Meals, Revised found on ADE's website at https://www.azed.gov/hns/nslp under the Guidance Manuals accordion.	<i>Please provide written procedures for ensuring student eligibility status will be updated on the benefit issuance document in the proper time frame.</i>
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Meal Access & Reimbursement: Meal Counting and Claiming

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 https://www.azed.gov/hns/nslp/forms under the Operational accordion. The Step-by-Step Instruction: How to Complete Daily Edit Checks can be found on ADE's website at https://www.azed.gov/hns/nslp/training under the Online Training Library accordion.	<i>Please provide a completed daily edit check worksheet for the most recently submitted claim month. Additionally, please provide written assurance that the attendance factor reflected on the daily edit check worksheet will be updated annually.</i>
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Meal Pattern & Nutritional Quality: Offer Versus Serve

No findings.

Meal Pattern & Nutritional Quality: Meal Components and Quantities

No findings.

Resource Management

No findings.

General Program Compliance: Civil Rights

No findings.

General Program Compliance: SFA On-Site Monitoring

No findings.

General Program Compliance: Local Wellness Policy

No findings.

General Program Compliance: Competitive Food Services

No findings.

General Program Compliance: Professional Standards

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| 8 School Nutrition Programs director and Finance director have not completed annual training on Federal procurement standards. | Discussed that school nutrition program directors, management, and staff tasked with National School Lunch Program procurement responsibilities must complete annual training on Federal procurement standards annually. Additionally discussed that procurement training may count towards the professional standards training standards. Training Curriculum for Arizona Child Nutrition Professionals Operating the National School Lunch and School Breakfast Program can be found on ADE's website at https://www.azed.gov/hns/nslp/training under the Build Your Employees Training Plans accordion. Procurement Basics training can be found on ADE's website at https://www.azed.gov/hns/nslp/training under the Online Training Library accordion. | <i>Training was completed and the certificate of completion of Procurement Basics for School Nutrition Programs was provided on day of review for the School Nutrition director. Please provide the certificate of completion of Procurement Basics for School Nutrition Programs for the Finance Director. Additionally, please provide written assurance that annual training on Federal procurement standards will be completed annually.</i> |
| 9 Employees outside of the School Nutrition Program with responsibilities that include duties related to the operation of the School Nutrition Program have not received applicable training nor has sufficient training been planned. Specifically, the accounts payable clerk did not have any completed or planned trainings documented. | Discussed 4 hour training requirement, employee's job duties, and applicable trainings that could be provided and feasible timeline. Training Curriculum for Arizona Child Nutrition Professionals Operating the National School Lunch and School Breakfast Program can be found on ADE's website at https://www.azed.gov/hns/nslp/training 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 https://www.azed.gov/hns/nslp/training 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 employees outside of the School Nutrition Program with responsibilities related to the operation of the School Nutrition Programs will receive.</i> |

General Program Compliance: Water

No findings.

General Program Compliance: Food Safety, Storage and Buy American

No findings.

General Program Compliance: Reporting and Recordkeeping

No findings.

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

No findings.

Other Federal Program Reviews: Afterschool Snack Program

Not applicable.

Other Federal Program Reviews: Seamless Summer Option

Will be reviewed in Summer 2025 if applicable.

Other Federal Program Reviews: Fresh Fruit and 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! Paragon Management, Inc. has completed the administrative review for the 2024-2025 school year. Thank you for your hospitality, organization, and sense of urgency during the review process. Your team works marvelously together in order to do an outstanding job implementing the Child Nutrition Programs. It is evident that you are working hard to ensure your students are fed healthy, delicious meals in a supportive environment.

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	\$0
<input checked="" type="checkbox"/> No- NSLP	<input type="checkbox"/> Yes- NSLP	\$164.41

Fiscal Action under \$600 will be disregarded.

Please submit corrective action response by April 18, 2025 to Liz McLaughlin at Liz.McLaughlin@azed.gov. The response must be on organizational letterhead and signed by an authorized representative and must indicate that corrective actions will be implemented SFA-wide.

Reviewer Signature	Date
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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.

Tom Horne, Superintendent of Public Instruction
1535 West Jefferson Street • Phoenix Arizona 85007 • www.azed.gov
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This institution is an equal opportunity provider.