

Iowa Department of Education
Bureau of Nutrition and Health Services
State Review Summary Report
Hudson Comm School District (30420000)
Date of Review: March 11th – 13th, 2019

Program Year: 2019
Month of Review: January
Lead Reviewer: Donna Matlock
Org Representative(s): Chad Wagner

Org - Level Findings

Area	Findings ID	Finding Description	Required Corrective Action	Corrective Action Response
100 - Certification and Benefit Issuance	V-0100	Two household applications were missing the Determining Officials signature resulting in an incomplete application.	Describe how SFA will ensure that all applications are officially signed by the Determining Official so families may receive determined benefits.	
200 - Verification	V-0200	Q208aF: The SFA did not provide documentation demonstrating that a confirmation review had occurred.	Q208aC: State your intentions to provide documentation demonstrating that a confirmation review occurred.	
700 - Resource Management	V-0700	A review of three invoices showed that the FSMC was using an incorrect conversion factor for student breakfasts. Per III.J.6(f), the meal equivalent conversion factor for breakfasts is 0.66. Technical assistance was provided on converting breakfasts, snacks, a la carte items to meal equivalents per section III.J.6(f) of the signed FSMC contract.	The SFA will review all invoices going to the beginning of the School Year (SY) and request credit for over-payment. Describe your process to reconcile FSMC invoices.	

Site - Level Findings: Hudson High School (0109)

Area	Findings ID	Finding Description	Required Corrective Action	Corrective Action Response

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Org - Level Technical Assistance

Area	Question	Comments
100 - Certification and Benefit Issuance	126 a. Certification and Benefit Issuance Review Method:	One application was not determined/approved within the 10 day time frame as required in USDA regulations. SA discussed with SFA the importance of processing applications within the time frame so as not to keep families waiting and accruing a cash balance.
700 - Resource Management		<p>The procurement event page of the School Food Authority (SFA) procurement plan should be reviewed annually preferably in February, when SFA's begin the process of procuring for the next School Year (SY). Record and maintain a procurement event page for each SY.</p> <p>The estimated value for the FSMC contract was not provided in the SY 2018-2019 procurement plan. School Food Authority (SFA) Program Director stated this information will be included in SY 2019-2020 procurement event as they have better data on student meal participation.</p> <p>The local micro-purchase threshold for SY 2018 -2019 should be \$5,000 and not \$10,000.</p> <p>When micro-purchase method is used, purchases must be equitably distributed among vendors to "spread the wealth." A review of three invoices showed two invoices were for the purchase of teaspoons made on a different date both from the same vendor. A stainless steel work table was also purchased from the same vendor.</p> <p>When micro-purchase method is used, prices should be</p>

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		<p>reasonable. A stainless steel work table with open front cabinet base was purchased. A quick online search at a restaurant supply site showed the same item priced considerably less than what the School Food Authority (SFA) paid. Business manager stated that the superintendent always wanted the food service director to obtain price quotes before purchase was approved. Technical assistance provided to business manager and SFA program director to do a quick online search to make sure price is reasonable when purchase is going to be made with only one vendor without soliciting price quotes from other vendors.</p> <p>Three vendors were reviewed to ensure compliance with small purchase method (price quotation request). When dairy and fresh bread products are procured, along with the specifications (descriptions) for all items to be procured, the estimated annual usage for each item should be provided.</p> <p>To ensure the School Food Authority (SFA) selects a responsive vendor with the overall lowest price (bottom line cost), the price of each item on the price quotation request must be extended by multiplying the unit cost with the estimated annual usage for each item to obtain the extended price for the item. The sum of the extended price for all specified items is the total extended cost (bottom line). An excel template to calculate the extended cost for milk is available in download forms on IA_CNP. A similar process should be used for fresh bread products.</p> <p>Include the Buy American statement in any solicitation for agricultural commodities. Sample language is provided in the procurement plan template. Program director should conduct periodic spot check of dry and</p>
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		<p>cold storage areas to ensure that the Food Service Management Company (FSMC) is complying with Buy American provision, to the maximum extent practicable.</p> <p>There should be process established between the FSMC and the agricultural commodities vendors, where the vendor suggest a domestic alternative product if the domestic product ordered is not available. There should be a Buy American exception log maintained by the FSMC to document exceptions to Buy American when a non-domestic product is purchased. The SFA program director should approve the use of non-domestic food per FSMC contract language in section III.E.(4)(a). A Buy American exception log sample template will be available soon in download forms on IA_CNP.</p> <p>In SY 2017-2018, equipment maintenance and repair services were charged directly to school nutrition funds. Last SY guidance was provided by School Finance these are indirect costs. On November 29, 2018 an email from the Bureau of Nutrition and Health Services (BNHS) sent to all authorized representatives and food service directors included more information on Indirect Cost Rates. This email included two charts developed with IDOE School Finance staff on what is a direct cost and what is indirect. Please review this information.</p> <p>To understand how to review K-12 and Processor Link to reconcile USDA Foods received, it is recommended the SFA program director contact the BNHS USDA Foods consultant.</p>
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1000 - Local School Wellness Policy	1003 a. Who is involved in reviewing and updating the Local School Wellness Policy?	SA recommends SFA list committee member list of names and titles with LWP (Local Wellness Policy) & assessment for public view.
1600 - School Breakfast and SFSP Outreach	1601 How did the SFA inform eligible families about the availability and location of free meals for students via the Summer Food Service Program?	SA discussed with SFA that all SFA's are required to promote the SFSP (Summer Food Service Program) regardless of not participating in the SFSP. SA shared resources and DE website for resources and posters/flyers. Posters/flyers are also located in 'Download Forms' of IowaCNP.

Site - Level Technical Assistance Hudson High School (0109)

Area	Question	Comments
400 - Meal Components and Quantities - Breakfast	409 Review production records and other supporting documentation.	FSD is new, SA helped her revise the breakfast and lunch certification worksheets to reflect the menus submitted.
400 - Meal Components and Quantities - Lunch	404 a. Is there signage explaining what constitutes a reimbursable lunch to students for all applicable grade groups?	SA shared with FSD and recommended additional signs be added to sneeze guard of salad bar to indicate minimum/maximum portions are not excessive or wasteful.
600 - Dietary Specifications and Nutrient Analysis	603 Were any areas identified during the Off-site review requiring technical assistance or corrective action prior to the beginning of the On-site portion of the review?	FSD is new and did not have the certification worksheets completed prior to onsite visit. Worked with FSD on worksheets and will be completing them to upload to 'Review Attachment' for AR.
800 - Civil Rights	811 Is the USDA “And Justice for All” poster displayed in a prominent location and visible to recipients of benefits?	SA observed no poster in cafeteria and FSD is new. SA will send SFA posters.

Org - Level Commendations

Description
<ul style="list-style-type: none"> • Benefit documents, as well as all paperwork, were very well organized. • The current application form and guidelines were used, direct certification is downloaded twice a month as required, benefits are accurately and frequently transferred to the POS system, and denied applications were correctly determined. • The correct and current benefit issuance list was available. • All applications were correctly determined, signed and dated by the household

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member, and were complete with SSN's and case numbers. • Income was only converted to annual when there was more than one frequency of income. • Rollover applications were removed if the household did not apply within thirty days of the school year. • Access to benefit information is correctly limited. • Free meals are extended to all members in the household. • Waivers are provided to applicants and indicate specific fees. • Eligibility is kept confidential. • The SFA has a back-up system for benefit issuance documents and system.

• The correct number of applications were verified and were correctly selected from error prone applications. • All income sources were verified with at least one month's income, and the process was completed on time. • The SFA had at least one person attend training. • The verification report was completed accurately and on time.

• The district has a current wellness policy on file. • The SFA's wellness policy was reviewed and revised on April 17, 2017. • There are guidelines for foods sold on the campus and goals to promote student health, nutrition promotion, nutrition education, and physical activity. • The wellness policy and the most recent assessment of the policy are available to the public via district website. • The SFA completed an assessment of their wellness policy on January 26, 2017. • The following individuals' FSMC, FSD, nurse, activities director, principals, superintendent, and community members are involved in reviewing and updating the LWP. • Potential stakeholders are made aware of their ability to participate on the wellness committee, and all required stakeholders participated.

• The Resource Management section of the Off-Site Assessment tool was completed on time. • Financial records that were reviewed, indicated appropriate and allowable expenditures. The district has a sufficient system of safeguards and accountability practices in place to ensure the safety of the account. • There were no unresolved findings from the previous Administrative Review or from a state audit. • The SFA has a separate financial account for the nonprofit school food service, and net cash resources do not exceed three operating months. • Money is not transferred out of the account to support other programs. • The SFA effectively utilizes its USDA entitlement for commodities. • Reports are filed on time, and all records are maintained for at least three years plus the current year. • The SFA developed and approved a meal charge policy on January 21, 2019. The policy was mailed (emailed) to all households and staff were informed of the policy. The policy states that students who qualify for free meals shall never be denied a reimbursable meal.

PROCUREMENT: The procurement plan for SY 2017- 2018 and SY 2018 -2019 was completed. The local small-purchase thresholds was correctly identified. For SY 2018 - 2019, all anticipated procurement events were completed including the procurement method and contract award type. The code of conduct identified the district policies relating to gifts and disciplinary action. This is the School Food Authority's (SFA) first (base) year with a Food Service Management Company (FSMC). The contract with the FSMC is a fixed-price contract. The SFA administration is pleased to see a significant increase in meal participation for both reimbursable and non-reimbursable meals (staff). The SFA retains signature authority. The SFA program director has completed the required food safety training. The SFA program director completed the first of two monitoring reviews of the FSMC and planned to complete the second monitoring review prior to the state agency's required March 1st deadline. The advisory group consisting of parent, students, and teachers met in November 2018 to discuss menu planning. The second meeting of the group was planned in March. Meeting minutes were available for the November meeting. The SFA Program Director has developed an excel spreadsheet to track receipt of USDA Foods value on the FSMC monthly invoices. She also checks the Iowa Department of Education (IDOE) USDA Foods page on the portal as well as FFAVORS, Processor Link and K-12 Foodservice. At the end of the School Year (SY), she will make sure the SFA is credited with all USDA Foods received. Per USDA requirement and criteria, vendors were selected to review procurement practices when the SFA was self-operated. To review compliance with micro-purchase, one vendor was selected. Each transaction with the vendor was below the local threshold for micro-purchase (\$3,500 in SY 2017-2018). Three vendors were selected to review compliance with small purchase. The procurement with each vendor was in compliance with the small purchase method. At least three vendors were contacted to provide price quotation and for each at least two vendors responded. A signed suspension and debarment certification statement was on

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file for each vendor. A review of invoices showed the SFA purchased the products solicited. The SFA participated in the USDA- Diverted Foods Program. The SFA did an excellent job maximizing utilization of their allocated Planned Assistance Level (PAL). In SY 2017 - 2018, 99.5 percent of PAL was utilized.

Site - Level Commendations Hudson High School (0109)

Description
<ul style="list-style-type: none"> • Meal counts during the on-site review were reasonable when compared to the review month counts. Meal count totals for the month of [month] were accurate and complete. • Point of Service (POS) counts and filed claims appear accurate. • Students are not overtly identified as free, reduced, or paid during the meal claiming process or during meal observation. • Food Production Records, FPRs, were on file for all meals claimed for reimbursement for the review period. • Cashiers are trained, and daily edit checks are performed. • All students selected a reimbursable meal without having a prompt to select a ½ cup of fruit or vegetable as one of the three required components.
<ul style="list-style-type: none"> • School Breakfast Program (SBP) outreach was sent out at the beginning of the year to inform families of the availability of the program. • Reminders of the SBP were also sent out throughout the school year. • Outreach included announcements, newsletters, the school website, posters, etc.
<ul style="list-style-type: none"> • Students may purchase a second entrée and/or a second milk at lunch. Second entrees are correctly documented on production records. • Beverages sold meet the standards for the various age groups of students. Students are able to purchase foods via a la carte sales. • The Smart Snacks calculator at the Alliance for a Healthier Generation website is used to document items sold a la carte. • All foods sold meet the Smart Snack standards for nutrition content. Exempt leftover NSLP entrees are only sold the same day, or the day after, they are initially offered.
<ul style="list-style-type: none"> • The district has taken reasonable steps to ensure access to services are offered for Limited English Proficient households. • Annual civil rights training was provided to food service staff and documented. • A copy of the district’s public release was on file, documenting that it was submitted to local media. • The district has taken reasonable steps to ensure that students with special dietary needs are adequately accommodated and that proper documentation is on file. • Ethnic/racial information is collected and the form is completed. • No discrimination was observed. • SFA on-site monitoring was completed to ensure that all schools are meeting program requirements. • The on-site monitoring forms were completed for 100% of the SFA’s sites for lunch and at least 50% were completed for breakfast prior to February 1st. • The correct state and federal non-discrimination statements are provided on all material describing the program including letters, pamphlets, and the school’s website.
<ul style="list-style-type: none"> • The Food Service Director (FSD) does a great job of menu planning and offering choices. The numerous choices increases participation and provides opportunities for each child to find meal components for lunch that they will eat. • All meal components were available at the beginning of meal service on the days of observation and throughout meal service. • All meals observed met at least the minimum daily requirements. • Menus met weekly and daily meal pattern requirements for each age/grade group within the district and within each building. Documentation indicated that foods purchased and food production ensured meals contained the required components and quantities. CN labels and Manufacturer’s Statements, as well as nutrition facts and ingredient labels used for producing meals were on file. • A variety of entrees, fruits, and vegetables were offered throughout the review period for lunch, and included many fresh fruits and vegetables. Daily multiple choices of fruits and vegetables encourages student consumption. The SFA provides a Fruit-Vegetable Bar that encourages students to select a reimbursable meal. • Menus included many homemade entrees, and standardized recipes are used for food production. • Free potable water is available to all students for lunch (in each location where lunches are served during the meal service) and for breakfast (when breakfast is served in the cafeteria)? • Offer vs. Serve (OVS) was being implemented properly. All students observed selected ½ cup of

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fruit and/or vegetable. Students have the option to decline any one or two of the five components. • At least two types of milk are offered. • Many low fat and low sodium food items were observed in storage. • Students had sufficient amount of time to eat after receiving meals. • Recess is scheduled before lunch service. • Signage was posted explaining what constitutes a reimbursable meal at both breakfast and lunch. A monthly menu is also posted. • Food service staff was polite and respectful to students, other staff, and each other. • Nutrient analysis was not required. • Parents volunteer daily to monitor and assist students at the vegetable and fruit bar. BREAKFAST: • Signage was posted explaining what constitutes a reimbursable meal. A monthly breakfast menu is also posted. • Offer vs. Serve, OVS, was correctly implemented. Students have the option to decline any one of four items offered at breakfast. • Students have a variety of meal components to select at breakfast. Students have a daily choice of a hot or cold breakfast.

• The Food Service Director completed the USDA menu worksheets for the week of January 7th - 11th for breakfast and lunch at the Hudson High School. The worksheets showed the serving portions and component contributions meeting the meal pattern. • The Food Service Director also completed the Dietary Specifications Assessment tool for breakfast and lunch which indicated Hudson High School is at low risk for (non)compliance with Dietary Specifications regulatory requirements. • Some practices that help improve the nutrition quality of the school meals include: only using low-fat or fat-free milk for student consumption and in menu recipes, controlling the portion sizes of condiments, offering some reduced-fat, low-fat and fat-free salad dressings, using frozen vegetables in place of canned, limiting grain-based desserts to no more than 2 oz. eq. per week and draining fat from browned meats.

• The SFA has a district-wide written Food Safety plan that includes all required elements. A copy of the written plan was available at the site(s) reviewed, and Standard Operating Procedures, SOPs, have been implemented in each kitchen. • The latest Health Inspection Report was posted in a publicly visible location. • Temperature logs are maintained for all coolers-including milk coolers, freezers, food served, dishwasher, and thermometer calibration. • The kitchen and storage areas were orderly and clean. • Food Service workers wore proper hair restraints and practiced good gloving procedures. • Good food safety procedures were observed.

• The staff training agenda covered many important topics and shows a commitment to ensure food program compliance. • The newly hired Food Service Management Company Supervisor meets the hiring standards. All nutrition staff have obtained the required training for SY2019.