



PUBLIC SCHOOLS OF NORTH CAROLINA

DEPARTMENT OF PUBLIC INSTRUCTION | Mark Johnson, *Superintendent of Public Instruction*

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STATE AGENCY ADMINISTRATIVE REVIEW SUMMARY

Section 207 of the HHFKA amended section 22 of the NSLA (42 U.S.C. 1769c) to require State agencies (SA) to report the results of the administrative review to the public in an accessible, easily understood manner in accordance with guidelines promulgated by the Secretary. Regulations at 7 CFR 210.18(m) requires the SA to post a summary of the most recent final administrative review results for each School Food Authority (SFA) on the SA publicly available website no later than 30 days after the SA provides the results of the administrative review to the SFA. The SA must also make a copy of the final administrative review report available to the public upon request.

School Food Authority (SFA) Name: Mallard Creek STEM Academy

SFA Agreement Number: 61Q

Date of Administrative Review (Entrance Conference Date): January 22, 2018

Date review results were provided to the SFA: January 24, 2018

General Program Participation

1. What Child Nutrition Programs does the School Food Authority participate in? (Select all that apply)

- School Breakfast Program
- National School Lunch Program
- Fresh Fruit and Vegetable Program
- Afterschool Snack
- Special Milk Program
- Seamless Summer Option

2. Does the School Food Authority operate under any Special Provisions? (Select all that apply)

- Community Eligibility Provision
- Special Provision 1
- Special Provision 2
- Special Provision 3

Review Findings

3. Were any findings identified during the review of this School Food Authority?

- Yes No

4. Is there fiscal action associated with findings identified during the review of this School Food Authority?

- Yes No

SCHOOL NUTRITION SERVICES

SCHOOL OPERATIONS DIVISION

Lynn Harvey, Ed.D., RDN, LDN, FAND, SNS Chief | lynn.harvey@dpi.nc.gov

6324 Mail Service Center, Raleigh, North Carolina 27699-6324 | Phone (919) 807-3506 | Fax (919) 807-3516

AN EQUAL OPPORTUNITY/AFFIRMATIVE ACTION EMPLOYER

REVIEW FINDINGS

A. Program Access and Reimbursement

YES	NO	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<p>Certification and Benefit Issuance – Validation of the SFA’s certification of students’ eligibility for free or reduced-price meals benefits</p> <p>Finding Detail: Two (2) eligibility applications with four (4) students were correctly classified by the School Food Authority (SFA) as eligible for reduced meal benefits; however, the students are in the computerized POS as receiving free meal benefits. Additionally, there were seven (7) students with free meal benefits and three (3) students with reduced priced meal benefits carried over from the 2016-2017 school year for the first thirty (30) school days. The students did not turn in a current application and their benefits were not terminated on the thirty-first (31st) day of the 2017-18 school year. Based on the above fourteen (14) benefits issuance errors, the reclaim for the National School Lunch Program for the review month and for the month of the on-site review will be as follows: December 2017 - \$205.48, January 2018 -\$193.00 = Total \$398.48 The potential reclaim for the School Breakfast Program is: December 2017 - \$30.20, January 2018 - \$20.90 = Total \$51.10. All Eligibility activities must be conducted in accordance with the most current edition of the “Eligibility Manual for School Meals Determining and Verifying Eligibility School Year” (2017). Finding 2: The PowerSchool student database did not match the computerized Point of Service/Sale (POS/S) system database on the day of review. There were thirty (30) students in the 2017-2018 POS/S that are no longer current students. The student names should have been removed when they withdrew from the school. Four (4) of those students received free meal benefits in 2016-2017 and were carried over into 2017-2018 as receiving free benefits although they were not currently enrolled in the school.</p>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<p>Verification – Validation of the process used by the SFA to confirm selected students’ eligibility for free and reduced-price meal benefits</p> <p>Finding Detail: There were several errors that were noted during the review of the Verification process. They are listed below: The Verification process must begin on October 1st and conclude no later than November 15th. The SFA began Verification on November 30, 2017 and completed the process on December 12, 2017; The Verification official added the directly certified, extended benefits, and foster students to the list of applications when determining the number of students to verify. These categories of students should not be added to the number of applications subject to verification. The Verification Collection Report was filed with inaccurate numbers; Three (3) applications were selected to be verified. Of those selected two (2) applications were verified using net income instead of gross income. Both applications were corrected on the day of review (January 23, 2018) and letters sent to the households with a ten (10) day notice of adverse action. All Verification activities must be conducted in accordance with the most current edition of the “Eligibility Manual for School Meals: Federal Policy for Determining and Verifying Eligibility” (USDA, 2017).</p>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<p>Meal Counting and Claiming – Validation of the SFA’s meal counting and claiming system that accurately counts, records, consolidates, and reports the number of reimbursable meals claimed by category</p> <p>Finding Detail: The Edit check report currently in use is not sufficient to perform the required edit check. The SFA indicated in the 2017-2018 electronic Agreement the use of the North Carolina Edit Check template. A review of the edit check process during the Administrative Review however revealed the SFA is currently using a fixed ninety-eight percent (98%) attendance factor to conduct the edit check. This method is not accepted for edit checks in North Carolina. Finding 2: The following errors were noted on the electronic Agreement and must be updated to reflect the correct information: The new School Nutrition Administrator should be given Application "rights" and Claims "rights" should be removed; Questions 14, 18, 22, 28, 50, 56, 65, and 73 should be corrected on the SFA application; Questions 5, A3 and B3 should be corrected on the site application. The School Food</p>

Authority Application and Site Application must be kept updated throughout the school year when changes occur.

B. Meal Patterns and Nutritional Quality		
YES	NO	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Meal Components and Quantities – Validation that meals claimed for reimbursement contain the required meal components and quantities
Finding Detail:		
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Offer versus Serve (OVS)(provision that allows students to decline some of the food components offered) – Validation of the SFA’s compliance with OVS requirements, if applicable
Finding Detail:		
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Dietary Specifications and Nutrient Analysis – Validation that meals offered to children through the School Nutrition programs are consistent with federal standards for calories, saturated fat, sodium, and <i>trans</i> fat
Finding Detail:		

C. School Nutrition Environment		
YES	NO	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Food Safety – Validation that all selected schools meet the food safety and storage requirements, and comply with the Buy American provisions specified by the regulations
Finding Detail: The following Food Safety issues were noted during the review: Food temperatures were not consistently documented for time-controlled for safety (TCS) foods (including milk, yogurt, and mozzarella cheese sticks, etc.) The proper sanitizer strips are needed to document the proper sanitizer concentration (PPM) on the kitchen assessment form.		
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Local School Wellness Policy – Review of the SFA’s established Local School Wellness Policy
Finding Detail: The LWP at Mallard Creek STEM Academy is still under development and the updated version is to be Board approved. LWP requirements of the Healthy Hunger-Free Kids Act (HHFKA) of 2010, outlined in USDA Policy Memo SP 42-2011 and the LWP Final Rule effective August 29, 2016 have not been met.		
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Competitive Foods – Validation of the SFA’s compliance with regulations for all food and beverages to students outside of the reimbursable meal
Finding Detail:		
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Professional Standards – Validation of the SFA’s compliance with required hiring standards and annual training requirements
Finding Detail:		

D. Civil Rights		
YES	NO	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Civil Rights – Validation of the SFA’s compliance with civil rights requirements as applicable to the School Nutrition Programs
Finding Detail: Mallard Creek STEM Academy has indicated in the electronic application that the North Carolina Complaint of Discrimination template has been adopted for use. A review of the Civil Rights Complaint Procedure at the school site revealed the school has asked the complainant to go to the United States Department of Agriculture to download the United States Department of Agriculture’s Complaint Form.		

E. Resource Management		
YES	NO	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Resource Management – Validation of the SFA’s compliance with overall financial health of the School Nutrition Program
<p>Finding Detail: Mallard Creek STEM Academy’s Cash Collection Policy states students are allowed to charge reimbursable meals for breakfast and lunch; however, no indication is given how the charges are to be repaid to the non-profit School Meals Program. In the 2016-2017 school year, the bad debt from student meal charges totaled \$6,375.25, of which \$652.75 was owed by students not returning in the 2017-2018 school year. Federal programs are not permitted to absorb bad debt.</p> <p>Please note: The student bad debt reported as of August 28, 2017 was zeroed out from the School Nutrition account on September 15, 2017. Finding 2: On the day of review, eight (8) adults were found to have accounts in the computerized POS/S system in the negative. Seven of the accounts were paid during the review leaving two accounts with charges totaling \$84.25 to be collected.</p>		

<input type="checkbox"/>	<input checked="" type="checkbox"/>	Other
Finding Detail:		