



NORTH CAROLINA DEPARTMENT OF PUBLIC INSTRUCTION

Maurice "Mo" Green, 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: Camp Lejeune Schools

SFA Agreement Number: 1002

Date of Administrative Review (Entrance Conference Date): February 23, 2026

Date review results were provided to the SFA: March 13, 2026

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

OFFICE OF SCHOOL NUTRITION AND AUXILIARY SERVICES

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REVIEW FINDINGS		
A. Program Access and Reimbursement		
YES	NO	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Certification and Benefit Issuance – Validation of the SFA’s certification of students’ eligibility for free or reduced-price meals benefits
<p>Finding Detail 1: In accordance with 7 CFR 245.6(b) and 7 CFR 245.6(c)(6), School Food Authorities (SFAs) are required to conduct direct certification with the State agency and use the Direct Certification (DC) file to certify students for free meal benefits without a household application. During the Administrative Review, it was determined that the SFA did not pull and/or download the Direct Certification file for the current school year to match enrolled student data and assign eligibility benefits based on the state-provided match. SFAs must conduct direct certification matching with the State agency at least three times during the school year and must use the DC file to determine and assign student eligibility benefits in a timely manner.</p> <p>Failure to conduct required direct certification matching may result in eligible students not receiving free meal benefits in a timely manner and may impact the accuracy of claims for reimbursement.</p> <p>Finding Detail 2: The School Food Authority (SFA) did not conduct a second party review of all free and reduced-price meal applications submitted as required.</p> <p>Per the North Carolina Department of Public Instruction (NCDPI) School Nutrition Program Annual Agreement, the SFA agrees to implement and maintain internal controls to ensure accurate eligibility determinations, including the requirement for a second party review of applications prior to approval. Failure to conduct the required second review is not consistent with the terms of the Annual Agreement and increases the risk of inaccurate benefit issuance.</p>		
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Verification – Validation of the process used by the SFA to confirm selected students’ eligibility for free and reduced-price meal benefits
<p>Finding Detail 1: It was determined that the SFA conducted verification using the Alternate One verification method; however, the SFA verified more applications than required. As of October 1, the SFA had 392 approved applications on file. Under the Alternate One method, the required verification sample size is the lesser of:</p> <ul style="list-style-type: none"> ▪Three percent (3%) of all approved applications, or ▪3,000 error-prone applications <p>Given the number of approved applications, the SFA did not calculate the required sample size correctly in accordance with USDA regulations. Review of the verification documentation confirmed that the SFA exceeded the required sample size and conducted verification on more free and reduced-price applications than permitted, resulting in over-verification.</p> <p>Finding Detail 2: The SFA did not accurately determine household income during the verification process. For military households, the SFA failed to include all required income sources—specifically both base pay and Basic Allowance for Subsistence (BAS), when calculating total household income. As a result, income was not properly calculated or compared against the Income Eligibility Guidelines. Additionally, the SFA did not obtain the required documentation to verify a categorically eligible application, resulting in an incomplete verification process.</p> <p>These errors do not meet the verification requirements outlined in 7 CFR 245.6a, which require SFAs to:</p> <ul style="list-style-type: none"> ▪Accurately verify all sources of income, and ▪Confirm categorical eligibility using acceptable, verifiable documentation. 		
<input type="checkbox"/>	<input checked="" type="checkbox"/>	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
Finding Detail:		
B. Meal Patterns and Nutritional Quality		
YES	NO	

<input checked="" type="checkbox"/>	<input type="checkbox"/>	Meal Components and Quantities – Validation that meals claimed for reimbursement contain the required meal components and quantities
Finding Detail: The production records and USDA Meal Pattern Compliance Worksheets for Lejeune High School reveal noncompliance at the 9-12 age grade group with the red/orange subgroup. The only red/orange subgroup offered was a one-half cup of carrots offered on January 9, 2026.		
<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 type="checkbox"/>	<input checked="" 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:		
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Local School Wellness Policy – Review of the SFA’s established Local School Wellness Policy
Finding Detail:		
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Smart Snacks – Validation of the SFA’s compliance with regulations for all food and beverages to students outside of the reimbursable meal
Finding Detail: Lejeune High School sold a competitive food item that did not meet Smart Snack nutrition standards. The item identified was a Sara Lee Sliced Pound Cake. A review of the product’s ingredient list showed that the first ingredient was sugar, which does not meet Smart Snack requirements.		
<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 type="checkbox"/>	<input checked="" type="checkbox"/>	Civil Rights – Validation of the SFA’s compliance with civil rights requirements as applicable to the School Nutrition Programs
Finding Detail:		

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
Finding Detail 1: Pursuant to 7 CFR 210.14(b), SFAs must ensure that net cash resources do not exceed three months’ average expenditures. When excess net cash resources are identified, the State agency must require the SFA to reduce the excess balance, including the submission of a plan outlining how the excess funds will be expended for allowable program purposes. Under 7 CFR 210.19(a)(1), the State agency is responsible for ensuring SFA compliance with Program regulations. The SFA did not implement adequate financial monitoring procedures to regularly evaluate net cash resources and ensure compliance with regulatory limits, nor did it develop and submit a corrective action plan when the excess balance was identified.		
Finding Detail 2: The School Food Authority (SFA) is carrying over student bad debt within the nonprofit school food service account (NSFSA). Federal regulations prohibit SFAs from using school food service funds to absorb or carry forward bad debt resulting from unpaid meal charges.		

Bad debt must be paid with non-federal funds. Carrying these uncollectible charges within the NSFSA constitutes an unallowable cost under federal regulations.



Other – Procurement

Finding Detail 1: It was determined that the School Food Authority (SFA) contacted two (2) potential vendors for food and supplies via email. However, documentation was not provided to demonstrate compliance with the requirement to publicly advertise all Invitations for Bid (IFBs) in accordance with 2 CFR 200.320 and 7 CFR 210.21. The SFA did not maintain records of public advertisement for all formal procurements reviewed and did not fully adhere to the procedures outlined in its approved written procurement plan.

Finding Detail 2: The School Food Authority (SFA) did not provide adequate documentation to demonstrate that a proper competitive procurement process was conducted for the purchase of food and supplies. Required procurement documentation, such as solicitation materials, bids or quotes received, evaluation/selection criteria, contract award documentation, and applicable procurement method justification, was not provided.