



NORTH CAROLINA DEPARTMENT OF PUBLIC INSTRUCTION

Catherine Truitt, *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: Pender County Schools

SFA Agreement Number: 710

Date of Administrative Review (Entrance Conference Date): April 29, 2024

Date review results were provided to the SFA: May 3, 2024

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 Credits Received

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AN EQUAL OPPORTUNITY/AFFIRMATIVE ACTION EMPLOYER

REVIEW FINDINGS		
A. Program Access and Reimbursement		
YES	NO	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Certification and Benefit Issuance – Validation of the SFA’s certification of students’ eligibility for free or reduced-price meals benefits
Finding Detail:		
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Verification – Validation of the process used by the SFA to confirm selected students’ eligibility for free and reduced-price meal benefits
Finding Detail:		
<input checked="" type="checkbox"/>	<input 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
<p>Finding Detail: During the review of meal counts at breakfast for the month of review (March 2024), a keying error was noted in the number of free breakfasts claimed for federal reimbursement. The school underclaimed nine hundred (900) free breakfast for the month of review, March 2024.</p> <p>There will be a credit for a meal counting and claiming errors at breakfast for nine hundred (900) meals; the amount of the credit for March 2024 at breakfast is \$2,457.00.</p>		

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 checked="" type="checkbox"/>	<input 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: One (1) of the serving lines at the school did not have the required lunch signage posted explaining what constitutes a reimbursable meal to students including the requirement to select at least one-half (½) cup fruit or vegetable.		
<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 district does not have a Foodborne Illness Outbreak procedure in place to ensure reported issues are properly handled.		
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Local School Wellness Policy – Review of the SFA’s established Local School Wellness Policy
<p>Finding Detail:</p> <p>Finding 1: The district Local Wellness policy does not reflect updated information for Policy 6140 updated January 7, 2021. The current policy was dated February 6, 2016.</p> <p>Finding 2: The district has not completed an assessment of the local wellness policy. One (1) is required at a minimum every three (3) years.</p> <p>Finding 3: At Heide Trask High School, snack items are being offered as a reward. Reviewers observed food items in a showcase as students can earn tickets to receive these items. Per Part F of the</p>		

current Local Wellness Policy, food will not be used in the schools as a reward or punishment.		
<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 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
<p>Finding Detail: The required spend down plan for operating balances in excess of three (3) months has not been submitted to the State Agency for approval based on the annual FC1-A report dated June 30, 2023.</p> <p>Each school year, when the Annual FC1-A report is submitted and the Summary Report shows three (3) months or more operating balance, the School Food Authority must submit a spenddown plan to the State agency for approval.</p>		
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Other – Procurement, Program Monitoring, Food Service Management Company Contract, Cash Management and After School Snack Program
<p>Finding Detail:</p> <p>Finding 1(Procurement): In the review of the procurement plan, the following issues were noted: An effective date of the procurement plan is not listed, The plan has not been signed and dated by the Board Chair and Superintendent. The plan must be approved by the local governing board, Under informal purchases, the incorrect small purchase threshold/simplified acquisition threshold is listed, The plan lists different amounts for the micro purchase, In Attachment B, the Contracted Services with the Food Service Management Company is not listed as a type of procurement, and The incorrect non-discrimination statement is listed on the final page.</p> <p>Finding 2 (Procurement): Micro-purchases were listed in the procurement section review, but no micro-purchase log was provided to the reviewer.</p> <p>Finding 3 (Procurement): Micro-purchase amounts were noted in the procurement section review that were over the district \$10,000 threshold.</p> <p>Finding (Program Monitoring): On-site review requirements have not been met. No on-site reviews were completed for breakfast or lunch in 2023-2024 school year at any of the sites. No on-site reviews were completed for breakfast in 2022-2023 school year.</p> <p>Finding (Food Service Management Company Contract): The School Food Authority has not established an advisory board composed of parents, teachers, and students to assist in menu planning, as required of all SFAs that out-source the operation of the school nutrition program to a Food Service Management Company.</p> <p>Finding (Cash Management): During the review of Cash Management, the following issues were</p>		

noted: Money was not counted in a secure location as the door in the manager's office and the doors to the kitchen were not secured, and an employee came in and out of the office while money was being handled. At the beginning of verifying money, each School Nutrition Employee counted their cash drawer independently prior to verifying the money together, and Overall, cash management procedures must align with daily and routine procedures. For example, the bank deposit slip, once completed, should be signed, or initialized by the cashier and the verifier. This assures that both parties confirm the amount placed in the bank bag are the funds being deposited with the bank.

Safeguarding Federal funds is vital to the financial integrity of the School Nutrition program.

Finding (After School Snack Program): In the 2023-2024 school year, meal counts in the After School Snack Program were not correctly complied prior to filing the claim for the area eligible schools in the School Food Authority starting in February 2024. Students listed as reduced-price or paid, were not included in the free counts, since the sites are area eligible.

The following months have an underclaim of snacks at the school:

February 2024 – Sixty-five (65) snacks.

There was an underclaim for meal counting and claiming errors in the After School Snack program for sixty-five (65) snacks; the amount of the underclaim for February 2024 in the After School Snack Program is \$76.05.

March 2024 – Forty-eight (48) snacks.

There was an underclaim for meal counting and claiming errors in the After School Snack program for forty-eight (48) snacks; the amount of the underclaim for March 2024 in the After School Snack Program is \$56.16.

NOTE: For other area eligible sites in the School Food Authority, if they wish to claim the snacks for students listed as reduced-price and paid and not claimed in February 2024 and March 2024, they will need to contact the Service Area Consultant to validate documentation is available at these schools.