

**Iowa Department of Education**  
**Bureau of Nutrition and Health Services**  
**State Review Summary Report**  
**Sheldon Comm School District (59490000)**  
**On-Site Review Dates: January 16-19, 2018**

**Program Year:** 2018  
**Month of Review:** December  
**Lead Reviewer:** Deann Murphy  
**Org Representative(s):** Kathy Seivert

**Org - Level Findings**

Area	Findings ID	Finding Description	Required Corrective Action	Corrective Action Response
100 - Certification and Benefit Issuance	V-0100	The State found 1 benefit issuance error and 1 incomplete application which resulted in a 0.74% error rate for the district.	Both errors were corrected on-site. No further corrective action is needed.	
800 - Civil Rights	V-0800	There are 2 students in the district that receive special diets that the SFA may not be able to accommodate within the meal pattern requirements. Current documentation does not support altering the meal pattern for either student.	The SFA will state how they plan to provide a reimbursable meal for the identified students.	
Resource Mgt Comprehensive Review	V-RMCRF	The SFA has net cash resources in excess of 3 months operating expenses.	The SFA will state their specific plan as to how and when they plan to spend down their account balance. If the SFA plans to buy equipment, please state the projected cost and when this will be purchased. Also include in the plan any other ways you intend to spend down your non-profit foodservice account balance and when this will occur.	

**Site - Level Findings: East Elementary School (0436)**

Area	Findings ID	Finding Description	Required Corrective Action	Corrective Action Response
400 - Meal Components and Quantities - Lunch	V-0400	The menu planner did not plan adequate fruit and vegetable servings on Monday of the review week. There were only 3/8 cup "Other" vegetables planned into the review week. Rice Krispie bars were served that were not whole-grain rich. The SFA does not have a grain waiver for this.	The SFA will submit one week of lunch menus after they have been served. They will also submit the corresponding completed food production records and appropriate CN/PFS labels showing how the foods credit. The week of menus needs to meet all minimum requirements including daily/weekly components, vegetable subgroups and whole grain rich requirements.	
1700 - Afterschool Snack	V-1700	The SFA is currently billing the At Risk Program for the cost of all snacks served for the After School Snack Program. They are also claiming snacks based on F/R/P POS counts. Students lunch accounts are not charged for their snacks. Claiming reimbursement plus billing for the full	1.) The SFA will explain how they intend to correctly bill for their snacks so that they are not being over paid. 2.) The SFA will disclaim all January snacks in their appropriate F/R/P categories based on which students chose a cookie for their snack (15 minimum.)	1. The school will no longer claim After School Snacks for reimbursement. I have corrected this information on our state meal application. 2. January snacks will be taken off the claim if students only chose one cookie for their snack.

**Iowa Department of Education**  
**Bureau of Nutrition and Health Services**  
**State Review Summary Report**  
**Sheldon Comm School District (59490000)**  
**On-Site Review Dates: January 16-19, 2018**

		<p>cost of snacks is resulting in the School lunch program being over paid. Also, when cookies are served, inadequate grains are being served to the students. During the month of December, 48 snacks contained cookies and will be disclaimed. During January so far, 15 snacks contained cookies and need to be disclaimed.</p>	
--	--	--	--

**Org - Level Technical Assistance**

Area	Question	Comments
100 - Certification and Benefit Issuance	128 Is household notification of denied benefits consistent with FNS requirements? If NO, explain.	The household notification letter comes from the SFAs software company. This needs to be approved annually by the State Agency. The SFA should submit the letter they wish to use to Deb.Linderblood@iowa.gov prior to using it.
200 - Verification	206 When a confirmation review was conducted,	The confirming official needs to be a completely new pair or eyes on all applications chosen for verification. This official should review each application for completeness and accuracy and sign/date the application prior to the verifying official sending out any household notification letters.
200 - Verification	212 If a student's eligibility changed due to verification,	Even if a household asks to be dropped from free/reduced price meals during the verification process, the SFA still needs to give them written notice of the change, 10 calendar days to appeal and up to 10 operating days to change their status in the POS.
700 - Resource Management		<p><b>PROCUREMENT:</b>  The district is using the state-prototype Code of Conduct policy. Disciplinary actions for violations of the code was not identified on the written code of conduct. TA provided to enter policy #413.4 Classified Employee Dismissal (in the blank line) on the state-prototype Code of Conduct policy.</p> <p>Technical assistance provided to include all anticipated procurement events for SY 2017-2018 on the Written Procurement Plan including those using the micro-purchases. The procurement plan will be revised to reflect all procurement events.</p> <p>The school district must use a formal method of procurement either Invitation for Bid (IFB) or Request for Proposal (RFP) when procuring milk and dairy products. Based on last year's records, the annual amount spent for milk and dairy products exceeds the district's local small purchase threshold of \$25,000.</p> <p>If the school district would prefer to continue using the small purchase (3 Bids and a Buy) method for procuring milk, the superintendent and the school board should consider raising the local small purchase threshold. A public notification in a major circulating newspaper in the school district's service area is required when using either of the formal methods of procurement - Invitation for Bid (IFB) or Request for Proposal (RFP). A copy of the printed advertisement must be retained with the procurement documentation.</p> <p>Required federal terms and conditions must be included when procurement is conducted using small purchase and formal methods of</p>

**Iowa Department of Education**  
**Bureau of Nutrition and Health Services**  
**State Review Summary Report**  
**Sheldon Comm School District (59490000)**  
**On-Site Review Dates: January 16-19, 2018**

		<p>procurement. Please refer to the state-prototype templates posted on IA_CNP.</p> <p>When using the micro-purchase method, purchases must be equitably distributed among vendors to "spread the wealth."</p> <p>When procuring milk and bread, along with specifications for all items to be procured, the estimated annual usage for each item should be provided. To ensure the district selects a responsive vendor with the overall lowest price, the cost of each item on price quotation request or bid must be extended by multiplying the unit cost with the estimated annual usage for each item to obtain the extended cost for the item. The sum of the extended cost for all specified items is the total extended cost (bottom line). A template to calculate extended cost for milk was provided. A similar process should be used for bread products.</p> <p>It is best practice to include the school calendar when requesting pricing from vendors to ensure deliveries are not made during holidays, snow days, etc.</p> <p>In the milk solicitation, other things to consider when requesting price from vendors are: prices are for paper cartons or plastic bottles, coolers will be provided at no charge, HACCP plan to ensure clean crates and milk cartons, rotation of milk by delivery individual to ensure First In, First Out (FIFO), straws, date stamped on milk cartons. The district should state whether a firm fixed price or a fixed price with economic adjustment (escalator clause) is requested.</p> <p>Allow vendors a minimum of four weeks from date vendor is contacted to the due date for milk and bread procurement. For any formal procurement, it is best practice to allow 8-12 weeks from the time the bid/proposal is issued to the due date of the bid/proposal. This is to allow the vendor adequate time to respond.</p> <p>The SFA should provide a package size/count/weight for each bread product. Dinner rolls were being purchased and were not on the price quotation letter sent vendors. Review prior year's bread product purchases to include any regularly purchased items when requesting price quotes.</p> <p>The food service director should spot check invoices from the Prime Vendor to ensure products delivered match the order and the specifications of the product solicited. Price on the invoice should match bid pricing. Items not in the bid specifications must be procured using the appropriate procurement methods.</p> <p>Some items selected from Prime Vendor invoices could not be found on the bid specification sheets. These could be new items added after contract was signed. Documentation should be maintained the AEA Purchasing procured these items competitively.</p> <p>Food service director or designated individual should check deliveries to ensure Buy American provisions are met. A log should be maintained when a non-domestic agricultural commodity is accepted.</p> <p>Food service equipment repair and preventive maintenance will be an indirect cost to the school nutrition fund.</p> <p>Currently the School Food Authority (SFA) has a 10-year beverage provider agreement with Coca-cola. This agreement was signed June 1, 2011. The agreement is for the beverage provider to have exclusive rights to sell and distribute products on "campus." In return the beverage provider pays the SFA commissions on full-service beverage vending sales. School food service is not allowed to competitively procure other beverages for a la carte sales. Since this contract was not competitively procured by the district, the state agency is seeking further guidance from USDA on</p>
--	--	--

**Iowa Department of Education**  
**Bureau of Nutrition and Health Services**  
**State Review Summary Report**  
**Sheldon Comm School District (59490000)**  
**On-Site Review Dates: January 16-19, 2018**

		technical assistance to provide the SFA. More information will be forthcoming.
1000 - Local School Wellness Policy	1007 For each Off-Site Assessment Tool question (Questions 1000-1006), do the responses provided demonstrate compliance with FNS requirements? If NO, explain.	Discussed with the Wellness coordinators the need to expand their wellness committee to include an invitation to a student, parent, community member and board member. Keep meeting minutes when the committee meets. Best practice is to have the wellness committee assess the wellness policy goals for each building instead of having one assessment for the district. These should be dated and updated at least every 3 years. Both the wellness policy and the assessments need to be made public, i.e. posted on the school website, sent home in a newsletter, etc. Discussed staff wellness ideas.
Resource Mgt Comprehensive Review	8 If so, was the equipment included on an approved State agency equipment list or did the SFA otherwise secure prior approval from the State agency before purchasing the equipment?	A state approved equipment list was provided to the SFA along with the USDA memo SP31-2014 explaining that equipment purchases over \$5,000 need to be pre-approved by the State Agency prior to their purchase.

**Site - Level Technical Assistance East Elementary School (0436)**

Area	Question	Comments
300 - Meal Counting and Claiming - Lunch	324 a. Were there patterns in the free, reduced or paid meal counts which appear questionable?	Based on one day of low meal counts during the review month, recommend the SFA check meal counts from their edit check at least weekly to determine if there are other days where the meal counts are out of the normal range.
400 - Meal Components and Quantities - Breakfast	410 a. Do planned menu quantities meet meal pattern requirements for the review period?	Kix Cereal only credits as .5 oz eq. so students that take Kix should also have another grain to make a full serving of grain at breakfast.
400 - Meal Components and Quantities - Lunch	402 Are the minimum daily quantity requirements met for the age/grade group being offered?	The FSD needs to double check her NutriKids recipes and Food Production Records for proper portions based on the food package, CN/PFS label or the Food Buying Guide and update her records as needed. For example, 1/2 banana credits as 1/4 cup, 2 oz tri-tator needs to be measured after baking for serving size (credit as volume, not weight), etc. At least 1/2 cup fruit must be offered to each K-8 student daily without paying a la carte. Also, when there is a substitute made in the menu it should be clearly shown along with the correct portion served on the food production records. Try to keep menu substitutions to a minimum.
1400 - Food Safety	1403 a. In the comments section, list the dates of the two (2) most recent food safety inspections.	Please keep documentation showing that you have requested 2 health inspections annually if the inspector does not come twice.
1400 - Food Safety	1407 Were on-site (or Off-site, if observed) storage violations observed? If YES, explain.	Boxes should not be left on the freezer floor. They need to be stored at least 6" off the floor. Broccoli from Mexico is not allowed based on the Buy American provision. Please check deliveries for country of origin and if foods are not a Product of the USA and you do not have an exemption, send them back to the vendor.
1700 - Afterschool Snack	1700 Were any areas identified requiring technical assistance or corrective action? If YES, explain.	Recommend serving the After School Snack in the cafeteria where there is an And Justice for All Poster and a trained staff member is responsible to ensure each student takes 2 full components for their snack. Cookies only credit as .5 oz eq grain so do not count as a full grain serving. Portion sizes need to be listed on the menu for each food item served.

**Iowa Department of Education**  
**Bureau of Nutrition and Health Services**  
**State Review Summary Report**  
**Sheldon Comm School District (59490000)**  
**On-Site Review Dates: January 16-19, 2018**

**Org - Level Commendations**

Description
Benefit documents, as well as all paperwork, were extremely well organized. The current application form and guidelines were used, direct certification is downloaded twice a month as required. All applications were determined within ten days. 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 new school year. Access to benefit information is correctly limited. Free meals are extended to all members in the household. Eligibility is kept confidential.
Breakfast is promoted during the school year as required. Information is given out to families about a local summer feeding program in the community. The SFA may also wish to promote the federal summer feeding program with the flier sent to the SFA.
Fiscal Action appears to be below the USDA allowed disregard for this review so no claim adjustments for December seem to be needed.
The And Justice for All civil rights poster was posted in the Elementary cafeteria. 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 child nutrition staff and documented. The district has taken reasonable steps to ensure that most students with special dietary needs are adequately accommodated and that proper documentation is on file. Ethnic/racial information is collected and the summary form is completed. No discrimination was observed. SFA on-site monitoring was completed to ensure that all schools are meeting program requirements. The shortened non-discrimination statement is listed on the menu.
The correct number of applications were verified and were correctly selected from error prone applications. All income sources were verified, and the process was completed on time.
The district has a current wellness policy on file. There are goals for nutrition promotion and education, physical activity and other student wellness activities. The latest assessment of the policy was complete. The district has a wellness committee that plans to meet 2 times annually to set and review goals.
The Resource Management section of the Off-Site Assessment tool was completed on time. December receipts that were reviewed indicated appropriate and allowable expenditures. The Paid Lunch Equity, PLE, tool was completed and prices were increased as indicated by the PLE tool. The SFA effectively utilizes its USDA entitlement for commodities and takes advantage of the DoD program for fresh fruits and vegetables. Reports are filed on time, and all records are maintained for at least three years plus the current year. The non-program food revenue tool shows that adequate income is received to cover non-program food costs.
The SFA has a training plan for all staff involved in the Child Nutrition Program which meets their required Professional Standards training hours. They are tracking each employees training as it occurs.
The SFA has started their written Procurement Plan that includes federal and local thresholds, procurement methods and documentation for purchases, the plan indicates those responsible for rewarding, reviewing, documenting and monitoring procurement events. The SFA also has a written Code of Conduct which includes conflicts of interest, accepting items of monetary value, and checks and balances. When using the micro-purchase method, each transaction with the vendor was below the local micro-purchase threshold of \$3,500. The purchase prices were reasonable. The invoices from vendors were well-organized. The invoices had a date, vendor name and address, items purchased were identifiable. The district used the small purchase method to obtain price quotations for milk and bread. Three vendors were contacted for both the milk and bread price quotations. Both the milk and bread price quotation included specifications for items to be procured. The bread procurement was in compliance with the local small purchase threshold of less than \$25,000. The district is a member of a Group Purchasing Organization. A signed agreement with the Group Purchasing Organization for SY 2017-2018 is on file. The signed agreement states that the school district agrees to procure food (excluding bread and milk) and non-food supplies through the Group's awarded Prime Vendor as well as vendors awarded the ware wash and small ware contracts. A review of milk and bread invoices validated the district was receiving the products as bid and prices were charged as bid. Prices on selected items on invoices from the Prime Vendor showed the prices were the same as bid price or as provided on price lists sent monthly/weekly (for produce) or lower than the bid price.

**Site - Level Commendations East Elementary School (0436)**

Description
All students observed received a reimbursable meal. Meal counts seemed to be accurate and were appropriate based on the review month (December) meal counts. Students give the cashier their identification number in exchange for their meal. Food production and transportation sheets were completed for all meals served. The FSD had many CN labels or Product Formulation Statements on file showing how foods credit. She uses NutriKids to keep track of calories, saturated fat and sodium levels. Standardized recipes are used for cooking and standardized utensils are used for serving. Meal signage was appropriate for both breakfast and lunch. The SFA provides a "sample" tray for the students to see at the beginning of the meal line so they know what is offered at lunch. Many low-fat and low-sodium foods were observed in storage. Students seemed to have sufficient time to eat their meals. Offer Vs. Serve was done correctly. Water was available as required. A la carte is limited to the foods served in the reimbursable meal that day. All foods were compliant with Smart Snacks requirements. At the Elementary, students pay for their a la carte choices at the cashier who gives them a ticket so that the kitchen staff know what the student has paid for.
Food Service Director, School Nutrition Staff, Authorized Representative and Business Manager seem to work well together to manage the school nutrition program. The staff at the Elementary were very friendly and helpful to the students, staff and guests. The cashier called each student by name.

**Iowa Department of Education**  
**Bureau of Nutrition and Health Services**  
**State Review Summary Report**  
**Sheldon Comm School District (59490000)**  
**On-Site Review Dates: January 16-19, 2018**

The SFA has a district-wide written Food Safety plan that includes the required elements. The latest Health Inspection Report was posted in a publicly visible location at the elementary. Temperature logs are maintained for all coolers-including milk coolers, freezers, food served, and dishwasher. The kitchen and storage areas were orderly and clean at both the Elementary and the High School.