



Arizona Department of Education Health and Nutrition Services Division

Base Year Administrative Review Summary Report

School Food Authority Name: Pendergast Elementary District

CTD: 07-04-92

Site: Amberlea Elementary School, Copper King Elementary, Desert Horizon Elementary, Pendergast Elementary School, Sunset Ridge Elementary, Villa De Paz Elementary, Westwind Elementary School

Contacts: Dr. Lily Matos DeBlieux, Superintendent; Joanne Fimbres, Chief Financial Officer; Kathy Leon Gil, Child Nutrition Compliance Coordinator

Review Date: November 21, 2019

Review Period: October 2019

Programs Reviewed: ☒ National School Lunch ☒ School Breakfast ☐ Afterschool Snack
☐ Fresh Fruit & Vegetable ☐ Special Milk ☐ At-Risk Afterschool Meals

No.	Review Observations & Findings	Technical Assistance Provided	Required Corrective Action
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Performance Standard 1: Certification & Benefit Issuance- Critical Area

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| 1 | Multiple applications were certified incorrectly or utilized incomplete information. This contributed toward fiscal action calculations. Household number disparate with number of names listed on application (25), no signature on income application, income eligibility in incorrect category (9). | Discussed errors found and required corrective action. Referred to Processing Applications, Reviewing Applications Based on Income, Assessing Completeness of Categorically Eligible Applications, Determining Eligibility for Categorically Eligible Applications section(s) in USDA's Eligibility Manual for School Meals. Required completing the training: Step by Step Instruction: How to Process Household Applications found on ADE's website at http://www.azed.gov/hns/nslp/trainin gps/online/ under the 3000-Administration tab. | <i>Corrections have been made to certification errors. Please describe the process that will be implemented to reduce the amount of errors that occur while determining the eligibility status for each student. Additionally, the certificate of completion of Step by Step Instruction: How to Process Household Applications must be submitted.</i> |
| 2 | In multiple instances, the eligibility determined was not transferred correctly to the benefit issuance document. This did not result in fiscal action calculations due to both resulting in free eligibility. Students with case number applications or were DC Match were represented within the BID as qualified by income applications. | Discussed requirement that eligibility status must be implemented within 10 operating days of receipt of an application. Discussed best practices (like having someone double check) for ensuring eligibility status is transferred to the benefit issuance document on a regular basis. The Step by Step Instruction: How to Create a Benefit Issuance Document (BID) can be found on ADE's website at http://www.azed.gov/hns/nslp/trainin gps/online/ . | <i>Corrections have been made to the benefit issuance document. Please provide a written description of the process that will be implemented to ensure that the benefit issuance document matches the most recent documentation on file for all current students and their eligibility status.</i> |

3	Students who were identified as Potential Direct Certification Matches via "Partial Match" were not confirmed for free eligibility. This did not contribute towards fiscal action calculations due to income applications also on file.	Discussed if the LEA can confirm that the partially-matched student is the individual shown in CNP Direct Certification, the user will certify him/her as a Match. Additionally, discussed if the LEA confirms that the partially-matched student is not the individual described in CNP Direct Certification, the user will not certify the student and will declare him/her as a No Match. Regardless if the student is identified as a Match or No Match, the user is required to review and accurately make a decision regarding the students match status using the Partial Match confirmation. Step by Step Instruction: How to Directly Certify a Partial Match can be found on ADE's website at http://www.azed.gov/hns/nslp/verification/ .	<i>Corrections have been made to certification status of these students. Please provide written procedures for how partially matched students will be processed and written assurance that students who are identified as Potential Direct Certification Matches via "Partial Match" will be confirmed as a match prior to certifying them for free meal benefits.</i>
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Performance Standard 1: Meal Counting & Claiming- Critical Area

4	Meal count totals by category for the month of review were not correctly combined and recorded on a daily basis for breakfast in the classroom. These errors were determined to be non-systemic as a result of normal breakfast in the classroom inconsistencies. Errors that occurred in classroom counts were only off by nominal amounts and did not occur every day. No pattern existed for over or under claiming meals and errors did not appear on a consistent basis. These errors did contribute to fiscal action calculations.	Discussed how current system allowed for this to happen and potential changes that could be made to ensure it doesn't continue.	<i>Please provide a written description of changes to the system that have been implemented to ensure that breakfast in the classroom counts provide an accurate daily count by eligibility category.</i>
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Meal Access & Reimbursement: Certification & Benefit Issuance

5	The household application approval process is not being completed within ten operating days of receipt of the application. The date that eligibility determination is made is not recorded on the applications and not all applications are date stamped upon receipt in order that the timeline can be verified.	Referred to Application Processing Timeframe section in USDA's Eligibility Manual for School Meals found on ADE's website at http://www.azed.gov/hns/nslp/programinguidance/ . Discussed best practices such as date stamp, initial and date of eligibility determination recorded on each application.	<i>Please provide written procedures that will be implemented to ensure income applications are processed within ten operating days of receipt.</i>
6	The benefit issuance document is not being updated in a timely manner to reflect changes in eligibility, new students or withdrawn students. The dates within the BID do not align with dates recorded on applications or direct certification reports.	Discussed potential changes that can be made to system to ensure that updates are made in a timely manner. The Step by Step Instruction: How to Create a Benefit Issuance Document (BID) can be found on ADE's website at http://www.azed.gov/hns/nslp/trainings/online/ .	<i>Please provide written assurance that moving forward, all updates will occur in a timely manner. Additionally, please provide the certificate of completion for Step by Step Instruction: How to Create a Benefit Issuance Document (BID) must be submitted.</i>

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| 7 | The notification of benefits letter states that breakfast is free, however both breakfast and lunch are non-pricing for sites participating in Special Assistance Provision 2 during the Base Year. | Referred to Notification of Eligibility Determination section in USDA's Eligibility Manual for School Meals found on ADE's website at http://www.azed.gov/hns/nslp/prograguidance/ and Notification of Benefits Letter, School Meals found on ADE's website at http://www.azed.gov/hns/nslp/forms/ . | <i>Please provide a copy of the written letter to households approved for free or reduced-price meal benefits specific for households at schools operating Provision 2 or Provision 2 Base Year.</i> |
| 8 | An individual separate from the application approval process has not been designated as the hearing official. The individual recorded as the School Food Authority Contact and qualifying through USDA Professional Standards as the food service director is named as the hearing official. | Referred to Hearing Procedure section in USDA's Eligibility Manual for School Meals. Discussed school official who could be designated. | <i>Please provide the name and title of the individual designated as the hearing official. Additionally, please provide documentation to demonstrate where households are notified of the hearing official.</i> |

Meal Access & Reimbursement: Verification

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| 9 | Households selected for verification were not notified adequately. Specifically, the notification letter did not include a notice that documentation of income or receipt of assistance may be provided from any point in time between the month prior to application and the time the household is required to provide income documentation. | Discussed requirements for notifying households selected for verification and potential timelines. Referred to Notification of Verification Letter and Online Training: Verification Review found on ADE's website at http://www.azed.gov/hns/nslp/verification/ . Additionally, referred to Section 6: Verification in USDA's Eligibility Manual for School Meals, Revised July 2017 found on ADE's website at http://www.azed.gov/hns/nslp/prograguidance/ . | <i>Please provide a copy of the notification letter. Additionally, provide written assurance that households selected for verification will be notified according to requirements.</i> |
| 10 | Households selected for verification were not notified adequately. Specifically, the notification letter states that if documentation is not received that prove the child is eligible to receive free or reduced price benefits that the meal benefits will be stopped. This is inaccurate in that all meals are provided at no cost at sites conducting Provision 2 Base Year. | Discussed that the letter should refer to the eligibility status potentially changing rather than the benefits being stopped. Referred to Parent Letters for Provision 2/3 found on ADE's website at http://www.azed.gov/hns/nslp/verification/ and http://www.azed.gov/hns/nslp/forms/ | <i>Please provide a copy of the notification letter to be used for the Provision 2 base year.</i> |

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| <p>11 The notice of adverse action did not meet requirements. Specifically, the letter was not dated so the recipient would be aware of when the ten calendar days would begin in order to calculate when benefits would change. In addition, although the letter includes a deadline date to request a hearing, since the letter is not dated it cannot be determined whether that date is within the period that USDA requires (that an appeal must be requested within 10 days).</p> | <p>Discussed requirements for notifying households of adverse action, including timelines and dates to be included on the notice. Referred to Letter of Verification Results and Online Training: Verification Review found on ADE's Verification webpage: http://www.azed.gov/hns/nslp/verification/. Additionally, referred to Section 6: Verification in USDA's Eligibility Manual for School Meals, Revised July 2017 found on ADE's website at http://www.azed.gov/hns/nslp/programeguidance/.</p> | <p><i>Please provide written assurance that an adequate notice of adverse action will be provided to households that will have a decrease in benefits. Additionally, provide a copy of the form that will be used for this purpose.</i></p> |
| <p>12 The notice of adverse action did not meet requirements. Specifically, the letters to households of students attending schools conducting Provision 2 Base Year do not state that although the eligibility status of the students in the household change, meals will continue to be provided at no cost due to the site operating Provision 2 Base Year.</p> | <p>Discussed that the letter should refer to the eligibility status changing rather than the benefits being stopped. Referred to Parent Letters for Provision 2/3 found on ADE's website at http://www.azed.gov/hns/nslp/verification/ and http://www.azed.gov/hns/nslp/forms/</p> | <p><i>Please provide a copy of the adverse action letter to be used for the Provision 2 base year.</i></p> |
| <p>13 Verification procedures were not followed correctly. Direct Verification was not conducted prior to contacting households.</p> | <p>Discussed proper verification procedures and referred to Verification Tracking Form and Online Training: Verification Review found on ADE's website at http://www.azed.gov/hns/nslp/verification/. Additionally, referred to Section 6: Verification in USDA's Eligibility Manual for School Meals, Revised July 2017 found on ADE's website at http://www.azed.gov/hns/nslp/programeguidance/.</p> | <p><i>Please provide a written description of changes to the system that have been implemented to ensure that direct verification will be conducted according to the required procedure.</i></p> |
| <p>14 Verification procedures were not followed correctly. Required documentation of the verification process was not kept on file. Copies of the direct verification report for each household was not kept in each verification household file, nor were copies of all correspondence to household, such as second notice, and documentation notes of telephone communications.</p> | <p>Discussed proper verification procedures and referred to Verification Tracking Form and Online Training: Verification Review found on ADE's website at http://www.azed.gov/hns/nslp/verification/. Additionally, referred to Online Training: Verification Review, in particular Phase 3 - Verify Selected Applications (page 58).</p> | <p><i>Please provide a written description of changes to the system that have been implemented to ensure that verification documentation will be conducted according to the required procedure. Additionally, the certificate of completion of Online Training: Verification Review must be submitted.</i></p> |

Meal Access & Reimbursement: Meal Counting & Claiming

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| 15 | Daily edit checks are not being conducted appropriately. The number of eligible students in each category does not correlate with what is reported in submitted claims for Pendergast Elementary in October. | Discussed how to complete daily edit checks using ADE's Daily Edit Check worksheet. The Daily Edit Check Worksheet can be found on ADE's website
http://www.azed.gov/hns/nslp/forms/ .
The Step by Step Instruction: How to Complete Daily Edit Checks can be found on ADE's website at
http://www.azed.gov/hns/nslp/trainings/online/ . | Please provide a completed daily edit check worksheet for the month of January. Additionally, please provide written assurance that daily edit checks will be conducted daily. |
| 16 | According to the Daily Edit Check report provided by the SFA, at the Sunset Ridge site thirteen out of eighteen serving days in October for lunch, the number of meals served exceeded the number of attendance adjusted eligible students. | Referred the SFA to the 'Attendance Factor Calculation Form' located on the ADE HNS website, as well as initiating discussion with ADE Grants Management on this topic. | Please provide a written description of changes to the system that have been implemented to ensure that exceeding the adjusted eligible count is minimized. |
| 17 | According to the Daily Edit Check report provided by the SFA, at the Pendergast Elementary site the number of free meals served on ten out of eighteen serving days in October exceeded the number of free eligible students recorded for those days. | Discussed that when the daily edit check is conducted on a daily basis that similar errors can be avoided. In addition, suggested that Head Start students appear to be counted as free eligible within the claim, but not within the daily edit check. | Please provide a written description of changes to the system that have been implemented to ensure that eligible counts are updated daily so that meal counts do not exceed the number of eligible students in any benefit category. |

General Program Compliance: Civil Rights

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| 18 | The USDA nondiscrimination statement used on program materials is not the most current USDA statement. The statement used in notification letters is not the correct version. | Discussed where to find nondiscrimination statement on ADE's website at
http://www.azed.gov/hns/civilrights/ and whether long or short statement would be most appropriate. | Please provide an updated notification letter with the correct nondiscrimination statement. Additionally, please provide written assurance that all program materials have been updated with the proper language. |
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General Program Compliance: Reporting & Recordkeeping

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| 19 | Manual household applications are not noted with eligibility determination date, or other eligibility determination documentation to support what is entered into the software for the required benefit issuance document (BID). | Discussed that the electronic software system serves as a vehicle to store the information from the applications, and for compiling the information from the application eligibility process. If the electronic system were to go down, under current practices the determination process would have to be conducted once again for each application since the original determination was not documented on the applications. | None required at this time. |
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Comments/Recommendations:

Congratulations! Pendergast Elementary District has completed the Provision 2 Base Year Administrative Review for the 2019–2020 school year. Thank you for your help during this process. It is evident that you are working hard to ensure your students are fed healthy meals in a supportive environment.

To stay on track with NSLP requirements, check out the NSLP at a Glance Calendar & Monthly Checklist on our website at
<http://www.azed.gov/hns/nslp/>.


Training: In-person classes, Web-based training, and How-To guides can be found on ADE's website at
<http://www.azed.gov/hns/nslp/trainings/>.

Fiscal Action Assessed?

<input type="checkbox"/> No- SBP	<input checked="" type="checkbox"/> Yes- SBP	\$20,423.59
<input type="checkbox"/> No- NSLP	<input checked="" type="checkbox"/> Yes- NSLP	\$41,042.32

Fiscal Action under \$600 will be disregarded.

Please submit corrective action response by June 10, 2020 to karil.hurst@azed.gov.



Reviewer Signature Date 5/14/2020



Program Director Signature Date 5/15/2020

If you disagree with any finding that affects the claim for reimbursement, you may appeal the decision by following the National School Lunch Program Administrative Review Appeal Procedures found here:

<https://cms.azed.gov/home/GetDocumentFile?id=58dbe2581130c01500d4b08b>

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