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October 17, 2016

Certified Letter # 7005 0390 0002 3297 8416

Wendy Garrison, Director
China Springs Youth Camp
P.O. Box 218
Minden, NV 89432

Dear Ms. Garrison,

The Nevada Department of Agriculture, Food and Nutrition Division conducted an Administrative Review of the China Springs Youth Camp from September 20th to September 21st, 2016. The Administrative Review team consisted of Catrina Peters, School Nutrition Services Manager, Rose Wolterbeek, School Nutrition Services Specialist, and Brittany Mally, Quality Assurance Specialist. The purpose of the Administrative Review is to ensure compliance with federal regulations and also provide technical assistance for program improvement. Our team greatly enjoyed working with all food service staff members. Thank you for accommodating our staff during the review and for providing all the needed documentation in a timely fashion. Staff was very helpful in providing documentation and answering questions throughout the review process.

We conducted an exit conference on September 21st, 2016 to discuss the major findings of the review. Cory Smith, Food Service Supervisor, was in attendance. The Administrative Review evaluates compliance with the regulatory provisions of the National School Lunch Program (NSLP) and School Breakfast Program. The China Springs Youth Camp received an onsite review of its School Breakfast Program (SBP), its National School Lunch Program (NSLP), and After School Snack Program (ASSP). The findings of the review are detailed below by the three main sections of the Administrative Review: Performance Standard I, Performance Standard II and Other Areas.

Performance Standard I – Meal Access and Reimbursement

The National School Lunch Program (NSLP) and the School Breakfast program (SBP) have counting and claiming systems that are federally mandated for all School Food Authorities (SFAs) that are participating in these programs. All free, reduced price, and paid meals claimed for reimbursement must be served only to children eligible for free, reduced- price, or paid meals. The certification and benefits issuance process is the

SFA's certification of a student's eligibility for free or reduced price meals and serves as the link to the SFA's meal counting and claiming system. Validation of this system during the Administrative Review ensures that eligible children receive meals to which they are entitled and that claims for reimbursement are valid.

We reviewed the meal count sheets for the days of review, the claims for reimbursement and consolidated meal counts for the review period, and the eligibility documentation sheet. NDA also observed meal counting and claiming of reimbursable meals at breakfast, lunch, and snack. All meals were being countered correctly at the point of service, all meals served were reimbursable, and all documentation reviewed matched the claim for reimbursement. There were no corrective actions found in Performance Standard I.

Performance Standard II- Meal Pattern and Nutritional Quality

The National School Lunch meal pattern is the foundation of federal school nutrition programs, and sponsors of the program must ensure that they are offering reimbursable meals for breakfast and lunch according to regulations (7 CFR 210.10 and 220.80). Schools operating NSLP and/or the SBP must prepare, offer, and serve meals to students that meet the meal pattern requirements for the appropriate age/grade groups on all reimbursable meal service lines.

The meal pattern standards have specific requirements for minimum amounts of fruit, vegetables, meat/meat alternates, and grains that must be offered daily and weekly. In addition, there are standards for vegetable sub-groups which must be offered each week. The meal pattern also requires that all creditable grain items be whole grain rich. The meal pattern limits calories (minimum and maximum levels), restricts sodium levels, limits saturated fat, and eliminates trans fats.

China Springs Youth Camp has shown a great variety and offerings in the menu and serves high quality meals for the National School Lunch and School Breakfast programs.

During the review, NDA checked nutrition fact labels, monthly menus, production records, storage facilities and practices, observed a breakfast, lunch, and snack service. China Springs has a very clean, neat, and well run kitchen. One area of performance standard II needs corrective action.

When observing the production record for the meal prepared on the day of review it was observed that only certain items on the recipe were being written down on the production record. The lunch served on the day of review was beef tacos. On the production record only the ground beef, onions, tortillas, cheese, and lettuce was recorded on the production record for taco recipe. All of the spices in the recipe were not recorded as a part of production, but they were observed being used in the meal.

Corrective Action Required: It is required that all food items used in a recipe to produce a meal for the NSLP or SBP be recorded on the production record. This includes any spices and water used in the recipe as it effects the recipe yield and nutritional. Please completely fill out all production records used for meals produced as a part of the NSLP and SBP. Submit to NDA one week's worth of production records as proof that changes have been made.

Comprehensive Resource Management

A comprehensive resource management review is required when certain risk based criteria are met by the school district. China Springs Youth Camp triggered an area comprehensive review for the revenue from non-program foods area. This was due to the fact that China Springs serves adult meals to staff. The staff are not charged for the meals and the meals are considered a benefit of working at this facility.

China Springs has a procedure in place for counting the number of adult meals served each day. The tracking of the number of adult meals served has been in place since March 2016. The food service supervisor has also determined the cost of each adult meal. NDA reviewed the profit and loss statement and the process for tracking adult meals. A sufficient amount of funds is being transferred into the nonprofit school food service account to cover the cost of adult meals. China Springs has a sufficient procedure in place and no corrective action is needed in this area.

General Program Compliance

Food Safety

If a commercial dish machine is being used to wash dishes that are used to serve food it is required that the dish machine reach a temperature of 120 degrees Fahrenheit during the wash cycle. After the lunch service, the dish machine at China Springs was used to wash the serving dishes and it was observed that the machine did not reach the required 120 degrees Fahrenheit. The temperature was checked repeatedly during each new cycle and the temperature ranged from 110-115 degrees.

Corrective Action Required: Contact your maintenance department and/or the equipment company to fix the dish machine in order to bring it up to the correct temperature. Please provide NDA with documentation that a request has been made to fix the dish machine.

Professional Standards

The Professional Standards regulations in 7 CFR 210.30 establishes hiring standards for new school nutrition program directors at the School Food Authority (SFA) level (effective July 1, 2015). In addition, the regulations establish annual training standards for all school nutrition program directors, managers, and staff. The required annual training hours vary according to the employee's role in the management and operation of the school nutrition

program. The current director was hired prior to July 1, 2015 and is grandfathered in under the new hiring requirements.

Training must be job-specific and is intended to help employees perform their duties well. Training needs are best assessed by an employee in consultation with their manager, director, or the Nevada Department of Agriculture. Training may be obtained in many ways, such as in-person, online, through local meetings, webinars, conferences, etc. A variety of free and low-cost training resources and formats are available.

USDA Training Tracking Tool has been provided as a resource to assist SFAs to track and record the annual training hours completed by each school nutrition program employee. Supporting documentation for all completed trainings, i.e., *agendas, sign-in sheets, certificates of completion, etc.* must be maintained on file.

China Springs Youth Camp is using the USDA Training Tracker Tool and all current food service staff have met the required training hours for last school year. The required training hours have increased for the 2016/2017 school year and will remain as such going forward. The hours are as follows:

- Food Service Director/Supervisor 12 hours
- All other full time staff 6 hours
- Part time staff 4 hours

China Springs has met the requirements for all other areas that fall under general compliance including: civil rights, local school wellness policy, water, reporting and recordkeeping, SBP outreach, and the after school snack program. No corrective actions are required for those areas.

Procurement Review

The procurement of goods and services is a significant responsibility of a SFA. Obtaining the more economical purchase should be considered in all purchases when using the nonprofit food service account. Federal, state and local laws and regulations specify the methods SFAs must follow to properly procure goods and services and award contracts only to responsible contractors. Additionally, SFAs must not restrict competition and must follow all procurement standards in Program regulations in 7 CFR 210.21 and the government-wide requirements in 2 CFR 200.318-.326. Additionally, SFAs must prohibit conflicts of interest, use required procurement methods, take affirmative steps to use small, minority, women's business and labor surplus enterprises, when possible, and oversee contractors to ensure all contract provisions are fulfilled for the duration of the contract. State agencies are required to ensure that SFAs comply with the applicable regulations through audits, administrative reviews, technical assistance, training, guidance materials, and by other means. (7 CFR 210.19(a)(3))

- Micro-purchase Method

As part of the Micro Purchase, the Nevada Department of Agriculture reviewed one vendor used (2014/15 School year) for purchases below the micro-purchase threshold (\$0-\$3,500). The reviewer examined with the China Springs Youth Camp staff purchase orders and receipts/invoices to determine:

- If the transactions were below \$3,500
- If the prices for products were purchased reasonably
- If the SFA equitably distributed purchases among qualified sources

The method was in compliance in all three areas with the regulations on Federal purchasing.

In addition, at China Springs Youth Camp, the reviewer examined documents for the following method in place:

- Small Purchase Method

As part of the small purchase method the reviewer found that the purchases (2 vendors) met the small purchase threshold requirements and were in compliance with the requirements for the appropriate threshold (7CFR Part 210.19 (e)). The price quotes were obtained from an adequate number of qualified sources (2 or more) per 2CFR Part 200.320(b)/7CFR 3016 (d)(1). The China Springs Youth Camp evaluated the offers accurately and provided sufficient oversight and monitoring prior to authorizing payment for goods and services. No further action is needed.

Code of Conduct: NDA reviewed the code of conduct in place for the China Springs Youth Camp (Version #1). It met all aspects to prohibit conflicts of interest. No further action is needed.

Procurement plan: A Food Service Purchasing Policy was in place: 1F.05 Food Service Purchasing Version #1. China Springs Youth Camp will need a few modifications to meet Federal requirements; this would be in alignment with the provided Douglas County Procedures- Policy 300 (Item #4 on page 9) which state that "All purchases or contractual services which will be made in compliance with Federal and State Law".

The procurement plan must outline the specific procedures per 2CFR Part 200 for program operators. Specifically, the revised plan must follow the micro purchase method for purchases made up to \$3,500 in a single transaction, and follow the small purchase method for purchases made between \$0 & \$150,000 (small purchase threshold). The current Douglas County regulations do not require more than one source for purchases made between \$0 & \$24,999. This is less restrictive than the Federal regulations and thus must be modified for China Springs Youth Camp Food Service Purchasing Plan to be compliant with Federal guidelines. A sample chart is attached with may be used as a guide to modify the existing policy.

Corrective Action Required: Modify the current Food Service Purchasing Plan (1F.05) bring it into compliance with the Federal Regulations per 2 CFR Part 200.320 with regards to procurement methods for program operators. Please find attached numbered memo NSLP 2016-14 (issued on November 3, 2015): *Questions and Answers on the*

Transition to and Implementation of 2 CFR Part 200. In addition, technical assistance will be provided if requested by staff on the procurement review findings.

Summary

None of the above mentioned items currently require fiscal action nor require a change in your performance based \$0.06 reimbursement. However, please note that if repeat violations are found on subsequent reviews in any program area fiscal penalties may be assessed and the additional \$0.06 reimbursement may be turned off until the program is brought into compliance with federal regulations. **All corrective actions must be completed and submitted by November 15th, 2016.** If corrective action is not completed, or if the need is identified to ensure all corrective items are in place we may schedule a follow up review. Program funds may be withheld until corrective action is complete if not submitted by the required due date. Please see the attached document, NSLP-SBP-SMP Appeals sponsor handout for direction on how to appeal the denial of all or a part of the claim for reimbursement or withholding funds. If you have any questions about the required corrective action please contact Brittany Mally at (775) 353-3663 as soon as possible.

Best Regards,



Brittany Mally RD,LD, Quality Assurance
Specialist, NV Dept. of Agriculture, Food and
Nutrition Division

Attachments: Appeal Procedures, NSLP 2016-14: *Questions and Answers on the Transition to and Implementation of 2 CFR Part 200*, Procurement Methods Quick Reference Chart

Cc: Cory Smith, Food Service Supervisor
Catrina Peters, School Nutrition Services Manager, NV Dept. of Agriculture, Food and Nutrition Division
Rose Wolterbeek, School Nutrition Services Specialist, NV Dept. Of Agriculture, Food and Nutrition Division

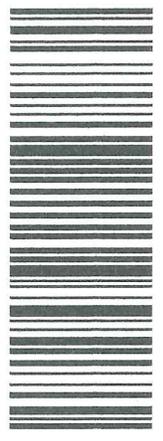
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DEPARTMENT OF AGRICULTURE

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 China Springs Youth Camp
 P.O. Box 218
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