



# Harwood Unified Union School District

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Brigid Nease, Superintendent

Michelle Baker, Director of Finance/Operations

Sheila Soule, Director of Curriculum

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October 19, 2017

Ms. Rachel Floyd  
Child Nutrition Consultant  
State of Vermont  
219 North Main Street, Suite 402  
1822  
Barre, VT 05641

Dear Rachel,

Please consider this response to the corrective actions that are needed for compliance with the procurement requirements for the federal Child Nutrition programs as outlined in your letter of September 19, 2017.

**Finding:** When visiting Harwood Union High School, the staff were wearing branded hats from Red Hen Bakery. When I asked the food service director, Paul said that the hats were given to the school for free. Because the SU was using Red Hen as a primary bread vendor, the staff wearing these hats gives the appearance of a conflict of interest. Technical Assistance was provided the day of the review.

**Corrective Action:** We have shared our codes of conduct and conflict of interest policy with all employees as outlined in the [Fiscal Management Procedures](#) as well as the [Administrative Guidebook](#) and reminded them to guard against conflicts of interest and the appearance of conflicts of interest which we feel is sufficient to bring our procurement method into compliance. In addition, we have communicated to the food service director in Fayston that she should consider purchasing from multiple local sugar makers, not just the sugar maker related to an employee at the school, even though the volume purchased is small.

**Finding:** The SFA's procurement procedures outline that every procurement under the simplified acquisition threshold be connected to a cost or prices analysis. However, the SFA does not have a documented record to hold that this practice is used in conjunction with every procurement. Proper procurement procedures are not being conducted at Crossett Brook, Harwood, Fayston or Warren. I provided technical assistance on the day of review to all food service directors as well as a USDA guide on procuring local foods. All four directors need more training on this to be comfortable and proficient with the process, but they also need more time to do this. The majority of their purchases are procured for them by the FDA, but with pressure to do more "Farm to School" and to serve more local food, it can take additional time to procure food property.

**Corrective Action:** I have recently attended a full-day training on federal procurement and will be incorporating changes into our procurement procedures and sharing the updated procedures with all school

district staff. We are planning to thoroughly review the organizational structure of our school food service programs, now that we are a unified union all operating under one budget and board. Our hope is that through reorganization efficiencies can be gained which will provide the time for staff to conduct the necessary cost analysis and documentation required for each purchase. As part of this we would consider menu planning and menu forecasting. Investigation of options and discussion of organizational models for consideration will begin this upcoming spring and could be effective for food service programs with the 2020 budget.

Thank you for your review, we found the technical assistance provided during your visit helpful and have incorporated many of your suggestions in our food service program operations.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Michelle J. Baker', with a stylized, cursive script.

Michelle J. Baker  
Director of Finance & Operations