



**STATE OF TENNESSEE  
DEPARTMENT OF HUMAN SERVICES**

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**BILL HASLAM**  
GOVERNOR

**DANIELLE W. BARNES**  
COMMISSIONER

December 20, 2017

Bridgett Stanfill, Owner  
Grandmama's House Preschool & Child Development Center  
401 Highway 149  
Clarksville, Tennessee 37040-7208

Dear Ms. Stanfill,

The Department of Human Services (DHS) - Audit Services Division staff conducted an unannounced on-site monitoring review of the Child and Adult Care Food Program (CACFP) at Grandmama's House Preschool & Child Development Center (Sponsor), Application Agreement number 00-299. The purpose of this review was to determine if the sponsor complied with Title 7 of the Code of Federal Regulations (CFR) applicable parts, application agreement, and applicable Federal and State regulations.

The Sponsor was operating two centers during the test month. Grandmama's House of Tiny Town was selected as the sample site. A review of applications was also completed at Grandmama's House of Clarksville to meet statistical sampling requirements.

Background

CACFP Sponsors utilize meal count sheets to record the number breakfast, lunch, supper and supplement meals served. Meals served by participating Sponsors must meet the minimum guidelines set by the United States Department of Agriculture (USDA) and DHS to be eligible for reimbursement. The CACFP Sponsor reports the number of meals served through the DHS Tennessee Information Payment System (TIPS) to seek reimbursement. We inspected meal counts sheets for our test period and reconciled the meals claimed to the meals reported as served for each meal service. We also assessed compliance with civil rights requirements. In addition, we observed a meal service during our site visit on September 20, 2017.

Our review of the Sponsor's records for September 2017 disclosed the following:

## **1. The Sponsor reported incorrect meal counts**

### Condition

The Claim for Reimbursement for the test month reported 3,095 breakfast, 2,506 lunch, and 4,422 supplement meals served. However, our review of Sponsor's records revealed 3,093 breakfast meals, 2,500 lunch meals, and 4,422 supplements served prior to any meal disallowances.

As a result, the Sponsor over reported two breakfast and six lunch meals served. (See Exhibit A)

### Criteria

*Title 7 of the Code of Federal Regulations, Section 226.10(c)* states, "... In submitting a Claim for Reimbursement, each institution shall certify that the claim is correct and that records are available to support that claim. ...."

### Recommendation

The Sponsor should ensure that all meals are reported and documented correctly.

## **2. The number of participants in the paid category was incorrect**

### Condition

The Claim for Reimbursement for Grandmama's House of Clarksville for the test month reported 37 participants in the free category, seven participants in the reduced-price category, and 105 participants in the paid category. However, our review of the Sponsor's records revealed there were 37 participants in the free category, seven participants in the reduced-price category, and 107 participants in the paid category.

The Sponsor reported 149 participants enrolled during the test month, but there were 151 participants enrolled based on the Sponsor's documents.

The adjustment to the paid category did not affect the claiming percentages. (See Exhibit C)

### Criteria

*Title 7 of the Code of Federal Regulations, Section 226.10(c)* states, "... In submitting a Claim for Reimbursement, each Institution shall certify that the claim is correct and that records are available to support that claim. ..."

### Recommendation

The Sponsor should ensure that all CACFP applications and enrollments are reported correctly.

## **3. Sponsor served meals outside approved serving time**

### Condition

During our visit at Grandmama's House of Tiny Town on September 20, 2017, we observed 42 snacks were fed outside the approved serving time. All non-school age participants were

served before the approved serving time of 2:30 PM, and all school-age participants were served before the approved serving time of 3:30 PM.

The Sponsor did not claim meals for this day; therefore, no meals were disallowed.

#### Criteria

*Title 7 of the Code of Federal Regulations, Section 226.20(k)* states, in part, "State agencies may require any institution or facility to allow a specific amount of time to elapse between meal services or require that meal services not exceed a specified duration."

#### Recommendation

The Sponsor should serve meals during the approved serving time listed in TIPS and/or change the serving time to meet the needs of the center and the participating children.

**Note:** Our observation of the snack meal service on September 20, 2017 revealed the serving size of the fruit was smaller than recommended. The Sponsor corrected the issue and was provided technical assistance.

#### **4. The Sponsor did not have a written procurement plan or code of standards form on file**

##### Condition

The Sponsor did not have a procurement plan in writing regarding the purchase of equipment, supplies or other goods and services. In addition, there was no written code of standards of conduct.

##### Criteria

*Title 7 of the Code of Federal Regulations, Section 226.22* describes, "... standards and guidelines for the procurement of foods, supplies, equipment, and other goods and services. These standards are furnished to ensure that such materials and services are obtained efficiently and economically and in compliance with the provisions of applicable Federal law and Executive orders."

##### Recommendation

Sponsor should create a written procurement plan and code of standards based on the sample USDA procurement plan.

#### **Technical Assistance Provided**

During our site visit on September 20, 2017, technical assistance was provided regarding the new meal pattern requirements effective October 1, 2017. Additionally, we provided technical assistance for serving sizes and age group requirements.

During the Sponsor visit on November 2, 2017, more technical assistance was provided regarding the new meal pattern requirements effective October 1, 2017 and meal count documentation.

- **Disallowed Meals Cost**

- In accordance with *Title 7 of the Code of Federal Regulations, Section 226.8(f)* and DHS policy:
- The total amount of meal count reporting errors and disallowed meals cost did not exceed \$100; therefore, the overpayment of less than \$100 noted in this report will be disregarded.

**Corrective Action**

Grandmama's House Preschool & Child Development Center must complete the following actions within 30 days from the date of this report:

- Prepare and submit a corrective action plan to address the deficiencies identified in this report. The corrective action plan template is attached. Please return the corrective action plan to:

[AuditServices.CAPS.DHS@tn.gov](mailto:AuditServices.CAPS.DHS@tn.gov)

If you have questions relative to the corrective action plan please contact:

Allette Vayda, Director  
Child and Adult Care Food Program  
8th Floor Citizens Plaza Building  
400 Deaderick Street  
Nashville, Tennessee 37243  
[Allette.Vayda@tn.gov](mailto:Allette.Vayda@tn.gov)  
(615) 313-3769

We appreciate the assistance provided during this review. If you have any questions regarding this report, please contact Sean Baker, Audit Director 2, at 615-313-4727 or [Sean.Baker@tn.gov](mailto:Sean.Baker@tn.gov).

Sincerely,

  
Sam O. Alzoubi, CFE  
Director of Audit Services

Exhibits

cc: Allette Vayda, Director, Child and Adult Care Food Programs  
Debra Pasta, Program Manager, Child and Adult Care Food Program  
Elke Moore, Administrative Services Assistant 3, Child and Adult Care Food Program  
Marty Widner, Program Specialist, Child and Adult Care Food Program  
Constance Moore, Program Specialist, Child and Adult Care Food Program  
Comptroller of the Treasury, State of Tennessee

**EXHIBIT A****Sponsor of Affiliated Centers Claim****Sponsor: Grandmama's House Preschool & Child Development Center****Review Month/Year: September 2017****Total Reimbursement: \$6,839.14**

<b>Program Area</b>	<b>Reported on Claim</b>	<b>Verified by Monitoring Review</b>
Number of Days that CACFP Food Service was operated	20	20
Total Attendance	4,700	4,700
Number of Breakfasts Served	3,095	3,093
Number of Lunches Served	2,506	2,500
Number of Supplements Served	4,422	4,422
Number of Participants in Free Category	66	66
Number of Participants in Reduced-Price Category	17	17
Number of Participants in Paid Category	204	206
Total Number of Participants	287	289
Total Number of Centers	2	2
Total Amount of Food Costs	XXXXXXXX	\$6,738.66
Total Amount of Eligible Food and Nonfood Costs	XXXXXXXX	\$8,804.74

**EXHIBIT B****Affiliated Sponsored Center Data****Center: Tiny Town**

<b>Program Area</b>	<b>Reported on Claim</b>	<b>Verified by Monitoring Review</b>
Number of Days that CACFP Food Service was operated	20	20
Total Attendance	2,253	2,253
Percentage of Participants in the Free or Reduced-price Category	28%	28%
Number of Breakfasts Served	1342	1340
Number of Lunches Served	1321	1321
Number of Supplements Served	2070	2070
Number of Participants in Free Category	29	29
Number of Participants in Reduced-Price Category	10	10
Number of Participants in Paid Category	99	99
Total Number of Participants	138	138

**EXHIBIT C****Affiliated Sponsored Center Data****Center: Clarksville**

<b>Program Area</b>	<b>Reported on Claim</b>	<b>Verified by Monitoring Review</b>
Number of Days that CACFP Food Service was operated	20	20
Total Attendance	2,447	2,447
Percentage of Participants in the Free or Reduced-price Category	29%	29%
Number of Participants in Free Category	37	37
Number of Participants in Reduced-Price Category	7	7
Number of Participants in Paid Category	105	107
Total Number of Participants	149	151



# Corrective Action Plan for Monitoring Findings

**Instructions:** Please print in ink or type the information to complete this document. Enter the date of birth for each Responsible Principal and/or Individual in Section B. Attach the additional documentation requested. Enter your name, title and date of signature on the last page. Please sign your name in ink. **Please return ALL pages of the completed Corrective Action Plan form.**

## Section A. Institution Information

Name of Sponsor/Agency/Site: Grandmama's House Preschool & Child Development Center	Agreement No. 00299	<input type="checkbox"/> SFSP <input checked="" type="checkbox"/> CACFP
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Mailing Address: 401 Highway 149 Clarksville Tennessee 37040-7208

## Section B. Responsible Principal(s) and/or Individual(s)

Name and Title: Bridgett Stanfill, Owner	Date of Birth: / /
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## Section C. Dates of Issuance of Monitoring Report/Corrective Action Plan

Monitoring Report: 12/20/2017	Corrective Action Plan: 12/20/2017
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## Section D. Findings

- Findings: 1. The Sponsor reported incorrect meal counts  
 2. The number of participants in the paid category was incorrect  
 3. Sponsor served meals outside approved serving time  
 4. The Sponsor did not have a written procurement plan or code of standards form on file

The following measures will be completed within **30 calendar days** of my institution's receipt of this corrective action plan:

### Measure No. 1: The Sponsor reported incorrect meal counts

The finding will be fully and permanently corrected.

Identify the name(s) and position title(s) of the employee(s) who will be responsible for ensuring that the finding is fully and permanently corrected:

Name:

Position Title:

Name:

Position Title:

Describe below the **step-by-step** procedures that will be implemented to correct the finding:

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When will the procedures for addressing the finding be implemented? Provide a timeline below for implementing the procedures (i.e., will the procedures be done daily, weekly, monthly, or annually, and when will they begin?):

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Where will the Corrective Action Plan documentation be retained? Please identify below:

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How will new and current staff be informed of the new policies and procedures to address the finding (e.g., Handbook, training, etc.)? Please describe below:

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**Measure No.2: The number of participants in the paid category was incorrect**

The finding will be fully and permanently corrected.

Identify the name(s) and position title(s) of the employee(s) who will be responsible for ensuring that the finding is fully and permanently corrected:

Name:

Position Title:

Name:

Position Title:

Describe below the **step-by-step** procedures that will be implemented to correct the finding:

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When will the procedures for addressing the finding be implemented? Provide a timeline below for implementing the procedures (i.e., will the procedures be done daily, weekly, monthly, or annually, and when will they begin?):

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Where will the Corrective Action Plan documentation be retained? Please identify below:

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How will new and current staff be informed of the new policies and procedures to address the finding (e.g., Handbook, training, etc.)? Please describe below:

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**Measure No. 3: Sponsor served meals outside approved serving time**

The finding will be fully and permanently corrected.

Identify the name(s) and position title(s) of the employee(s) who will be responsible for ensuring that the finding is fully and permanently corrected:

Name: \_\_\_\_\_ Position Title: \_\_\_\_\_

Name: \_\_\_\_\_ Position Title: \_\_\_\_\_

Describe below the **step-by-step** procedures that will be implemented to correct the finding:

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When will the procedures for addressing the finding be implemented? Provide a timeline below for implementing the procedures (i.e., will the procedures be done daily, weekly, monthly, or annually, and when will they begin?):

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Where will the Corrective Action Plan documentation be retained? Please identify below:

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How will new and current staff be informed of the new policies and procedures to address the finding (e.g., Handbook, training, etc.)? Please describe below:

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**Measure No. 4: The Sponsor did not have a written procurement plan or code of standards form on file**

The finding will be fully and permanently corrected.

Identify the name(s) and position title(s) of the employee(s) who will be responsible for ensuring that the finding is fully and permanently corrected:

Name:

Position Title:

Name:

Position Title:

Describe below the **step-by-step** procedures that will be implemented to correct the finding:

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When will the procedures for addressing the finding be implemented? Provide a timeline below for implementing the procedures (i.e., will the procedures be done daily, weekly, monthly, or annually, and when will they begin?):

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Where will the Corrective Action Plan documentation be retained? Please identify below:

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How will new and current staff be informed of the new policies and procedures to address the finding (e.g., Handbook, training, etc.)? Please describe below:

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I certify by my signature below that I am authorized by the institution to sign this document. As an authorized representative of the institution, I fully understand the corrective measures identified above and agree to fully implement these measures within the required time frame. I also understand that failure to fully and permanently correct the findings in my institution's CACFP or SFSP will result in its termination from the program, and the placement of the institution and its responsible principals on the National Disqualified List maintained by the U.S. Department of Agriculture.

Printed Name of Authorized Institution Official:

Position:

Signature of Authorized Institution Official: \_\_\_\_\_

Date: / /

Signature of Authorized TDHS Official: \_\_\_\_\_

Date: / /

- (xi) The institution, one of its sponsored facilities, or one of the principals of the institution or its facilities has been convicted for any activity that indicates a lack of business integrity;

(c) Administrative review is also available if the State agency notifies the institution and responsible principal or responsible individual of the following actions: proposed disqualification of a responsible principal or responsible individual, denial of a budget, denial of a line item within a budget, downward adjustment of the amount approved in a budget, suspension of an institution's participation, denial of start-up or expansion funds, denial of a request for advanced payment, recovery of an advance in excess of a claim, denial of a claim for reimbursement (except for late submission), decision not to forward an exception request for payment of a late claim, overpayment demand, denial of a new or renewing institution's application for participation, denial of sponsored facility application, notice of proposed termination, claim denial, claim deadline exceptions and requests for upward adjustments to a claim, or any other action affecting an institutions participation or claim for payment.

3. All appeal requests must be presented in writing to the TDHS Division of Appeals and Hearings not later than 15 calendar days after the date the institution or sponsoring agency receives the notice of adverse administrative action.

4. The date of an institution's or sponsoring agency's receipt of a notice of suspension and/or proposed termination and disqualification will be governed by the federal regulation at 7 CFR Part 226.2. The notice must specify the action being proposed or taken and the basis for the action, and is considered to be received by the institution or day care home when it is delivered, sent by facsimile, or sent by email. If the notice is undeliverable, it is considered to be received by the institution, responsible principal or responsible individual, or day care home five days after being sent to the addressee's last known mailing address, facsimile number, or email address.

5. The TDHS Division of Appeals and Hearings will acknowledge the receipt of the appeal request within 10 calendar days of the receipt of the institution's or sponsoring agency's request for review. The written request for review should state if a fair hearing is requested or if a review of written information in lieu of a fair hearing is requested. If the appeal request from the institution or sponsoring agency does not specifically request a hearing, a review of written information in lieu of a hearing will occur. If a fair hearing is requested and the institution or sponsoring agency's representative fails to appear, the right to a personal appearance is waived.

6. If an institution or sponsoring agency does not request a fair hearing or a review of written information in lieu of the hearing within 15 calendar days from the date the institution or sponsoring agency receives a Notice of Proposed Termination, the TDHS will issue a letter advising the institution or sponsoring agency that it is terminated from the CACFP effective on the 16th calendar day following the institution's or sponsoring agency's receipt of the notice, and that the responsible principals and individuals of the institution or sponsoring agency are disqualified from participation.

7. To be considered for a fair hearing or for a review of written information in lieu of a fair

**Appeal Procedures for Child and Adult Care Food Program-Institutions**  
**Revised March 2017**

hearing, all written documents must be submitted to the TDHS Division of Appeals and Hearings not later than 30 days after receipt of the notice of adverse administrative action.

8. The action of the TDHS must remain in effect during the administrative review. The effect of this requirement on particular actions by TDHS is as follows:

(i) *Overpayment demand.* During the period of the administrative review, TDHS is prohibited from taking action to collect or offset the overpayment. However TDHS must assess interest beginning with the initial demand for remittance of the overpayment and continuing through the period of administrative review unless the administrative review official overturns the TDHS's action.

(ii) *Recovery of advances.* During the administrative review, TDHS must continue its efforts to recover advances in excess of the claim for reimbursement for the applicable period. The recovery may be through a demand for full repayment or an adjustment of subsequent payments.

(iii) *Program payments.* The availability of Program payments during an administrative review of the denial of a new institution's application, denial of a renewing institution's application, proposed termination of a participating institution's agreement, and suspension of an institution are addressed in paragraphs (c)(1)(iii)(D), (c)(2)(iii)(D), (c)(3)(iii)(D), (c)(5)(i)(D), and (c)(5)(ii)(E), respectively, of 7 CFR §226.6.

9. The institution or sponsoring agency must refute the charges contained in the notice during the fair hearing or in the written information that is provided in lieu of the hearing.

10. The institution and the responsible principals and responsible individuals may retain legal counsel, or may be represented by another person.

11. If a fair hearing is requested, the institution or sponsoring agency will be notified in writing of the time, date and place of the fair hearing at least 10 calendar days in advance.

12. Any information which supports an adverse administrative action taken by the TDHS shall be available to the institution or sponsoring agency for inspection from the date of the receipt of the request for a fair hearing or a review of written information in lieu of the hearing.

13. In accordance with 7 CFR Part 226.6 (k)(8), the TDHS Division of Appeals and Hearings must conduct the administrative review of the proposed disqualification of the responsible principals and responsible individuals as part of the administrative review of the application denial, proposed termination, and/or proposed disqualification of the institution with which the responsible principals or responsible individuals are associated. However, at the administrative review official's discretion, separate administrative reviews may be held if the institution does not request an administrative review or if either the institution or the responsible principal or responsible individual demonstrates that their interests conflict.

14. The procedures contained in the Uniform Administrative Procedures Act found at TCA 4-5-301 et seq. shall be followed in rendering a decision on all appeals. The decision of the hearing officer is the final administrative determination to be afforded to the institution or sponsoring agency, and shall be rendered in a timely manner not to exceed 60 calendar days from the date of the receipt of the request for a fair hearing.

15. The processing limits for administrative appeals MUST be met. In the event a continuance is requested by a party, one continuance may be granted at the Hearing Official's discretion. This

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**Revised March 2017**

continuance shall not be for a period longer than ten (10) calendar days unless there are exceptional circumstances. Exceptional circumstances must be detailed in the order of continuance and the order must contain a date certain for the hearing, to be set as soon as possible. A report of pending CACFP desk review and fair hearing requests will be generated and reviewed daily by the Clerk's Office and the Legal Director for Appeals and Hearings who will monitor the dates for timeliness. In the event a decision has not been rendered within forty-five (45) calendar days of the date of receipt of the request for fair hearing or desk review, the Legal Director for Appeals and Hearings or their back-up shall notify the hearing official to take appropriate action.

16. All requests for a fair hearing or for a review of written information in lieu of a hearing must be submitted to:

**Tennessee Department of Human Services**  
**Division of Appeals and Hearings**  
**PO Box 198996, Clerk's Office**  
**Nashville, TN 37219-8996**  
**Fax: (615) 248-7013 or (866) 355-6136**  
**E-mail: [AppealsClerksOffice.DHS@tn.gov](mailto:AppealsClerksOffice.DHS@tn.gov)**

17. If a termination action is upheld by the hearing officer, the TDHS will issue a letter to the institution or sponsoring agency and its responsible principals and individuals advising that the termination and disqualification are effective on the date of the ruling issued by the hearing officer. The agency maintains searchable records of all administrative reviews and their dispositions for a period of five (5) years.

18. As required by 7 CFR Part 226.6 (c)(7), each disqualified institution, sponsoring agency, principal and individual will be placed on the National Disqualified List maintained by the U.S. Department of Agriculture (USDA). Once included on the National Disqualified List, an institution, sponsoring agency, principal and individual shall remain on the list until such time as the USDA, in consultation with the TDHS, determines that the serious deficiencies that led to their placement on the list have been corrected, or until seven years have elapsed since they were disqualified from participation. However, if the institution, sponsoring agency, principal or individual has failed to repay debts owed under the program, they will remain on the list until the debt has been paid.