



**STATE OF TENNESSEE
DEPARTMENT OF HUMAN SERVICES**

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CERTIFIED MAIL RECEIPT # 70153010000175366009

May 15, 2017

Perrion Gordon, Executive Director
Wendy Collins, Board Chairperson
Safe Entry, Inc.
483 Myatt Drive
Madison, Tennessee 37115

**RE: Notice of Serious Deficiency for the Child and Adult Care Food Program (CACFP)
Agreement Number 00-478 and Demand for Overpayment.**

Dear Mr. Gordon & Ms. Collins:

The Department of Human Services (DHS) Audit Services staff conducted an on-site unannounced review of the Child and Adult Care Food Program (CACFP) at Safe Entry, Inc. (Sponsor), Application Agreement number 00-478, on January 9, 2017. Additional information was requested and received on January 25, 2017 to complete the review. We reviewed the Sponsor's records of reimbursements and expenditures for the period of October 1, 2016 – December 31, 2016. 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.

Background

CACFP Sponsors utilize meal count sheets to record the number of meals served for breakfast, lunch, supper and supplements meals served. The CACFP Sponsor reports the number of meals served through the DHS Tennessee Information Payment System (TIPS) system 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. In addition, we also observed a meal service during our site visit on January 9, 2017.

Our review of the Sponsor's records for the months October – December 2016 disclosed the following: (1) one CACFP application on file was not properly completed by a determining official; (2) the Sponsor reported incorrect meal counts; (3) the Sponsor claimed a meal for a

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participant who was not in attendance; (4) menus did not contain the components necessary to satisfy the offer versus serve requirements; (5) the Sponsor did not have an Independent Board of Directors; (6) the Sponsor did not have an adequate financial management system to ensure program accountability; (7) the Sponsor did not maintain adequate internal control over inventory of food; and (8) the Sponsor did not maintain proper time and attendance records.

SERIOUS DEFICIENCY DETERMINATION

Based on the monitoring review, the Department has determined that Safe Entry, Inc. is seriously deficient in its operation of the CACFP. In addition, the Department has identified Perrion Gordon, Executive Director and Wendy Collins, Board Chairperson as responsible for the serious deficiencies in light of their responsibility for the overall management of Safe Entry, Inc.'s CACFP.

If Safe Entry, Inc. does not fully and permanently correct all of the serious deficiencies and submit documentation of the corrective action by the due date, the Department will:

- Propose to terminate Safe Entry, Inc.'s, agreement to participate in the CACFP;
- Propose to disqualify Safe Entry, Inc. from future CACFP participation; and
- Propose to disqualify Perrion Gordon, Executive Director and Wendy Collins, Board Chairperson from future CACFP participation.

In addition, if Safe Entry, Inc. voluntarily terminates its CACFP agreement after receiving this letter, the Department will propose to disqualify Safe Entry, Inc. and Perrion Gordon, Executive Director and Wendy Collins, Board Chairperson from future CACFP participation. If disqualified, Safe Entry, Inc. and Perrion Gordon, Executive Director and Wendy Collins, Board Chairperson will be placed on the National Disqualified List ("NDL"). While on the NDL, Safe Entry, Inc. will not be able to participate in the CACFP as an institution or facility. Perrion Gordon, Executive Director and Wendy Collins, Board Chairperson will not be able to serve as a principal in any institution or facility or as a day care home provider in the CACFP.

Institutions and individuals remain on the NDL until the United States Department of Agriculture's Food and Nutrition Service, in consultation with the Department, determines that the serious deficiencies have been corrected, or until seven years after their disqualification. However, if any debt relating to the serious deficiencies has not been repaid, they will remain on the list until the debt has been repaid.

The authorization for this action is found in Paragraph 1.e. of your FY 2016 CACFP Provider Agreement and in the CACFP regulations at 7 C.F.R. § 226.6(c)(3). You may not appeal a finding of serious deficiency.

SERIOUS DEFICIENCIES, ADDITIONAL FINDINGS AND REQUIRED CORRECTIVE ACTION

The following paragraphs detail each serious deficiency and additional finding.

1. One CACFP application on file was not properly completed by a determining official

This is a Finding:

Condition

There was one application that was not dated by the determining official. We were unable to verify that this application had been received in the current year. This participant was validated as categorically eligible to receive free priced meals during the test month due to enrollment in the supplemental security income program.

This is a repeat finding. This finding was noted in the monitoring report that was issued on November 17, 2016.

Criteria

Title 7 of the Code of Federal Regulations Section 226.19a(b)(8) states, "Adult day care centers shall collect and maintain documentation of the enrollment of each adult participant including information used to determine eligibility for free and reduced price meals in accordance with § 226.23(e)(1)." The *United States Department of Agriculture (USDA) Adult Day Care Handbook*, page 24, states that "Each year institutions must obtain and keep on file an income eligibility application that is completed and signed by the participant or guardian."

Recommendation

The Sponsor should have a system in place to obtain and keep on file income eligibility applications that are completed and signed by the participant or guardian each year.

2. The Sponsor reported incorrect meal counts

This is a Finding:

Based on our review of available documents and information, we noted that the Sponsor reported incorrect meals counts on the Claim for Reimbursement form.

Condition

The Sponsor claimed 512 breakfast meals, 581 lunch meals, and 568 supplement meals served in November 2016. Based on our inspection of the meal count sheets we noted that 512 breakfast meals, 580 lunch meals, and 568 supplement meals were documented. This resulted in the Sponsor over claiming one lunch meal. Therefore, one lunch meal cost will be disallowed $(1 \times 3.39) = \$3.39$. (See Exhibit A)

The Sponsor claimed 572 breakfast meals, 615 lunch meals, and 569 supplement meals served in December 2016. Based on our inspection of the meal count sheets we noted that 569 breakfast meals, 612 lunch meals, and 565 supplement meals were documented. This resulted in the Sponsor over claiming three breakfast meals, three lunch meals, and three supplement meals. Therefore, three breakfasts, three lunches, and three supplements meals cost will be disallowed $[(3 \times 1.71) = \$5.13 + (3 \times 3.39) = \$10.17 + (3 \times 0.86) = \$2.58] = \$17.88$. (See Exhibit B)

Disallowed meals cost for this finding totaled \$21.27.

This is a repeat finding. This finding was noted in the monitoring report that was issued on November 17, 2016.

Criteria

Title 7 of the Code of Federal Regulations Section 226.10(c) states,

“Claims for Reimbursement shall report information in accordance with the financial management system established by the State agency, and in sufficient detail to justify the reimbursement claimed and to enable the State agency to provide the final Report of the Child and Adult Care Food Program (FNS 44) required under §226.7(d). 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 meals claimed agree to the meal count sheets.

3. The Sponsor claimed a meal for a participant who was not in attendance

This is a Finding:

Condition

On November 10, 2016 a supplement meal was recorded as being served to a participant whose name was not present on the daily attendance sheets provided by the Sponsor. This resulted in a disallowed supplement meals cost of $(1 \times 0.86) = \$0.86$. (See Exhibit B)

This is a repeat finding. This finding was noted in the monitoring report that was issued on November 17, 2016.

Criteria

Title 7 of the Code of Federal Regulations Section 226.10(c) states,

“Claims for Reimbursement shall report information in accordance with the financial management system established by the State agency, and in sufficient detail to justify the reimbursement claimed and to enable the State agency to provide the final Report of the Child and Adult Care Food Program (FNS 44) required under §226.7(d). In submitting a Claim for Reimbursement, each institution shall certify that the claim is correct and that records are available to support that claim. ...”

In addition, the Tennessee Child and Adult Care Food Program Policies and Procedures Manual states that child care centers “must submit to the TDHS accurate monthly reports on the number of meals served.”

Recommendation

The Sponsor should record meals at the point of service and only for participants that are present.

- 4. Menus did not contain the components necessary to satisfy the offer versus serve requirements**

This is a Serious Deficiency:

Condition

October 2016

Date	Menu and Missing Component(s)	Disallowed Meals
10/3	2 Waffles, Berry Blend, and 1% Milk; No 2 nd bread/grain available	20 Breakfasts
10/3	Jerk Chicken, Beefy Rice, Black Eyed Peas, and 1% Milk; No 2 nd bread/grain available and no 2 nd meat/meat alternate available	24 Lunches
10/4	Cheerios, Banana, and 1% Milk; No 2 nd bread/grain available	24 Breakfasts
10/4	Chopped Steak, Baked Potato, Tossed Salad, WW Roll, and 1% Milk; No 2 nd bread/grain available and no 2 nd	25 Lunches

Date	Menu and Missing Component(s)	Disallowed Meals
	meat/meat alternate available	
10/5	Bagel, Melon Cup, and 1% Milk; No 2 nd bread/grain available	25 Breakfasts
10/5	Beef Bologna & Cheese, WW, Lettuce/tomato/onion/pickle, Mixed Fruit Bowl, and 1% Milk; No 2 nd bread/grain available and no 2 nd meat/meat alternate available	25 Lunches
10/6	Grahams Cereal, Orange, and 1% Milk; No 2 nd bread/grain available	22 Breakfasts
10/6	Pineapple Chicken, Lo Mein Noodles, Cabbage, Carrots, and 1% Milk; No 2 nd bread/grain available and no 2 nd meat/meat alternate available	24 Lunches
10/7	Cinnamon Rolls, Apple, and 1% Milk; No 2 nd bread/grain available	26 Breakfasts
10/7	Beef Lasagna, Cinnamon Apples, Green Beans, and 1% Milk; No 2 nd bread/grain available and no 2 nd meat/meat alternate available	27 Lunches
10/10	Corn Chex, Banana, and 1% Milk; No 2 nd bread/grain available	19 Breakfasts
10/10	Philly Steak Sandwich, Tossed Salad, Fruit Salad, and 1% Milk; No 2 nd bread/grain available and no 2 nd meat/meat alternate available	25 Lunches
10/11	Bagel, Grapes, and 1% Milk; No 2 nd bread/grain available	12 Breakfasts
10/11	BBQ Brisket, WW Bun, Coleslaw, Northern Beans, and 1% Milk; No 2 nd bread/grain available and no 2 nd meat/meat alternate available	22 Lunches
10/12	Oatmeal, Berry Blend, and 1% Milk; No 2 nd bread/grain available	24 Breakfasts
10/12	Turkey & Swiss, WW, Diced Peaches, Caesar Salad, and 1% Milk; No 2 nd bread/grain available and no 2 nd meat/meat alternate available	24 Lunches
10/13	Cinnamon Roll, Apple Slices, and 1% Milk; No 2 nd bread/grain available	23 Breakfasts
10/13	Mushroom Chicken, Asparagus, Roasted Red Potatoes, WW Roll, and 1% Milk; No 2 nd bread/grain available and no 2 nd meat/meat alternate available	23 Lunches
10/14	Chicken Biscuit, Orange slices, and 1% Milk; No 2 nd bread/grain available	25 Breakfasts
10/14	Baked Ham, Turnip Greens, Yams, Corn Muffins, and	28 Lunches

Date	Menu and Missing Component(s)	Disallowed Meals
	1% Milk; No 2 nd bread/grain available and no 2 nd meat/meat alternate available	
10/17	Waffles, Blueberry, and 1% Milk; No 2 nd bread/grain available	19 Breakfasts
10/17	Spaghetti, Tossed Salad, Peaches, and 1% Milk; No 2 nd bread/grain available and no 2 nd meat/meat alternate available	26 Lunches
10/18	Oat Cinnamon Cereal, Banana, and 1% Milk; No 2 nd bread/grain available	26 Breakfasts
10/18	Braised Pork Chop, WW Roll, Green Beans, Fruit Salad, and 1% Milk; No 2 nd bread/grain available and no 2 nd meat/meat alternate available	27 Lunches
10/19	Egg on Wheat Toast, Diced pears, and 1% Milk; No 2 nd bread/grain available	23 Breakfasts
10/19	Ham Wrap on ww tortilla, Spinach & Tomato, Salad, Diced Pears, and 1% Milk; No 2 nd bread/grain available and no 2 nd meat/meat alternate available	27 Lunches
10/20	Oatmeal, Apple Slices, and 1% Milk; No 2 nd bread/grain available	26 Breakfasts
10/20	Pizza with Ground Beef, Broccoli-Raisin Salad, Orange slices, and 1% Milk; No 2 nd bread/grain available and no 2 nd meat/meat alternate available	26 Lunches
10/21	Biscuits & Gravy, Orange slices, and 1% Milk; No 2 nd bread/grain available	28 Breakfasts
10/21	Tuna on Croissant, Tomato Basil Soup, Cantaloupe, and 1% Milk; No 2 nd bread/grain available and no 2 nd meat/meat alternate available	30 Lunches
10/24	Egg McMuffin, Grapes, and 1% Milk; No 2 nd bread/grain available	26 Breakfasts
10/24	Oven Fried Chicken, Potato Salad, Green Beans, Biscuit, and 1% Milk; No 2 nd bread/grain available and no 2 nd meat/meat alternate available	28 Lunches
10/25	Cheerios, Banana, and 1% Milk; No 2 nd bread/grain available	20 Breakfasts
10/25	BBQ Shoulder, Corn on the Cob, BBQ Beans, Corn Bread, and 1% Milk; No 2 nd bread/grain available and no 2 nd meat/meat alternate available	28 Lunches
10/26	Pancakes, Berry Cup, and 1% Milk; No 2 nd bread/grain available	23 Breakfasts
10/26	Turkey & Swiss on Rye, Diced Peaches, Spinach Salad,	26 Lunches

Date	Menu and Missing Component(s)	Disallowed Meals
	and 1% Milk; No 2 nd bread/grain available and no 2 nd meat/meat alternate available	
10/27	Corn Flakes, Banana, and 1% Milk; No 2 nd bread/grain available	21 Breakfasts
10/27	Beef Stroganoff Over Noodles, Pinto Beans, Cinnamon Apples, and 1% Milk; No 2 nd bread/grain available and no 2 nd meat/meat alternate available	26 Lunches
10/28	Chex, Strawberries, and 1% Milk; No 2 nd bread/grain available	23 Breakfasts
10/28	Lemon Tilapia, Coleslaw, Baked Potato, Hush puppies, and 1% Milk; No 2 nd bread/grain available and no 2 nd meat/meat alternate available	26 Lunches
10/31	Waffles, Strawberries, and 1% Milk; No 2 nd bread/grain available	18 Breakfasts
10/31	Chicken Parmesan, Rice, Broccoli, Melon Bowl, and 1% Milk; No 2 nd bread/grain available and no 2 nd meat/meat alternate available	28 Lunches

As a result, in October 2017, 473 breakfast meals reported served for $(473 \times 1.71) = \$808.83$ and 545 lunch meals reported served $(545 \times 3.39) = \$1,847.55$ were disallowed for a total of \$2,656.38.

November 2016

Date	Menu and Missing Component(s)	Disallowed Meals
11/1	Waffles, Strawberries, and 1% Milk; No 2 nd bread/grain available	20 Breakfasts
11/1	Baked Pork Chop, Au Gratin Potatoes, Crowder Peas, WW Roll, and 1% Milk; No 2 nd bread/grain available and no 2 nd meat/meat alternate available	27 Lunches
11/2	Biscuit & Egg, Cinnamon Applesauce, and 1% Milk; No 2 nd bread/grain available	26 Breakfasts
11/2	Turkey & Swiss on ww bun, Fruit Cup, Garden Salad, and 1% Milk; No 2 nd bread/grain available and no 2 nd meat/meat alternate available	22 Lunches
11/3	Grahams Cereal, Cantaloupe, and 1% Milk; No 2 nd bread/grain available	26 Breakfasts
11/4	Oatmeal, Berry Cup, and 1% Milk; No 2 nd bread/grain available	23 Breakfasts

Date	Menu and Missing Component(s)	Disallowed Meals
11/4	Seafood Stew, Garden Salad, Fruit Bowl, Ciabatta Bread, and 1% Milk; No 2 nd bread/grain available and no 2 nd meat/meat alternate available	29 Lunches
11/7	Corn Chex, Banana, and 1% Milk; No 2 nd bread/grain available	24 Breakfasts
11/8	English Muffin, Egg, Melon, and 1% Milk; No 2 nd bread/grain available	26 Breakfasts
11/9	Raisin Bran, Oranges, and 1% Milk; No 2 nd bread/grain available	23 Breakfasts
11/9	Sticky Chicken ww, White Rice, Sautéed Green Beans, Mandarin Oranges, and 1% Milk; No 2 nd bread/grain available and no 2 nd meat/meat alternate available	31 Lunches
11/10	Biscuit & Gravy, Cinnamon Apples, and 1% Milk; No 2 nd bread/grain available	17 Breakfasts
11/10	Patty Melt/Sourdough, Onion Rings, Diced Peaches, and 1% Milk; No 2 nd bread/grain available and no 2 nd meat/meat alternate available	29 Lunches
11/11	Oatmeal, Berry Cup, and 1% Milk; No 2 nd bread/grain available	28 Breakfasts
11/11	Fish Tacos, Coleslaw, Red Potatoes, and 1% Milk; No 2 nd bread/grain available and no 2 nd meat/meat alternate available	29 Lunches
11/14	Sausage Biscuit, Orange Wedges, and 1% Milk; No 2 nd bread/grain available	29 Breakfasts
11/14	Taco Boats, Lettuce/Tomato/Onion, Refried Beans, Pineapple Chunks, and 1% Milk; No 2 nd bread/grain available and no 2 nd meat/meat alternate available	30 Lunches
11/15	Shredded Wheat, Banana, and 1% Milk; No 2 nd bread/grain available	26 Breakfasts
11/15	Meat Loaf, Turnip Greens, Black-eyed Peas, Cornbread, and 1% Milk; No 2 nd bread/grain available and no 2 nd meat/meat alternate available	28 Lunches
11/16	Cheese Eggs, Cinnamon Toast, Dicer Pears , and 1% Milk; No 2 nd bread/grain available	28 Breakfasts
11/16	BBQ Ribs, Potato Salad, Green Beans, Dinner Roll, and 1% Milk; No 2 nd bread/grain available and no 2 nd meat/meat alternate available	29 Lunches
11/17	Cinnamon Rolls, Strawberries, and 1% Milk; No 2 nd bread/grain available	26 Breakfasts
11/17	Tuna Casserole, Green Peas/Carrots, Melon Bowl, and	28 Lunches

Date	Menu and Missing Component(s)	Disallowed Meals
	1% Milk; No 2 nd bread/grain available and no 2 nd meat/meat alternate available	
11/18	Waffles, Berry Cup, and 1% Milk; No 2 nd bread/grain available	26 Breakfasts
11/18	Chicken Teriyaki, Egg Noodles, Broccoli, Fruit Cup, and 1% Milk; No 2 nd bread/grain available and no 2 nd meat/meat alternate available	27 Lunches
11/21	Biscuits & Gravy, Baked Apples, and 1% Milk; No 2 nd bread/grain available	28 Breakfasts
11/21	Beef Tacos, Lettuce/Tomato/Onion, Black Beans, Pineapple Chunks, and 1% Milk; No 2 nd bread/grain available and no 2 nd meat/meat alternate available	29 Lunches
11/22	Rice Chex, Banana, and 1% Milk; No 2 nd bread/grain available	28 Breakfasts
11/22	Turkey Rollup on WW Tortilla, Spinach & Onion, Melon Bowl and 1% Milk; No 2 nd bread/grain available and no 2 nd meat/meat alternate available	28 Lunches
11/23	Oatmeal, Blueberries, and 1% Milk; No 2 nd bread/grain available	25 Breakfasts
11/25	Raisin Bran, Oranges, and 1% Milk; No 2 nd bread/grain available	20 Breakfasts
11/25	Beef Hotdogs on WW Bun, Baked Beans, Fruit cup, and 1% Milk; No 2 nd bread/grain available and no 2 nd meat/meat alternate available	20 Lunches
11/28	Wheat Toast, Boiled Egg, Diced peaches, and 1% Milk; No 2 nd bread/grain available	24 Breakfasts
11/28	Oven Fried Chicken, Collard Greens, Paprika Potatoes, WW Roll, and 1% Milk; No 2 nd bread/grain available and no 2 nd meat/meat alternate available	26 Lunches
11/29	Graham Cereal, Oranges, and 1% Milk; No 2 nd bread/grain available	12 Breakfasts
11/29	Lemon Pepper Trout, Scampi Rice, Broccoli, Peaches, and 1% Milk; No 2 nd bread/grain available and no 2 nd meat/meat alternate available	27 Lunches
11/30	Waffles, Blueberries, and 1% Milk; No 2 nd bread/grain available	27 Breakfasts
11/30	Salisbury Steak, Scalloped Potatoes, Pinto Beans, Cornbread, and 1% Milk; No 2 nd bread/grain available and no 2 nd meat/meat alternate available	26 Lunches

As a result, in November 2017 512 breakfast meals served for $(512 \times 1.71) = \$875.52$ and 465 lunch meals served $(545 \times 3.39) = \$1,576.35$ were disallowed for a total of \$2,451.87.

December 2016

Date	Menu and Missing Component(s)	Disallowed Meals
12/1	Shredded Wheat, Honey dew melon, and 1% Milk; No 2 nd bread/grain available	27 Breakfasts
12/1	Roast Beef, Ginger Carrots, Buttered Cabbage, WW Roll, and 1% Milk; No 2 nd bread/grain available and no 2 nd meat/meat alternate available	30 Lunches
12/2	Croissant, Sausage, and 1% Milk; No 2 nd bread/grain available	26 Breakfasts
12/2	Baked Chicken, Egg Noodles, Green Peas, Fruit cocktail, and 1% Milk; No 2 nd bread/grain available and no 2 nd meat/meat alternate available	28 Lunches
12/5	Corn Flakes, Banana, and 1% Milk; No 2 nd bread/grain available	29 Breakfasts
12/5	Chicken Fajitas, WW Tortilla, Refried Beans, Cilantro Salad, and 1% Milk; No 2 nd bread/grain available and no 2 nd meat/meat alternate available	30 Lunches
12/6	(3) Pancakes, Strawberries, and 1% Milk; No 2 nd bread/grain available	27 Breakfasts
12/6	BBQ Ribs, Corn on the Cob, BBQ Beans, WW Roll, and 1% Milk; No 2 nd bread/grain available and no 2 nd meat/meat alternate available	30 Lunches
12/7	(2) Biscuits, Sausage, Applesauce, and 1% Milk; No 2 nd bread/grain available	28 Breakfasts
12/7	Sweet N Sour Chicken, Steamed Rice, Garlic Broccoli, Honey Carrots, and 1% Milk; No 2 nd bread/grain available and no 2 nd meat/meat alternate available	29 Lunches
12/8	Oatmeal, Apple cup, and 1% Milk; No 2 nd bread/grain available	28 Breakfasts
12/8	Beef Spaghetti, Zucchini, Pineapples, and 1% Milk; No 2 nd bread/grain available and no 2 nd meat/meat alternate available	28 Lunches
12/9	Cheerios, Cantaloupe cup, and 1% Milk; No 2 nd bread/grain available	28 Breakfasts
12/9	Baked Tilapia, Baked Potato, Green Beans, Dinner Roll, and 1% Milk; No 2 nd bread/grain available and no 2 nd	28 Lunches

Date	Menu and Missing Component(s)	Disallowed Meals
	meat/meat alternate available	
12/12	Raisin Bagel, Pears, and 1% Milk; No 2 nd bread/grain available	24 Breakfasts
12/12	Beef Nachos, Tortilla Chips, Black Beans, Tossed Salad, and 1% Milk; No 2 nd bread/grain available and no 2 nd meat/meat alternate available	30 Lunches
12/13	Shredded Wheat, Honeydew, and 1% Milk; No 2 nd bread/grain available	29 Breakfasts
12/13	Cajun Chicken, Pasta, Broccoli, Fruit Cocktail, and 1% Milk; No 2 nd bread/grain available and no 2 nd meat/meat alternate available	32 Lunches
12/14	2) Biscuits with Chicken, Orange, and 1% Milk; No 2 nd bread/grain available	28 Breakfasts
12/14	Ham & Chees/WW Bread, Apples, Carrots and 1% Milk; No 2 nd bread/grain available and no 2 nd meat/meat alternate available	28 Lunches
12/15	Golden Grahams, Banana, and 1% Milk; No 2 nd bread/grain available	27 Breakfasts
12/15	Chicken A La King, Bread Bowl, Spinach Salad, Strawberries, and 1% Milk; No 2 nd bread/grain available and no 2 nd meat/meat alternate available	28 Lunches
12/16	(2) Cinnamon Toast, Cheese Eggs, Cantaloupe, and 1% Milk; No 2 nd bread/grain available	30 Breakfasts
12/16	Chicken Salad WW Bread, Lettuce/Tomato/Pickle, Peaches, and 1% Milk; No 2 nd bread/grain available and no 2 nd meat/meat alternate available	29 Lunches
12/19	Oatmeal, Apples, and 1% Milk; No 2 nd bread/grain available	28 Breakfasts
12/19	Oven Fried Chicken, Scalloped Potatoes, Black-eyed peas, Corn Muffin, and 1% Milk; No 2 nd bread/grain available and no 2 nd meat/meat alternate available	28 Lunches
12/20	WW Bread, Bacon, Lettuce/Tomato, and 1% Milk; No 2 nd bread/grain available	16 Breakfasts
12/20	Pulled Pork, Cabbage, Fried Rice, Ginger Carrots, and 1% Milk; No 2 nd bread/grain available and no 2 nd meat/meat alternate available	28 Lunches
12/21	Shredded Wheat, Banana, and 1% Milk; No 2 nd bread/grain available	26 Breakfasts
12/21	Beef Hotdogs/WW Bun, Baked Beans, Fruit Cup, and 1% Milk; No 2 nd bread/grain available and no 2 nd	27 Lunches

Date	Menu and Missing Component(s)	Disallowed Meals
	meat/meat alternate available	
12/22	English Muffin, Cream Cheese, Mixed Fruit Bowl, and 1% Milk; No 2 nd bread/grain available	25 Breakfasts
12/23	Raisin Bran, Orange, and 1% Milk; No 2 nd bread/grain available	24 Breakfasts
12/23	Baked Ham, Hash browns, Baked Apples, Biscuits, and 1% Milk; No 2 nd bread/grain available and no 2 nd meat/meat alternate available	26 Lunches
12/26	(3) Pancakes, Sausage, Strawberries, and 1% Milk; No 2 nd bread/grain available	18 Breakfasts
12/26	Beef Chili Dogs w/Bun, Potato Wedges, Pineapples, and 1% Milk; No 2 nd bread/grain available and no 2 nd meat/meat alternate available	20 Lunches
12/27	Mini Wheat Cereal, Pears, and 1% Milk; No 2 nd bread/grain available	22 Breakfasts
12/27	Lasagna, Spinach Salad, Fruit Cocktail, and 1% Milk; No 2 nd bread/grain available and no 2 nd meat/meat alternate available	27 Lunches
12/28	Oatmeal, Apples, and 1% Milk; No 2 nd bread/grain available	26 Breakfasts
12/28	Tuna Salad on Croissants, Tomato Soup, Papaya Cup, and 1% Milk; No 2 nd bread/grain available and no 2 nd meat/meat alternate available	26 Lunches
12/29	Cheerios, Banana, and 1% Milk; No 2 nd bread/grain available	26 Breakfasts
12/29	Cobb Salad, Honeydew cup, Italian Bread, and 1% Milk; No 2 nd bread/grain available and no 2 nd meat/meat alternate available	27 Lunches
12/30	(2) Raisin Toast, Cantaloupe, and 1% Milk; No 2 nd bread/grain available	27 Breakfasts
12/30	Pork Chops, Collard Greens, Black eyed Peas, Cornbread, and 1% Milk; No 2 nd bread/grain available and no 2 nd meat/meat alternate available	27 Lunches

As a result, in December 2017 569 breakfast meals served for $(569 \times 1.71) = \$972.99$ and 586 lunch meals served $(586 \times 3.39) = \$1,986.54$ were disallowed for a total of \$2,959.53.

Criteria

USDA Adult Day Care, A Child and Adult Care Food Program Handbook page 35-36 states the following, in part:

At the discretion of the adult day care center, participants may be permitted to decline a certain number of food servings without the price or reimbursement for the meal being affected. This provision is called “offer versus serve” (OVS). All meal items must be offered, but a certain number of items may be declined by the participant. The reimbursement for the meal will not be affected if an adult participant declines a food item

- Breakfast: Offer
 1. 1 serving of milk;
 2. 1 serving from the fruit and vegetable component;
 3. 2 servings from the grains component; and

Under OVS participants may decline only one of the four servings offered.

- Lunch: Offer:
 1. 1 serving of milk;
 2. 2 servings from the meat/meat alternate component;
 3. 2 servings from the vegetable and/or fruit component;
 4. 2 servings from the grains component.

Under OVS, participants may decline up to two of the six servings offered.

Recommendation

The Sponsor should purchase and offer all components required to provide all participants with a sufficient choice of items for meals that are claimed for reimbursement under the offer versus serve option.

5. The Sponsor did not have an Independent Board of Directors

This is a Serious Deficiency:

Condition

Safe Entry’s Board of Directors consisted of three members. Two of the board members were employees of the institution, and the third member was related to the Executive Director.

Criteria

USDA – CACFP, Guidance for Management Plans and Budgets, Page 9, titled, Developing an Appropriate Board of Directors states “An acceptable Board consists of a majority of the members whose livelihood is independent from and who holds no personal fiscal interest in the institution’s activities and who are not related to each other or to its personnel.”

Title 7 of the Code of Federal Regulations Section 226.2 - Independent governing board of directors means,
in the case of a nonprofit organization, or in the case of a for-profit institution required to have a board of directors, a governing board which meets regularly and has the authority to hire and fire the institution's executive director.

Recommendation

The Sponsor should establish an appropriate and independent governing Board of Directors in accordance with CACFP regulations.

6. The Sponsor did not have an adequate financial management system to ensure program accountability

This is a Serious Deficiency:

Condition

The Sponsor’s general ledger and bank statements were requested and obtained for the test months of October through December 2016, to determine the expenses charged to the program. We were not able to track all expenditures to the Sponsor’s designated general ledger CACFP account (Food Service-Myatt). CACFP food purchases were posted incorrectly per the Sponsor’s accountant to two non-CACFP general ledger accounts. The accountant did not post to the general ledger by individual receipts but by allocated credit card statements. We were unable to determine which receipts total the amount posted on the general ledger. CACFP payroll taxes were not segregated from the non-CACFP payroll taxes. The Food Service-Myatt account was not segregated by expense headers (i.e. Food Purchases, Non-Food Supplies, Printing/Postage/Communication, Benefits, Durable Supplies, Expendable Supplies, Equipment Rental/Lease, Rent and Utilities).

Criteria

FNS Instruction 796-2, Rev. 4, Page 94(3) Financial states “Institutions must record the receipt and expenditure of all Program funds, Program income and other income in accordance with U.S. GAAP, this Instruction, Department regulations and the State agency financial management system. Any Program expenses paid for in cash should be of a nominal amount and clearly documented.”

Title 7 of the Code of Federal Regulation Section 226.6 - *Performance Standard 3—Program accountability* states,

“The renewing institution must have internal controls and other management systems in effect to ensure fiscal accountability and to ensure that the Program operates in accordance with the requirements of this part. To demonstrate Program accountability, the renewing institution must document that it meets the following criteria:

(1) Governing board of directors. Has adequate oversight of the Program by an independent Governing board of directors as defined at §226.2;

(2) Fiscal accountability. Has a financial system with management controls specified in writing. For sponsoring organizations, these written operational policies must assure:

- (i) Fiscal integrity and accountability for all funds and property received, held, and disbursed;
- (ii) The integrity and accountability of all expenses incurred;
- (iii) That claims are processed accurately, and in a timely manner;
- (iv) That funds and property are properly safeguarded and used, and expenses incurred, for Authorized Program purposes; and,
- (v) That a system of safeguards and controls is in place to prevent and detect improper financial activities by employees;

(3) Recordingkeeping. Maintains appropriate records to document compliance with Program requirements, including budgets, accounting records, approved budget amendments, and, if a sponsoring organization, management plans and appropriate records on facility operations.”

USDA – CACFP, Adult Day Care Handbook, Page 10, Section B Licensed or State Approved states “Centers receiving public funding, State or Federal are required to implement a financial management system which they can show that other public funding is being used to support CACFP meals only after the CACFP reimbursement has been exhausted. This will ensure CACFP funds are used for the food service and not redirected to non-Program activities.”

Recommendation

The Sponsor should maintain an adequate financial management system to identify CACFP transactions.

7. The Sponsor did not maintain adequate internal control over inventory of food

This is a Finding:

Condition

The Sponsor was unable to find or account for 3 of the 56 items selected for testing. The Sponsor maintains a supply of food to meet the needs of anticipated meals based on menus and expected attendance. Food is purchased weekly, and unused food is stocked in a storage room (if not perishable) or in the freezer or refrigerator. We reviewed the grocery receipt from the purchase on Saturday, January 7, 2017 and selected 56 items out of the 120 food items purchased and requested to see all of those items that had not been used for the breakfast or lunch on Monday, January 9, 2017 prior to the physical inventory. Our selection represented \$264.54 of the total grocery purchase of \$359.59. We were assisted in the inventory count by management personnel. The Sponsor was unable to find or account for 3 of the 56 items selected for testing (i.e. 2 packets of beef stew meat and 1 gallon of chocolate milk), valued at \$24.22 of the total \$264.54 selected for testing. Management also was not able to provide an explanation for the whereabouts of the missing items.

Criteria

As noted in finding 2 above, 7 *CFR 226.6 Performance Standard 3* requires the sponsor to maintain a financial system with management controls specified in writing.... (and the) written operational policies must assure: (iv) That funds and property are properly safeguarded and used, and expenses incurred, for Authorized Program purposes; and, (v) That a system of safeguards and controls is in place to prevent and detect improper financial activities by employees.

FNS Instruction 796-2 Rev. 4, Exhibit B, "Food Costs," at Paragraph B.1. "Food Purchases" states: "Since allowable food costs is determined by the net cost of food used and not the cost of all food purchased, food purchases must be reconciled to the cost of food actually used. The Purchase Method or the Inventory Method or both is used to determine the costs of purchased food used. The reconciliation of food purchased to food used must be conducted at least annually, but State agencies can require more frequent reconciliation, i.e. monthly, quarterly or semi-annually." According to paragraph B.1.a, the cost of perishables may be determined using the "purchase method"

Recommendation

The Sponsor should establish and implement a system of accounting for food purchased with CACFP funds and institute physical controls over the inventory. The Sponsor should refer to the *FNS Instruction 796-2 Rev. 4, Exhibits E, F and G* for suggested formats for recording cost of goods used, purchases and inventory reconciliation.

8. The Sponsor did not maintain proper time and attendance records

This is a Finding:

Condition

During our review of the Sponsor's payroll and time and attendance records, we noted the following discrepancies:

- The Quality Control Coordinator did not record the time she worked in the program. She reported that time and attendance documentation was not kept because she is a salaried employee.
- Time cards were not signed by the employee or supervisor.
- Hours worked in the program could not be verified or compared to pay stubs due to absences, missing start times and end times.

Therefore, we were unable to determine if payroll expenses for leave, holidays, and other similar benefits were allocated equitably to all programs and activities for the Quality Control Coordinator, because there were no time sheets.

Criteria

FNS Instruction 796-2, Rev. 4, Page 45(2) Documentation Requirements, states "Time and attendance reports for all labor costs (salaries, wages, and benefits) charged to the Program for hourly or salaried employees for part-time, full-time or piece-work. These reports must identify the total time actually worked by the employee, not just the time spent on Program activities. (a) At a minimum, these reports must include: (i) Start time; (ii) End time; and (iii) Absences. (b) The report must be prepared timely and coincide with the employee's pay period."

According to the Sponsor's Employee Handbook, page 20 Compensation and Time Sheets states "Employees are required to complete time sheets. The timesheets must be filled out with all hours worked and turned in to their supervisors or designate at the end of the pay period which occurs on the 5th and 20th of each month.

Recommendation

The Sponsor should ensure that employees' time work is allocated properly to the benefiting programs. Also, the Sponsor should ensure that employees follow the established "Compensation and Time Sheets" procedures.

Perrion Gordon, Executive Director
Wendy Collins, Board Chairperson
Safe Entry, Inc.
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Safe Entry, Inc. must submit a Corrective Action Plan (“CAP”), which details how the Institution will ensure the correction of the serious deficiencies and additional findings described above. The CAP must include information regarding what procedures were implemented to address the serious deficiencies, who is responsible for addressing the serious deficiencies, when was the procedure implemented to address the serious deficiencies, and how the institution will ensure the continued implementation of the corrective action. A blank CAP is enclosed for your use.

OVERPAYMENT-RIGHT TO APPEAL

Disallowed Cost

Based on our review of the Sponsor’s available records and information, we determined that the Sponsor’s noncompliance with the applicable Federal and State regulations that govern the CACFP resulted in a total disallowed meals cost of \$8,089.91.

Remit a check payable to the *Tennessee Department of Human Services* in the amount of \$8,089.91, which the institution owes the Department. **The procedures for submitting an appeal regarding the amount of overpayment are enclosed. Please note that the appeal must be in writing and must be received by our Department no later than fifteen (15) calendar days from your receipt of this letter.** 7 C.F.R. § 226.6(k). The appeal must be submitted to:

Tennessee Department of Human Services
Appeals and Hearings Division, Clerk’s Office
P.O. Box 198996
Nashville, TN 37219

If the Institution decides to appeal the amount of overpayment, all appeal procedures must be followed as failure to do so may result in the denial of your request for an appeal.

In accordance with the CACFP regulations at 7 C.F.R. § 226.14(a), in part, the State agency must assess interest 30 days from the initial request for repayment. For information about applied interest rates please visit the following website:

http://www.fiscal.treasury.gov/fsreports/rpt/cvfr/historical_rates.htm

SUMMARY

The Department has determined that Safe Entry, Inc. is seriously deficient in its operation of the CACFP and that Perrion Gordon, Executive Director and Wendy Collins, Board Chairperson are responsible for the serious deficiencies.

You may not appeal the serious deficiency determination itself. If the Department proposes to terminate Safe Entry, Inc.’s CACFP agreement, or propose to disqualify Safe Entry, Inc. and the

Perrion Gordon, Executive Director
Wendy Collins, Board Chairperson
Safe Entry, Inc.
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responsible individuals, you will be able to appeal those actions and you will be advised of your appeal rights and the appeal procedures at that time.

Safe Entry, Inc. may continue to participate in the CACFP during the corrective action period. The Department will pay any valid claims for reimbursement submitted by Safe Entry, Inc. for the corrective action period. As always, you must submit claims within sixty (60) calendar days of the last day of the month covered by the claim. The Department will deny any portion of a claim we determine is invalid. If the Department denies payment of any portion of a claim submitted for the corrective action period, that action would be appealable.

To provide for the full and permanent correction of the serious deficiencies and findings, please complete the following actions within fifteen (15) days of your receipt of this notice:

1. Login to (TIPS) the Tennessee Information Payment System and submit a revised claim for each site for the review period.
2. Remit a check payable to the Department in the amount of \$8,089.91.
3. Complete and return the enclosed corrective action plan to address in full the monitoring review to:

**Tennessee Department of Human Services
Allette Vayda-CACFP/SFSP Unit
Citizens Plaza – 8th Floor
400 Deaderick Street
Nashville, Tennessee 37243-1403.**

If the Department does not receive the corrective action plan by the deadline date, or the Department determines that the corrective action plan does not provide for the full and permanent correction of the serious deficiencies and findings, the Department will propose to terminate the Institution's CACFP Provider Agreement and to disqualify you and the Institution from future CACFP participation by issuing a Notice of Proposed Termination and Disqualification.

We appreciate the assistance provided during this review. If you have any questions regarding this report, please contact Jackie Yokley, Audit Director 2, at 615-837-5035 or Jackie.D.Yokley@tn.gov.

Sincerely,



Allette Vayda
Director, CACFP & SFSP

Perrion Gordon, Executive Director
Wendy Collins, Board Chairperson
Safe Entry, Inc.
May 15, 2017
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AV/ba

Enclosures

Exhibit A:

Sponsor: Safe Entry, Inc.

Review Month/Year: October 2016

Total Meal Reimbursement Received: \$3,117.34

Site Meal Service Activity and Monitor Reconciliation	Reported on Claim	Reconciled Meals to Meal Counts Sheets
Total Number of Days Food Served	21	21
Number of Breakfasts Served	473	0 ¹
Number of Lunches Served	545	0 ²
Number of Supplements Served	536	536
Number of Participants in Free Category	37	34 ³
Number of Participants in Reduced Category	0	0
Number of Participants in Paid Category	0	0
Total Number of Participants	37	34 ³
Total Amount of Eligible Food Costs	XXXXXXXXXX	\$1,377.89
Total Amount of Eligible Food and Non-Food Costs	XXXXXXXXXX	\$1,390.46

¹ Disallowed 473 breakfast meals served due to menu errors for $(473 \times 1.71) = \$808.83$. (Finding 4)

² Disallowed 545 lunch meals served due to menu errors for $(545 \times 3.39) = \$1,847.55$. (Finding 4)

³ The sponsor over claimed three participants.

Exhibit B:

Sponsor: Safe Entry, Inc.

Review Month/Year: November 2016

Total Meal Reimbursement Received: \$3,333.59

Site Meal Service Activity and Monitor Reconciliation	Reported on Claim	Reconciled Meals to Meal Counts Sheets
Total Number of Days Food Served	21	21
Number of Breakfasts Served	512	0 ¹
Number of Lunches Served	581	115 ²
Number of Supplements Served	568	567 ³
Number of Participants in Free Category	35	37 ⁴
Number of Participants in Reduced Category	0	0
Number of Participants in Paid Category	0	0
Total Number of Participants	35	37 ⁴
Total Amount of Eligible Food Costs	XXXXXXXXXX	\$1,497.24
Total Amount of Eligible Food and Non-Food Costs	XXXXXXXXXX	\$1,601.17

¹Disallowed 512 breakfast meals served due to menu errors for $(512 \times 1.71) = \$875.52$. (Finding 4)

²Disallowed one lunch meal served due to reporting errors for $(1 \times 3.39) = \$3.39$ (Finding 2) and 545 lunch meals served due to menu errors for $(545 \times 3.39) = \$1,576.35$ (Finding 4).

¹Disallowed one supplement meal claimed for a participant not in attendance for $(1 \times 0.86) = \$0.86$. (Finding 3)

³The Sponsor under claimed two participants.

Exhibit C:

Sponsor: Safe Entry, Inc.

Review Month/Year: December 2016

Total Meal Reimbursement Received: \$3,552.31

Site Meal Service Activity and Monitor Reconciliation	Reported on Claim	Reconciled Meals to Meal Counts Sheets
Total Number of Days Food Served	22	22
Number of Breakfasts Served	572	0 ¹
Number of Lunches Served	615	26 ²
Number of Supplements Served	569	566 ³
Number of Participants in Free Category	35	35
Number of Participants in Reduced-Price Category	0	0
Number of Participants in Paid Category	0	0
Total Number of Participants	35	35
Total Amount of Eligible Food Costs	XXXXXXXXXX	\$1,781.05
Total Amount of Eligible Food and Non-Food Costs	XXXXXXXXXX	\$2,232.63

¹Disallowed three breakfast meals were over claimed for $(3 \times 1.71) = \$5.13$ (Finding 2) and 569 breakfast meals served due to menu errors for $(473 \times 1.71) = \$972.99$ (Finding 4).

²Disallowed three lunch meals served due meals being over claimed for $(3 \times 3.39) = \$10.17$ (Finding 2) and 586 breakfast meals served due to menu errors for $(586 \times 3.39) = \$1,986.54$ (Finding 4).

³Disallowed three supplement meals that were over claimed for $(3 \times 0.86) = \$2.58$ (Finding 2).

Exhibit D:

Disallowed Meals Cost Summary

Perrion Gordon, Executive Director
Wendy Collins, Board Chairperson
Safe Entry, Inc.
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Month	Disallowed Meals Cost
October 2016	\$2,656.38
November 2016	\$2,456.12
December 2016	\$2,977.41
Total Disallowed Costs	\$8,089.91

Perrion Gordon, Executive Director
Wendy Collins, Board Chairperson
Safe Entry, Inc.
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**STATE OF TENNESSEE
DEPARTMENT OF HUMAN SERVICES**

CITIZENS PLAZA BUILDING
400 DEADERICK STREET
NASHVILLE, TENNESSEE 37243-1403

TELEPHONE: 615-313-4700 FAX: 615-741-4165
TTY: 1-800-270-1349
www.tn.gov/humanserv/

BILL HASLAM
GOVERNOR

DANIELLE W. BARNES
COMMISSIONER

May 15, 2017

James Fitzgerald, Board Chairperson
Safe Entry, Inc.
483 Myatt Drive
Madison, Tennessee 37115

Notice of payment due to findings disclosed in the monitoring report dated April 24, 2017, for Child and Adult Care Food Program (CACFP).

Institution Name:	Safe Entry, Inc.
Institution Address:	483 Myatt Drive, Madison, Tennessee 37115
Agreement Numbers:	00-478
Amount Due:	\$8,089.91
Due Date:	June 15, 2017

Based on the monitoring report issued on May 15, 2017, by the Audit Services Division within the Tennessee Department of Human Services, the Community and Social Services- Food Programs- CACFP & SFSP management has agreed with the findings which requires your institution to reimburse the Department of Human Services unallowed cost in the amount of \$8,089.91.

Please remit a check or money order payable to the *Tennessee Department of Human Services* in the amount of \$8,089.91 by the due date to:

**Tennessee Department of Human Services
Fiscal Services 11th Floor
Citizens Plaza Building
400 Deaderick Street
Nashville, Tennessee 37243-1403**

Please note that the disallowed cost of the CACFP is subject to an interest charge. The interest charge will be waived if the payment is received by the due date. If payment is not received by the end of 5th day of the due date, an interest charge may be added to the original amount due and will be billed to your entity.

Perrion Gordon, Executive Director
Wendy Collins, Board Chairperson
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If you have any questions regarding this notice, please feel free to contact Allette Vayda, Director, Community and Social Services- Food Programs- CACFP & SFSP at (615) 313-3769 or Allette.Vayda@tn.gov

Thank you for your attention

APPEAL PROCEDURES FOR CHILD AND ADULT CARE INSTITUTIONS AND SPONSORING AGENCIES

Appeal Procedures

1. Pursuant to 7 CFR §226.6(k)(4), the TN Department of Human Services (TDHS) must provide administrative review procedures to institutions and responsible principals and responsible individuals as follows:

- (a) Annually to all institutions;
- (b) To an institution and to each responsible principal and responsible individual when the State agency takes any action subject to an administrative review as described in 7 CFR §226.6(k)(2); and
- (c) Any other time upon request.

2. Pursuant to 7 CFR 226.6(k)(3) and (k)(9), some administrative actions are not subject to administrative review. Those actions are listed in paragraph 2.(a). Other administrative actions may be administratively appealed. Those actions are listed in paragraph 2.(b) and (c). All institutions and sponsoring agencies may appeal any adverse administrative action listed in paragraph 2.(b) which are taken by the TDHS by requesting a fair hearing to appear in person to refute the action, or by requesting a review of written information in lieu of a fair hearing.

(a) Pursuant to 7 CFR Part 226.6 (k)(3) TDHS is prohibited from offering administrative reviews of the following actions:

- (i) FNS decisions on claim deadline exceptions and requests for upward adjustments to a claim.
- (ii) Determination of serious deficiency.
- (iii) State agency determination that corrective action is inadequate.
- (iv) Disqualification and placement on State agency list and National disqualified list.
- (v) Termination.
- (vi) State agency or FNS decision regarding removal from the National disqualified list.
- (vii) State agency's refusal to consider an application submitted by an institution or facility on the National disqualified list.

(b) Pursuant to 7 CFR Part 226.6(k)(9), an abbreviated appeal process is available for the following actions. TDHS must limit the administrative review to a review of written submissions by the TDHS and institutions or sponsoring agencies concerning the accuracy of the State agency's determination if the application was denied, or the State agency proposes to terminate the institution's agreement because:

- (viii) The information submitted on the application was false;
- (ix) The institution, one of its sponsored facilities, or one of the principals of the institution or its facilities is on the national disqualified list;
- (x) The institution, one of its sponsored facilities, or one of the principals of the institution or its facilities is ineligible to participate in any other publicly funded program by reason of violation of the requirements of the program;

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Revised March 2017

- (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

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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

Appeal Procedures for Child and Adult Care Food Program-Institutions
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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

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.

**CORRECTIVE ACTION PLAN FOR
MONITORING FINDINGS FOR
CHILD AND ADULT CARE FOOD PROGRAM (CACFP)
TENNESSEE DEPARTMENT OF HUMAN SERVICES (TDHS)**

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 Date of Birth on the first page; enter your name, title and date of signature on the last page. Sign your name in ink. **Please return ALL pages of the completed Corrective Action Plan form.**

Section A. Institution Information

Name of Institution Safe Entry, Inc.	CACFP Agreement No. 00-478
Mailing Address: 483 Myatt Drive Madison, Tennessee 37115	

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

Name and Title: Perrion Gordon, Executive Director Wendy Collins, Board Chairperson	Date of Birth (s):
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Section C. Dates of Issuance of Monitoring Report/Corrective Action Plan

SD Report: May 15, 2017	Corrective Action Plan: May 15, 2017
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Section D. Findings

<p>Findings:</p> <ol style="list-style-type: none"> 1. One CACFP application on file was not properly completed by a determining official 2. The Sponsor reported incorrect meal counts 3. The Sponsor claimed a meal for a participant who was not in attendance 4. Menus did not contain the components necessary to satisfy the offer versus serve requirements 5. The Sponsor did not have an Independent Board of Directors 6. The Sponsor did not have an adequate financial management system to ensure program accountability 7. The Sponsor did not maintain adequate internal control over inventory of food 8. The Sponsor did not maintain proper time and attendance records
--

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

Measure No. 1: One CACFP application on file was not properly completed by a determining official

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:

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?):

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

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:

Measure No.2: 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:

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?):

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

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:

Measure No. 3: The Sponsor claimed a meal for a participant who was not in attendance

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:

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?):

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

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:

Measure No. 4: Menus did not contain the components necessary to satisfy the offer versus serve requirements

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:

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?):

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

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:

Measure No. 5: The Sponsor did not have an Independent Board of Directors

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:

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?):

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

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:

Measure No.6: The Sponsor did not have an adequate financial management system to ensure program accountability

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:

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?):

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

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:

Measure No. 7: The Sponsor did not maintain adequate internal control over inventory of food

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:

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?):

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

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:

Measure No. 8: The Sponsor did not maintain proper time and attendance records

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:

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?):

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

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:

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.

Printed Name of Authorized Institution Official

Position

Signature of Authorized Institution Official

Date

Signature of Authorized TDHS Official

Date