



**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/humanservices

**BILL HASLAM**  
GOVERNOR

**DANIELLE W. BARNES**  
COMMISSIONER

**CERTIFIED MAIL RECEIPT # 70163010000073891596**

August 4, 2017

Chris Adams, Board Chair  
YMCA of Athens-McMinn County  
205 Knoxville Avenue  
Athens, Tennessee 37303

**RE: Notice of Serious Deficiency for the Child and Adult Care Food Program (CACFP)  
Agreement Number 00-003 and Demand for Overpayment.**

Dear Mr. Adams:

The Tennessee Department of Human Services (TDHS) Audit Services staff conducted an on-site unannounced review of the Child and Adult Care Food Program (CACFP) at YMCA of Athens-McMinn County (Sponsor), Application Agreement number 00-003, on February 6, 2017. Site visits were completed on February 6, 7, and 13, 2017. The claim review was completed on February 6, 2017 and an expanded review was completed on April 10, 2017. The purpose of this review was to determine if the Sponsor complied with the *Title 7 of the Code of Federal Regulations* (CFR) applicable parts, provider agreement, and applicable Federal and State regulations.

Based on our review of the Sponsor's records and information provided, the Sponsor had 12 feeding sites operating during February 2017. Lee Manor and Meigs Middle School feeding sites were selected as the original sample sites. The review was expanded to include the months of October 2016, November 2016, December 2016, and January 2017 as a result of deficiencies found during the site visits completed in February 2017. Meigs North and Meigs South Elementary schools, Ridgetop Apartments and Englewood Elementary were the sites selected for the expanded review.

**Background**

CACFP sponsors utilize meal count sheets to record the number of meals served for 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 Department of Human Services Tennessee Information Payment System (TIPS) to seek reimbursement. We inspected meal count 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, and observed a meal service.

In addition, we observed a supper meal served at Lee Manor on February 6, 2017 and Englewood Elementary on February 13, 2017. We also attempted to observe snack meals at Meigs North on February 15, 2017 and Meigs South Elementary School on February 14, 2017, and supper meals at Ridgetop Apartments on February 13, 2017 and Meigs Middle School on February 7, 2017.

### **SERIOUS DEFICIENCY DETERMINATION**

Based on the monitoring review, the Department has determined that YMCA of Athens-McMinn County is seriously deficient in its operation of the CACFP. In addition, the Department has identified Chris Adams, Board Chair as responsible for the serious deficiencies in light of their responsibility for the overall management of YMCA of Athens-McMinn County's CACFP.

If YMCA of Athens-McMinn County 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 YMCA of Athens-McMinn County's, agreement to participate in the CACFP;
- Propose to disqualify YMCA of Athens-McMinn County from future CACFP participation; and
- Propose to disqualify Chris Adams, Board Chair from future CACFP participation.

In addition, if YMCA of Athens-McMinn County voluntarily terminates its CACFP agreement after receiving this letter, the Department will propose to disqualify YMCA of Athens-McMinn County and Chris Adams, Board Chair from future CACFP participation. If disqualified, YMCA of Athens-McMinn County and Chris Adams, Board Chair will be placed on the National Disqualified List ("NDL"). While on the NDL, YMCA of Athens-McMinn County will not be able to participate in the CACFP as an institution or facility. Chris Adams, Board Chair 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**

Our review of the Sponsor's records for October 2016 – February 2017 disclosed the following:

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

##### Condition

The Claim for Reimbursement for October 2016 had 13,843 supplements and 14,080 suppers served. However, based on our review of the Sponsor's records, we found that there were 13,843 supplements and 14,022 suppers prior to any meal disallowances. As a result of our review, 58 suppers were over claimed. (See Exhibit A)

The Claim for Reimbursement for November 2016 had 19,720 supplements and 17,599 suppers served. However, based on our review of the Sponsor's records, we found that there were 12,913 supplements and 16,245 suppers prior to any meal disallowances. As a result of our review, 6,807 supplements and 1,354 suppers were over claimed. (See Exhibit B)

The Claim for Reimbursement for December 2016 had 11,372 supplements and 15,281 suppers served. However, based on our review of the Sponsor's records, we found that there were 11,372 supplements and 12,857 suppers prior to any meal disallowances. As a result of our review, 2,424 suppers were over claimed. (See Exhibit C)

The Claim for Reimbursement for January 2017 had 12,651 supplements and 15,425 suppers served. However, based on our review of the Sponsor's records, we found that there were 13,165 supplements and 15,118 suppers prior to any meal disallowances. As a result of our review, 514 supplements were under claimed, and 307 suppers were over claimed. (See Exhibit D)

The Claim for Reimbursement for the test month of February 2017 had 14,999 supplements and 5,631 suppers served. However, based on our review of the Sponsor's records, we found that there were 14,781 supplements and 4,085 suppers prior to any meal disallowances. As a result of our review, 218 supplements and 1,546 suppers were over claimed. (See Exhibit E)

### 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 claims for reimbursement are completed correctly and based on the proper supporting documents, such as meal count sheets.

## **2. The Sponsor served meals outside of approved times at two sites**

### Condition

The Sponsor did not implement procedures to ensure that supplement meals were served to children after school hours.

The Sponsor served and claimed supplement meals at Meigs North and Meigs South Elementary Schools during school hours. Supplement meals should have been served during after school hours and when educational and enrichment activities are provided.

### Criteria

*Title 7 of the Code of Federal Regulations*, Section 226.17a (b)(1) states, in part, "To be eligible for reimbursement, an afterschool care program must:

- (i) Be organized primarily to provide care for children after school ....;
- (ii) Have organized, regularly scheduled activities (i.e.: in a structured and supervised environment); and
- (iii) Include educational or enrichment activities."

*Title 7 of the Code of Federal Regulations*, Section 226.17a (m) states, “When school is in session, the snack must be served after the child's school day.”

#### Recommendation

The Sponsor should ensure that meals are served after the normal school hours and that the site provides educational or enrichment activities.

### **3. Meals were taken off site, and no meals were consumed at the feeding site**

#### Condition

A site review was completed on February 6, 2017 at Lee Manor. Participants and adults were asked how many meals they wanted and were allowed to take more than one meal. In addition, participants under age 18 that took a meal did not eat the meal on site.

The daily meal count sheet for this date at Lee Manor indicates that seven meals were served. These meals were disallowed as they were not consumed on site.

#### Criteria

USDA Memo CACFP 10-2017 Taking Food Components Offsite in the At-Risk Afterschool Component of the Child and Adult Care Food Program states, in part, “Similar to all Child Nutrition Programs, meals served in the CACFP are intended to be consumed in settings where organized groups of eligible children and adults are gathered to eat. This means that meals must be consumed on-site in order for the meal to be reimbursable.”

#### Recommendation

The Sponsor should ensure that site staff is trained in the requirements of the program to ensure that all meals are consumed at the approved feeding site.

### **4. Meals were not served at the approved feeding site**

#### Condition

A site review was completed on February 7, 2017 at the Meigs Middle site. The approved feeding site was at a park adjacent to Meigs Middle School.

The monitor stayed at the site during the approved feeding time of 4:30-5:00 p.m. but no meals were delivered to the site. The monitor phoned Joe Ratledge, Program Director at Athens YMCA, and he stated that the driver delivered meals to the participant homes. No meals were served at the approved feeding site.

The daily meal count sheet for this date at Meigs Middle School indicates that 4 meals were served. These 4 meals were disallowed.

#### Criteria

*Title 7 of the Code of Federal Regulations* §226.2 defines an at-risk afterschool care center as “a public or private nonprofit organization participating or is eligible to participate in the CACFP as an institution or as a sponsored facility and that provides nonresidential child care to children after school through an approved afterschool care program located in an eligible area.” An at-risk afterschool meal is defined as, “a meal that meets the requirements described in 226.20(b) (6) and/or (c) (1), (c) (2), or (c) (3), that is reimbursed at the appropriate free rate and is served by an At-risk

afterschool care center as defined in this section, which is located in a State designated by law or selected by the Secretary as directed by law.”

Recommendation

The Sponsor should ensure that meals are being served at the approved feeding site locations.

**5. Meals were not served during the approved feeding time**

Condition

A site review was completed on February 13, 2017 at Ridgetop Apartments. The approved feeding time was 5:45-6:15 p.m. The monitor arrived at 5:40 p.m. and stayed until 6:15 p.m. No meals were delivered, and no participants were served during the approved feeding time.

The daily meal count sheet for this date at Ridgetop Apartments indicates that 8 meals were served. These 8 meals were disallowed.

Criteria

Tennessee Department of Human Services Procedures Manual, Revised January 14, 2014, page 33, states that centers “Must serve all meals during the times identified in applications approved by the TDHS.”

Recommendation

The Sponsor should ensure that meals are served during the approved feeding site time.

**6. Attendance was incorrectly reported**

Condition

The Claim for Reimbursement for the month of February 2017 reported 1,950 participant days at the YMCA of Athens site. However, based on our review of the Sponsor’s records, we found that there were 421 participant days.

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 all participants are recorded as present only for their actual days of attendance.

## 7. Sponsor monitoring was not completed as required

### Condition

Monitoring forms for Lee Manor and Meigs Middle School were not completed, dated and signed by the site supervisor.

### Criteria

*Title 7 of the Code of Federal Regulations* Section §226.16 (d)(4)(i)(F)(iii) states, “Each Sponsoring organization must provide adequate supervisory and operational personnel for the effective management and monitoring of the program at all facilities it sponsors. Each sponsoring organization must employ monitoring staff sufficient to meet the requirements of paragraph (b)(1) of this section. Sponsoring organizations must review each facility three times each year, except as described in paragraph (d)(4)(iv) of this section. In addition: at least two of the three reviews must be unannounced; at least one unannounced review must include observation of a meal service; at least one review must be made during each new facility's first four weeks of Program operations; and not more than six months may elapse between reviews.”

### Recommendation

The Sponsor should ensure that the required monitoring is completed timely.

### **Technical Assistance Provided**

On March 23, 2017, the DHS monitoring staff explained site eligibility, how to perform point of service meal counts, and proper record keeping to the CEO. On April 10, 2017, monitoring staff explained how to maintain proper meal count documentation to the CEO and Program Director.

YMCA of Athens-McMinn County 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**

Based on the review, we determined that the Sponsor’s noncompliance with the applicable Federal and State regulations that govern the CACFP resulted in a total disallowed cost of **\$24,885.17**, 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](http://www.fiscal.treasury.gov/fsreports/rpt/cvfr/historical_rates.htm)

## **SUMMARY**

The Department has determined that YMCA of Athens-McMinn County is seriously deficient in its operation of the CACFP and that Chris Adams, Board Chair are responsible for the serious deficiencies.

You may not appeal the serious deficiency determination itself. If the Department proposes to terminate YMCA of Athens-McMinn County's CACFP agreement, or propose to disqualify YMCA of Athens-McMinn County and the 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.

YMCA of Athens-McMinn County may continue to participate in the CACFP during the corrective action period. The Department will pay any valid claims for reimbursement submitted by YMCA of Athens-McMinn County 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 October 2016, November 2016, December 2016, January 2017 and February, 2017.
2. Remit a check payable to the Department in the amount of \$24,885.17
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](mailto:Jackie.D.Yokley@tn.gov).

Sincerely,

A handwritten signature in black ink, appearing to read 'AV', with a long horizontal flourish extending to the right.

Allette Vayda  
Director, CACFP & SFSP

AV/ba

Enclosures

**EXHIBIT A**

**Verification of CACFP Sponsor of At Risk Afterschool Meals Program**

**Sponsor: YMCA of Athens-McMinn County**

**Review Month/Year: October 2016**

**Total Reimbursement: \$59,636.18**

<b>Program Area</b>	<b>Reported on Claim</b>	<b>Reconciled Meals to Meal Count Sheets</b>
Number of Days that CACFP Food Service was operated	21	21
Number of Sites	12	12
Total Attendance	26,395	26,395
Number of Supplements Served	13,843	13,843
Number of Suppers Served	14,080	14,022

<b>Site</b>	<b>Meal Type</b>	<b>Claimed</b>	<b>Reconciled</b>	<b>Difference</b>	<b>Disallowance</b>
<b>Niota Elementary</b>	Supper	450	450	0	-
<b>Athens YMCA</b>	Supper	1,540	1,540	0	-
<b>Athens MEWS</b>	Supper	1,369	1,369	0	-
<b>Wesley Methodist</b>	Supper	450	450	0	-
<b>Englewood Elem.</b>	Supper	1,845	1,845	0	-
<b>Etowah City School</b>	Supper	1,551	1,551	0	-
<b>Mtn. View Elem.</b>	Supper	525	490	-35	\$118.65
<b>Lee Manor</b>	Supper	2,023	2,020	-3	\$10.17
<b>Ridgetop Apts.</b>	Supper	1,342	1,342	0	-
<b>Meigs Middle</b>	Supper	2,985	2,965	-20	\$67.80
<b>Athens YMCA</b>	Snack	1,528	1,378	-150	\$129.00
<b>Meigs North Elem.</b>	Snack	6,225	6,225	0	0
<b>Meigs South Elem.</b>	Snack	6,090	6,240	150	+\$129.00
<b>Total Disallowance</b>					<b>\$196.62</b>

**EXHIBIT B**

**Verification of CACFP Sponsor of At Risk Afterschool Meals Program**

**Sponsor: YMCA of Athens-McMinn County**

**Review Month/Year: November 2016**

**Total Reimbursement: \$76,619.81**

<b>Program Area</b>	<b>Reported on Claim</b>	<b>Reconciled Meals to Meal Count Sheets</b>
Number of Days that CACFP Food Service was operated	22	22
Number of Sites	12	12
Total Attendance	36,229	36,229
Number of Supplements Served	19,720	12,913
Number of Suppers Served	17,599	16,245

<b>Site</b>	<b>Meal Type</b>	<b>Claimed</b>	<b>Reconciled</b>	<b>Difference</b>	<b>Disallowance</b>
<b>Niota Elementary</b>	Supper	600	450	-150	\$508.50
<b>Athens YMCA</b>	Supper	1,760	1,440	-320	\$1,084.80
<b>Athens MEWS</b>	Supper	1,570	1,516	-54	\$183.06
<b>Wesley Methodist</b>	Supper	690	510	-180	\$610.20
<b>Englewood Elem.</b>	Supper	2,746	2,809	+63	+\$213.57
<b>Etowah City School</b>	Supper	1,742	1,042	-700	\$2,373.00
<b>Mtn. View Elem.</b>	Supper	700	560	-140	\$474.60
<b>Lee Manor</b>	Supper	2,823	2,679	-144	\$488.16
<b>Ridgetop Apts.</b>	Supper	1,153	1,089	-64	\$216.96
<b>Meigs Middle</b>	Supper	3,815	4,150	+335	+\$1,135.65
<b>Athens YMCA</b>	Snack	1,090	240	-850	\$731.00
<b>Meigs North Elem.</b>	Snack	9,292	6,608	-2,684	\$2,308.24
<b>Meigs South Elem.</b>	Snack	9,338	6,065	-3,273	\$2,814.78
<b>Total Disallowance</b>					<b>\$10,444.08</b>

**EXHIBIT C**

**Verification of CACFP Sponsor of At Risk Afterschool Meals Program**

**Sponsor: YMCA of Athens-McMinn County**

**Review Month/Year: December 2016**

**Total Reimbursement: \$61,582.51**

<b>Program Area</b>	<b>Reported on Claim</b>	<b>Reconciled Meals to Meal Count Sheets</b>
Number of Days that CACFP Food Service was operated	22	22
Number of Sites	12	12
Total Attendance	25,133	25,133
Number of Supplements Served	11,372	11,372
Number of Suppers Served	15,281	12,857
Total Amount of Food Costs	XXXXXXXX	\$44,179.78
Total Amount of Eligible Food and Nonfood Costs	XXXXXXXX	\$51,720.25

<b>Site</b>	<b>Meal Type</b>	<b>Claimed</b>	<b>Reconciled</b>	<b>Difference</b>	<b>Disallowance</b>
<b>Niota Elementary</b>	Supper	330	0	-330	\$1,118.70
<b>Athens YMCA</b>	Supper	1,640	1,640	0	-
<b>Athens MEWS</b>	Supper	1,048	1,048	0	-
<b>Wesley Methodist</b>	Supper	360	240	-120	\$406.80
<b>Englewood Elem.</b>	Supper	2,850	2,850	0	-
<b>Etowah City School</b>	Supper	1,728	1,669	-59	\$200.01
<b>Mtn. View Elem.</b>	Supper	420	0	-420	\$1,423.80
<b>Lee Manor</b>	Supper	1,572	1,572	0	-
<b>Ridgetop Apts.</b>	Supper	713	0	-713	\$2,417.07
<b>Meigs Middle</b>	Supper	4,620	3,838	-782	\$2,650.98
<b>Athens YMCA</b>	Snack	1,520	1,520	0	0
<b>Meigs North Elem.</b>	Snack	4,980	4,980	0	0
<b>Meigs South Elem.</b>	Snack	4,872	4,872	0	0
<b>Total Disallowance</b>					<b>\$8,217.36</b>

**EXHIBIT D**

**Verification of CACFP Sponsor of At Risk Afterschool Meals Program**

**Sponsor: YMCA of Athens-McMinn County**  
**Review Month/Year: January 2017**  
**Total Reimbursement: \$63,170.61**

<b>Program Area</b>	<b>Reported on Claim</b>	<b>Reconciled Meals to Meal Count Sheets</b>
Number of Days that CACFP Food Service was operated	22	22
Number of Sites	12	12
Total Attendance	26,919	26,919
Number of Supplements Served	12,651	13,165
Number of Suppers Served	15,425	15,118

<b>Site</b>	<b>Meal Type</b>	<b>Claimed</b>	<b>Reconciled</b>	<b>Difference</b>	<b>Disallowance</b>
<b>Niota Elementary</b>	Supper	450	450	0	
<b>Athens YMCA</b>	Supper	1,590	1,670	80	+\$271.20
<b>Athens MEWS</b>	Supper	1,155	1,155	0	
<b>Wesley Methodist</b>	Supper	450	330	-120	\$406.80
<b>Englewood Elem.</b>	Supper	2,788	2,788	0	
<b>Etowah City School</b>	Supper	1,949	1,850	-99	\$335.61
<b>Mtn. View Elem.</b>	Supper	525	525	0	
<b>Lee Manor</b>	Supper	1,734	1,610	-124	\$420.36
<b>Ridgetop Apts.</b>	Supper	794	750	-44	\$149.16
<b>Meigs Middle</b>	Supper	3,990	3,990	0	
<b>Athens YMCA</b>	Snack	1,157	1,600	443	+\$380.98
<b>Meigs North Elem.</b>	Snack	5,810	6,225	415	+\$356.90
<b>Meigs South Elem.</b>	Snack	5,684	5,340	-344	\$295.84
<b>Total Overpayment</b>					<b>\$598.69</b>

**EXHIBIT E**

**Verification of CACFP Sponsor of At Risk Afterschool Meals Program**

**Sponsor: YMCA of Athens-McMinn County**

**Review Month/Year: February 2017**

**Total Reimbursement: \$31,988.23**

<b>Program Area</b>	<b>Reported on Claim</b>	<b>Reconciled Meals to Meal Count Sheets</b>
Number of Days that CACFP Food Service was operated	20	20
Number of Sites	12	12
Total Attendance	20,630	19,101
Number of Supplements Served	14,999	14,781
Number of Suppers Served	5,631	4,085
Total Amount of Food Costs	XXXXXXXX	\$36,738.12
Total Amount of Eligible Food and Nonfood Costs	XXXXXXXX	\$36,906.60

<b>Site</b>	<b>Meal Type</b>	<b>Claimed</b>	<b>Reconciled</b>	<b>Difference</b>	<b>Disallowance</b>
<b>Niota Elementary</b>	Supper	675	613	-62	\$210.18
<b>Athens YMCA</b>	Supper	490	421	-69	\$233.91
<b>Athens MEWS</b>	Supper	313	307	-6	\$20.34
<b>Wesley Methodist</b>	Supper	570	510	-60	\$203.40
<b>Englewood Elem.</b>	Supper	1,304	454	-850	\$2,881.50
<b>Etowah City School</b>	Supper	559	546	-13	\$44.07
<b>Mtn. View Elem.</b>	Supper	525	490	-35	\$118.65
<b>Lee Manor</b>	Supper	335	322	-13	\$44.07
<b>Ridgetop Apts.</b>	Supper	794	362	-432	\$1,464.48
<b>Meigs Middle</b>	Supper	66	60	-6	\$20.34
<b>Athens YMCA-snack</b>	Snack	1,460	421	-1,039	\$893.54
<b>Meigs North Elem.</b>	Snack	7,055	7,202	147	+\$126.42
<b>Meigs South Elem.</b>	Snack	6,484	7,158	674	\$579.64
<b>Total Disallowance</b>					<b>\$5,428.42</b>

**EXHIBIT F**

**Disallowed Meals Cost Totals**

**Disallowed Meals Cost Summary**

<b>Month</b>	<b>Questioned Costs</b>
October 2016	\$196.62
November 2016	\$10,444.08
December 2016	\$8,217.36
January 2017	\$598.69
February 2017	\$5,428.42
<b>Total Disallowed Meals Cost</b>	<b>\$24,885.17</b>



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**DANIELLE W. BARNES**  
COMMISSIONER

August 4, 2017

Chris Adams, Board Chair  
YMCA of Athens-McMinn County  
205 Knoxville Avenue  
Athens, Tennessee 37303

**Notice of payment due to findings disclosed in the monitoring report dated August 4, 2017, for Child and Adult Care Food Program (CACFP).**

Institution Name:	YMCA of Athens-McMinn County
Institution Address:	205 Knoxville Avenue Athens, Tennessee 37303
Agreement Number:	00-003
Amount Due:	\$24,885.17
Due Date:	September 4, 2017

Based on the monitoring report issued on August 4, 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 for disallowed meals cost.

Please remit a check or money order payable to the **Tennessee Department of Human Services** in the amount of \$24,885.17 by the due date to:

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

Please note that the unallowed cost / overpayment 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.

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](mailto: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;

Appeal Procedures for Child and Adult Care Food Program-Institutions  
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 16<sup>th</sup> 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

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](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.

**CORRECTIVE ACTION PLAN  
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.**

<b>Section A. Institution Information</b>	
<b>Name of Institution</b> YMCA of Athens-McMinn County	<b>CACFP Agreement No.</b> 00-003
<b>Mailing Address:</b> 205 Knoxville Avenue Athens, Tennessee 37303	
<b>Section B. Responsible Principal(s) and/or Individual(s)</b>	
<b>Name and Title:</b> Chris Adams, Board Chair	<b>Date of Birth (s):</b>
<b>Section C. Dates of Issuance of Monitoring Report/Corrective Action Plan</b>	
<b>SD Report:</b> August 4, 2017	<b>Corrective Action Plan:</b> August 4, 2017
<b>Section D. Findings</b>	
<b>Findings:</b>	
<ol style="list-style-type: none"> <li>1. The Sponsor reported incorrect meal counts</li> <li>2. The Sponsor served meals outside of approved times at two sites</li> <li>3. Meals were taken off site, and no meals were consumed at the feeding site</li> <li>4. Meals were not served at the approved feeding site</li> <li>5. Meals were not served during the approved feeding time The Sponsor improperly classified the eligibility of CACFP participants</li> <li>6. Attendance was incorrectly reported</li> <li>7. Sponsor monitoring was not completed as required</li> </ol>	

The following measures will be completed within **15 business 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 Sponsor served meals outside of approved times at two sites.**

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: Meals were taken off site, and no meals were consumed at the feeding site**

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: Meals were not served at the approved feeding site**

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. 5: Meals were not served during the approved feeding 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. 6: Attendance was incorrectly reported**

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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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?)

**Measure No. 7: Sponsor monitoring was not completed as required**

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?):

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.

Printed Name of Authorized Institution Official

Position

Signature of Authorized Institution Official

Date

Signature of Authorized TDHS Official

Date

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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