



**STATE OF TENNESSEE  
DEPARTMENT OF HUMAN SERVICES**

JAMES K. POLK BUILDING  
505 DEADERICK STREET  
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[www.tn.gov/humanservices](http://www.tn.gov/humanservices)

**BILL LEE**  
GOVERNOR

**DANIELLE W. BARNES**  
COMMISSIONER

March 25, 2019

Cathy Conn, Chairman of the Board  
Children's Corner Day Care Center  
1411 Oak Street  
Union City, Tennessee 38261-5425

Dear Ms. Conn,

The Department of Human Services (DHS) - Division of Audit Services staff conducted an unannounced on-site monitoring review of the Child and Adult Care Food Program (CACFP) at Children's Corner Day Care Center (Sponsor), Application Agreement number 00205, on February 07, 2018. The purpose of this review was to determine if the Sponsor complied with *Title 7 of the Code of Federal Regulations* (CFR) applicable parts, provider agreement, and applicable Federal and State regulations.

Background

CACFP Sponsors utilize meal count sheets to record the number of breakfast, lunch, supper, and supplement meals served. Meals served by participating Sponsors must meet the minimum guidelines set by the United States Department of Agriculture (USDA) and DHS to be eligible for reimbursement. The CACFP Sponsor reports the number of meals served through the DHS Tennessee Information Payment System (TIPS) for 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. In addition, we observed a p.m. supplement service on December 13, 2018.

Our review of the Sponsor's records for December 2018 disclosed the following:

- 1. The Sponsor reported the number of participants in the free, reduced-price, and paid categories incorrectly**

Condition

Based on our review of the Claim for Reimbursement for December 2018, we noted the Sponsor reported 44 participants in the free category, six (6) participants in the reduced-price

category, and 11 participants in the paid category. However, based on our review of the records available, we determined that there were 41 participants in the free category, eight (8) participants in the reduced-price category, and 12 participants in the paid category.

The differences were based on the following:

- The Sponsor did not have applications on file for two participants claimed in the free category. These two participants were reclassified as paid.
- There was one participant correctly classified as reduced-price on the application, but the participant was incorrectly reported as free. This participant was reclassified as reduced-price.
- There was one participant correctly classified as reduced-price on the application, but the participant was incorrectly reported as paid. This participant was reclassified as reduced-price.

As a result, the Sponsor over reported the number of participants in the free category by three, under reported the number of participants in the reduced price category by two and under reported the number of participants in the paid category by one. (See Exhibit)

***This is a repeat finding from a previous report dated June 09, 2016.***

#### Criteria

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

*Title 7 of the Code of Federal Regulations, Section 226.15(e)(2)* states, "All types of centers, except for emergency shelters and at-risk afterschool care centers, must maintain information used to determine eligibility for free or reduced-price meals in accordance with §226.23(e)(1). For child care centers, such documentation of enrollment must be updated annually, signed by a parent or legal guardian, and include information on each child's normal days and hours of care and the meals normally received while in care."

*Title 7 of the Code of Federal Regulations, Section 226.17(b)(8)* states, in part, "Child care centers shall collect and maintain documentation of the enrollment of each child, including information used to determine eligibility for free and reduced price meals in accordance with §226.23(e)(1)..."

#### Recommendation

The Sponsor should maintain all information used to determine eligibility, and ensure that each participant is classified and reported accurately based on categorical or income eligibility.

## **2. The Sponsor reported meal counts incorrectly**

#### Condition

Based on our review of the Claim for Reimbursement for December 2018, we noted that the Sponsor reported 960 a.m. supplements, 958 lunch meals, and 925 p.m. supplements served.

However, based on our review of the documents available, we noted that there were 967 a.m. supplements, 961 lunch meals, and 926 p.m. supplements claimed for reimbursement, prior to any meal disallowances.

As a result, the Sponsor under reported seven a.m. supplements, three lunch meals, and one p.m. supplement.

*This is a repeat finding from a previous report dated June 09, 2016.*

Criteria

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

Recommendation

The Sponsor should ensure that claims for reimbursement are completed correctly and based on accurate supporting documents.

**3. The Sponsor provided menus that contained grain-based desserts as a component**

Condition

The Sponsor's supplement menus for the following dated listed a grain based dessert as one of the two supplement components. Deficiencies were as follows:

<b>Date</b>	<b>Deficient component</b>	<b>Meal type and number served</b>
12/03/18	Menu listed: Trix cereal bar and 100% apple juice Deficient component: Trix cereal bar	49 P.M. Supplements
12/04/18	Menu listed: Blueberry pop tart and 100% apple juice Deficient component: Blueberry pop tart	51 A.M. Supplements
12/04/18	Menu listed: Apple cinnamon cereal bar and 100% apple juice Deficient component: Apple cinnamon cereal bar	50 P.M. Supplements
12/05/18	Menu listed: Strawberry nutri grain bar and milk Deficient component: Strawberry nutria grain bar	49 A.M. Supplements
12/05/18	Menu listed: Chocolate chip cookies and 100% apple juice Deficient component: Chocolate chip cookies	48 P.M. Supplements
12/06/18	Menu listed: Apple cinnamon nutri grain cereal bar and 100% apple juice Deficient component: Apple cinnamon cereal bar	51 P.M. Supplements
12/10/18	Menu listed: Trix cereal bar and 100% apple juice Deficient component: Trix cereal bar	48 P.M. Supplements
12/11/18	Menu listed: Blueberry pop tart and 100% apple juice Deficient component: Blueberry pop tart	49 A.M. Supplements
12/11/18	Menu listed: Apple cinnamon cheerios cereal bar and 100% apple juice Deficient component: Apple cinnamon cheerios cereal bar	47 P.M. Supplements

12/13/18	Menu listed: Short bread cookies and 100% apple juice Deficient component: Short bread cookies	51 P.M. Supplements
12/14/18	Menu listed: Trix cereal bar and 100% apple juice Deficient component: Trix cereal bar	44 P.M. Supplements
12/17/18	Menu listed: Trix cereal bar and 100% apple juice Deficient component: Trix cereal bar	46 P.M. Supplements
12/18/18	Menu listed: Blueberry pop tart and milk Deficient component: Blueberry pop tart	46 A.M. Supplements
12/18/19	Menu listed: Apple cinnamon nutri grain bar and 100% apple juice Deficient component: Apple cinnamon nutri grain bar	46 P.M. Supplements
12/19/18	Menu listed: Vanilla wafers and 100% apple juice Deficient component: Vanilla wafers	44 P.M. Supplements
12/20/18	Menu listed: Strawberry nutri grain bar and milk Deficient component: Strawberry nutri grain bar	51 A.M. Supplements
12/26/18	Menu listed: Blueberry nutri grain bar and 100% apple juice Deficient component: Blueberry nutri grain bar	25 P.M. Supplements
12/27/18	Menu listed: Apple cinnamon cereal bar and 100% apple juice Deficient component: Apple cinnamon cereal bar	39 P.M. Supplements
12/28/18	Menu listed: Blueberry pop tart and milk Deficient component: Blueberry pop tart	32 A.M. Supplements
12/28/18	Menu listed: Vanilla Wafers and 100% apple juice Deficient component: Vanilla Wafers	30 P.M. Supplements

Due to the new CACFP meal pattern requirements and emphasis on providing technical assistance during the implementation process, there were no meals disallowed.

#### Criteria

*Title 7 of the Code of Federal Regulations, Section 226.20(a)(4)(iii)* states, "Grain-based desserts do not count towards meeting the grains requirement."

#### Recommendation

The Sponsor should ensure menus meet the meal patterns established by the USDA.

#### **4. The Sponsor served cereals that did not meet the USDA meal component requirements**

##### Condition

Based on our review of the menus for supplement meals provided by the Sponsor, the menus were not in accordance with the USDA meal pattern requirements and listed the following deficiencies:

- Trix cereal was served for supplement as one of the two required components for the following dates. This cereal contains 10 grams of sugar per 31 grams of dry cereal. Deficiencies were as follows:

Date	Meal Type and number served
12/03/18	50 A.M. Supplements
12/14/18	48 A.M. Supplements
12/19/18	47 A.M. Supplements

- Froot Loops cereal was served for supplement as one of the two required components for the following dates. This cereal contains 7 grams of sugar per 21 grams of dry cereal. Disallowances were as follows:

Date	Meal type and number served
12/06/18	51 A.M. Supplements
12/12/18	52 A.M. Supplements
12/17/18	46 A.M. Supplements
12/27/18	39 A.M. Supplements

Due to the new CACFP meal pattern requirements and emphasis on providing technical assistance during the implementation process, there were no meals disallowed.

#### Criteria

*Title 7 of the Code of Federal Regulations, Section 226.20(a)(4)(ii)* states, "... Breakfast cereals must contain no more than 6 grams of sugar per dry ounce (no more than 21.2 grams sucrose and other sugars per 100 grams of dry cereal)...."

#### Recommendation

The Sponsor should ensure menus meet the meal patterns established by the USDA.

### **5. The Sponsor served juice more than once per day**

#### Condition

According to the menu provided by the Sponsor, juice was served more than the allowed one time per day. The menus listed the following deficiencies:

Date	Deficiency	Meal type and number served
12/04/18	A.M. supplement menu listed: Blueberry Pop tarts and 100% apple juice	51 A.M. Supplements
	P.M. supplement menu listed: Apple Cinnamon Cereal Bars and 100% apple juice	50 P.M. Supplements
12/07/18	A.M. supplement menu listed: Strawberry yogurt and 100% apple juice	50 P.M. Supplements
	P.M. supplement menu listed: Animal Cookies and 100% apple juice	50 P.M. Supplements
12/11/18	A.M. supplement menu listed: Blueberry Pop tarts and 100% apple juice	49 A.M. Supplements
		47 P.M. Supplements

	P.M. supplement menu listed: Apple Cinnamon Cereal bars and 100% apple juice	
12/14/18	A.M. supplement menu listed: Trix Cereal and 100% apple juice  P.M. supplement menu listed: Trix Cereal bar and 100% apple juice	48 A.M. Supplements  44 P.M. Supplements
12/19/18	A.M. supplement menu listed: Trix Cereal and 100% apple juice  P.M. supplement menu listed: Vanilla wafers and 100% apple juice	47 A.M. Supplements  44 P.M. Supplements
12/21/18	A.M. supplement menu listed: Strawberry yogurt and 100% apple juice  P.M. supplement menu listed: Animal crackers and 100% apple juice	45 A.M. Supplements  41 P.M. Supplements
12/26/18	A.M. supplement menu listed: Strawberry yogurt and 100% apple juice  P.M. supplement menu listed: Blueberry nutri grain bar and 100% Apple juice	27 A.M. Supplements  25 P.M. Supplements

Due to the new CACFP meal pattern requirements and emphasis on providing technical assistance during the implementation process, there were no meals disallowed.

Criteria

*Title 7 of the Code of Federal Regulations, Section 226.20 (a) (2)(i) "...Vegetable juice or fruit juice may only be served at one meal, including snack, per day."*

Recommendation

The Sponsor should ensure menus meet the meal patterns established by the USDA.

**6. The Sponsor provided infant menus that did not meet the USDA meal pattern requirements**

Condition

Based on a review of the infant menus provided by the Sponsor for December 2018, we noted that the USDA meal pattern requirements were not met. The infant menus provided listed the following deficiencies:

Infant HW, 10 months

<b>Date(s)</b>	<b>Missing Component</b>	<b>Type and number served</b>
12/03/18, 12/04/18, 12/05/18, 12/07/18, 12/10/18, 12/11/18, 12/12/18, 12/13/18, 12/14/18, 12/18/18, 12/19/18, 12/20/18, 12/21/18, 12/26/18, 12/27/18, 12/28/18, 12/31/18	Fruit or Vegetable	17 A.M. Supplements
12/03/18, 12/04/18, 12/05/18, 12/07/18, 12/10/18, 12/11/18, 12/12/18, 12/13/18, 12/14/18, 12/18/18, 12/19/18, 12/20/18, 12/21/18, 12/26/18, 12/27/18, 12/28/18, 12/31/18	Fruit or Vegetable	17 P.M. Supplements

Infant UC, 6 months

<b>Date(s)</b>	<b>Missing Component</b>	<b>Type and number served</b>
12/03/18, 12/07/18, 12/10/18, 12/11/18, 12/12/18, 12/13/18, 12/14/18, 12/17/18, 12/18/18, 12/19/18, 12/20/18, 12/21/18, 12/26/18, 12/27/18	Fruit or Vegetable and IFIC/Bread/Cracker	14 A.M. Supplements
12/03/18, 12/04/18, 12/07/18, 12/10/18, 12/11/18, 12/12/18, 12/13/18, 12/14/18, 12/17/18, 12/18/18, 12/26/18, 12/27/18	Fruit or Vegetable and IFIC/Bread/Cracker	12 P.M. Supplements

Infant KK, 7 months

<b>Date(s)</b>	<b>Missing Component</b>	<b>Type and number served</b>
12/03/18, 12/04/18, 12/05/18, 12/06/18, 12/10/18, 12/11/18, 12/12/18, 12/13/18, 12/14/18, 12/17/18, 12/18/18, 12/19/18, 12/20/18, 12/21/18, 12/26/18, 12/27/18, 12/28/18, 12/31/18	Fruit or Vegetable and IFIC/Bread/Cracker	18 A.M. Supplements
12/03/18, 12/04/18, 12/05/18, 12/06/18, 12/10/18, 12/11/18, 12/12/18, 12/13/18, 12/14/18, 12/17/18, 12/18/18, 12/19/18, 12/20/18, 12/21/18, 12/26/18, 12/27/18, 12/28/18, 12/31/18	Fruit or Vegetable and IFIC/Bread/Cracker	18 P.M. Supplements

Infant AM, 7 months

<b>Date(s)</b>	<b>Missing Component</b>	<b>Type and number served</b>
12/07/18, 12/10/18, 12/11/18, 12/12/18, 12/13/18, 12/14/18, 12/19/18, 12/21/18, 12/27/18, 12/28/18, 12/31/18	Fruit or Vegetable and IFIC/Bread/Cracker	11 A.M. Supplements
12/07/18, 12/10/18, 12/11/18, 12/12/18, 12/13/18, 12/14/18, 12/19/18, 12/21/18, 12/27/18, 12/28/18, 12/31/18	Fruit or Vegetable and IFIC/Bread/Cracker	11 P.M. Supplements

Infant LS, 10 months

<b>Date(s)</b>	<b>Missing Component</b>	<b>Type and number served</b>
12/04/18, 12/05/18, 12/06/18, 12/07/18, 12/10/18, 12/13/18, 12/14/18, 12/17/18, 12/18/18, 12/19/18, 12/20/18, 12/21/18,	Fruit or Vegetable	12 A.M. Supplements
12/07/18, 12/10/18	Fruit or Vegetable	2 P.M. Supplements

As a result, 72 a.m. supplements were disallowed and 60 p.m. supplements were disallowed.

#### Criteria

*Title 7 of the Code of Federal Regulations, Section 226.20 (b) (ii)(B)* in regards to an infant aged 6-11 months states, “Snack. Two to 4 fluid ounces of breastmilk or iron-fortified infant formula; and 0 to ½ slice bread; or 0-2 crackers; or 0-4 tablespoons infant cereal or ready-to-eat cereals; and 0 to 2 tablespoons of vegetable or fruit, or portions of both. Fruit juices and vegetable juices must not be served. A serving of grains must be whole grain-rich, enriched meal, or enriched flour.”

#### Recommendation

The Sponsor should ensure menus meet the meal patterns established by the USDA.

### **7. The Sponsor reported the number of attendance days incorrectly**

#### Condition

Based on our review of the Claim for Reimbursement for December 2018, the Sponsor reported 960 participant days. However, we noted that there were 959 participant days.

#### Criteria

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

#### Recommendation

The Sponsor should ensure that all attendance is maintained and reported according to supporting documentation.

### **8. The reported number of lunch meals served exceeds the verified attendance**

#### Condition

Based on the meal count documentation provided, the number of lunch meals exceeded the attendance by two. According to the documentation, 961 lunch meals were served and there was a total of 959 attendance days verified. The number of meals served cannot exceed the verified attendance.

As a result, two lunch meals claimed for reimbursement were disallowed.

## Criteria

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

## Recommendation

The Sponsor should ensure that the number of meals claimed for reimbursement does not exceed the reported attendance.

### **9. The Sponsor did not provide enrollment information for participants**

#### Condition

During our monitoring visit, there were three participants on the attendance roster for whom the provider did not provide enrollment information.

*This is a repeat finding from a previous report dated June 09, 2016.*

#### Criteria

*Title 7 of the Code of Federal Regulations, Section 226.17(b)(8)* states, "Child care centers shall collect and maintain documentation of the enrollment of each child, including information used to determine eligibility for free and reduced price meals in accordance with §226.23(e)(1). ..."

The USDA policy memorandum, CACFP 15-2013 Existing Flexibilities in the Child and Adult Care Food Program states, "CACFP regulations require that institutions maintain documentation for participants enrolled to receive care [7 CFR 226.15(e)(2) and (e)(3)]. Documentation of participant's enrollment must include information on normal days and hours of care and the meals the participant normally receives while in care...."

#### Recommendation

The Sponsor should ensure that all enrollment information is collected as required and maintained on file.

### **10. An annual inventory of food or non-food purchases was not maintained**

#### Condition

The Sponsor did not maintain an annual inventory of food and non-food items purchased with CACFP funds. As a result, we could not determine if excess CACFP funds exist.

#### Criteria

The Independent Center Child Care A Child and Adult Care Food Program Handbook, pages 56-57, in part states, "Many State agencies require the calculation of the "cost of food used" at the end of each month. .... Other State agencies may, however, require an inventory to be taken once a year so centers can make adjustments in the cost of food on an annual basis. In this case, the same procedure as for the monthly inventory would be followed, but only once a year.... Costs of Nonfood Supplies Nonfood supplies include small kitchen equipment, paper goods, such as napkins and plates, and cleaning supplies used directly for the food service

operation. Itemized receipts or invoices must be kept on file as documentation. State agencies may require a monthly or yearly inventory of these supplies.”

#### Recommendation

The Sponsor should ensure an inventory is completed annually for food and nonfood supplies purchased with CACFP funds.

### **11. The Sponsor did not provide evidence of adequate oversight by a governing board**

#### Condition

The Sponsor did not provide board minutes from the current fiscal year as evidence of adequate oversight by the Sponsor’s governing board.

#### Criteria

*Title 7 of the Code of Federal Regulations, Section 226.6(b)(xviii)(C)(1) “Governing board of directors. Has adequate oversight of the Program by an independent governing board of directors as defined at §226.2;”*

*Title 7 of the Code of Federal Regulations, Section 226.2 states, “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 maintain documentation which supports adequate oversight by the governing board.

**Note:** Our observation of the p.m. supplement service on December 13, 2018 revealed no deficiencies.

### **Technical Assistance Provided**

The Sponsor requested and was provided technical assistance regarding meal pattern requirements, infant menus and record keeping requirements.

### **Disallowed Meals Cost**

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 \$194.61

### **Corrective Action**

The Sponsor must complete the following actions within 30 days from the date of this report:

- Log into the Tennessee Information Payment System (TIPS) and revise the claim submitted for December 2018, which contains the verified claim data from the enclosed

exhibit. **Please note that, if the claim is revised**, TIPS will automatically deduct the overpayment from your next CACFP claim for reimbursement. **OR**

- If you are no longer participating in the CACFP program, remit a check payable to the **Tennessee Department of Human Services** in the amount noted in the report for recovery of the amounts disallowed in this report. ***Please return the attached billing notice with your check***; and
- Prepare and submit a corrective action plan to address the deficiencies identified in this report. The corrective action plan template is attached. Please return the corrective action plan to:

AuditServices.CAPS.DHS@tn.gov

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

Allette Vayda, Director of Operations  
Child and Adult Care Food Program  
James K. Polk Building, 15<sup>th</sup> Floor  
505 Deaderick Street  
Nashville, Tennessee 37243  
Allette.Vayda@tn.gov  
(615) 313-3769

Please note that the amount of disallowed cost is subject to an interest charge. The interest charge will be waived if your revised claim is completed within 30 days from the date of this report. If the revised claim is not completed by the 30-day deadline, an interest charge may be billed to your institution. Please mail your check and the billing notice to:

Child and Adult Care Food Program  
Fiscal Services  
, James K. Polk Building, 16<sup>th</sup> Floor  
505 Deaderick Street  
Nashville, Tennessee 37243

In accordance with the federal regulation found at 7 *CFR Part 226.6 (k)*, your institution may appeal the amount of disallowed cost identified in this monitoring report. The procedures for submitting an appeal are enclosed. 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 disallowed administrative and meal costs, all appeal procedures must be followed as failure to do so may result in the denial of your request for an appeal.

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

Sincerely,



Sam O. Alzoubi, CFE  
Director of Audit Services

Exhibit

cc: Angie Haynes, Co-Director, Children's Corner Day Care Center  
Lori Riley, Co-Director, Children's Corner Day Care Center  
Allette Vayda, Director of Operations, Child and Adult Care Food Programs  
Debra Pasta, Program Manager, Child and Adult Care Food Program  
Elke Moore, Administrative Services Assistant 3, Child and Adult Care Food Program  
Constance Moore, Program Specialist, Child and Adult Care Food Program  
Marty Widner, Program Specialist, Child and Adult Care Food Program  
Comptroller of the Treasury, State of Tennessee

**EXHIBIT**

**Verification of CACFP Independent Center Claim**

**Name of Agency: Children's Corner Day Care Center**

**Review Month/Year: December 2018**

**Total Meal Reimbursement Received: \$4,186.73**

<b>Site Meal Service Reconciliation and Monitor Activity</b>	<b>Reported on Claim</b>	<b>Reconciled to Documentation</b>
Total Days of CACFP Food Service	19	19
Total Attendance	960	959
Number of A.M. Supplements Served	960	895
Number of Lunches Served	958	959
Number of P.M. Supplements Served	925	866
Number of Participants in Free Category	44	41
Number of Participants in Reduced-Price Category	6	8
Number of Participants in Paid Category	11	12
Total Number of Participants	61	61
Total Amount of Eligible Food Costs	XXXXXXXX	\$1,392.09
Total Amount of Eligible Food and Non-Food Costs	XXXXXXXX	\$1,763.13



**STATE OF TENNESSEE  
DEPARTMENT OF HUMAN SERVICES**

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**BILL LEE**  
GOVERNOR

**DANIELLE W. BARNES**  
COMMISSIONER

March 25, 2019

Cathy Conn, Chairman of the Board  
Children's Corner Day Care Center  
1411 Oak Street  
Union City, Tennessee 38261-5425

**Notice of payment due to findings disclosed in the monitoring report for Child and Adult Care Food Program (CACFP)**

Institution Name:	Children's Corner Day Care Center
Institution Address:	1411 Oak Street Union City, Tennessee 38261-5425
Agreement Numbers:	00205
Amount Due:	\$194.61
Due Date:	April 25, 2019

Based on the monitoring report issued, by the Division of Audit Services within the Tennessee Department of Human Services, the Community and Social Services- Food Programs- CACFP & SFSP management has agreed with the findings which require your institution to reimburse the Department of Human Services the disallowed cost noted in the report

Please remit a check or money order payable to the *Tennessee Department of Human Services* in the amount noted above by the due date to:

**Fiscal Services  
James K. Polk Building, 16<sup>th</sup> Floor  
505 Deaderick Street  
Nashville, Tennessee 37243  
Tennessee Department of Human Services**

Please note that the disallowed meals 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 of Operations at (615) 313-3769 or [Allette.Vayda@tn.gov](mailto:Allette.Vayda@tn.gov).

Thank you for your attention



# Corrective Action Plan for Monitoring Findings

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

**Please return ALL pages of the completed Corrective Action Plan form.**

## Section A. Institution Information

Name of Sponsor/Agency/Site: Children's Corner Day Care Center	Agreement No. 00205	<input type="checkbox"/> SFSP <input checked="" type="checkbox"/> CACFP
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Mailing Address: 1411 Oak Street Union City, Tennessee 38261-5425

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

Name and Title: Cathy Conn, Chairman of the Board	Date of Birth: / /
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## Section C. Dates of Issuance of Monitoring Report/Corrective Action Plan

Monitoring Report: 3/25/2019	Corrective Action Plan: 3/25/2019
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## Section D. Findings

Findings:

1. The Sponsor reported the number of participants in the free, reduced-price, and paid categories incorrectly
2. The Sponsor reported meal counts incorrectly
3. The Sponsor provided menus that contain grain-based desserts as a component
4. The Sponsor served cereals that did not meet the USDA meal component requirements
5. The Sponsor served juice more than once per day
6. The Sponsor provided infant menus that did not meet the USDA meal pattern requirements
7. The Sponsor reported the number of attendance days incorrectly
8. The reported number of lunch meals served exceeds the verified attendance
9. The Sponsor did not provide enrollment information for participants
10. An annual inventory of food or non-food purchases was not maintained
11. The Sponsor did not provide evidence of adequate oversight by a governing board

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

**Measure No. 1: The Sponsor reported the number of participants in the free, reduced-price, and paid categories incorrectly**

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 reported meal counts incorrectly**

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: The Sponsor provided menus that contain grain-based desserts as component**

The finding will be fully and permanently corrected.

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

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

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

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

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

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

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

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**Measure No. 4: The Sponsor served cereals that did not meet the USDA meal component 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:

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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: The Sponsor served juice more than once per day**

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: The Sponsor provided infant menus that did not meet the USDA meal pattern 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:

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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. 7: The Sponsor reported the number of attendance days incorrectly**

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. 8: The reported number of lunch meals served exceeds the verified 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:

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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. 9: The Sponsor did not provide enrollment information for participants**

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. 10: An annual inventory of food or non-food purchases was not maintained**

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. 11: The Sponsor did not provide evidence of adequate oversight by a governing board**

The finding will be fully and permanently corrected.

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

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

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

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

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

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

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

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

Printed Name of Authorized Institution Official:

Position:

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

Date: / /

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

Date: / /

## **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;

- (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

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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](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.