



**STATE OF TENNESSEE
DEPARTMENT OF HUMAN SERVICES**

JAMES K. POLK BUILDING
505 DEADERICK STREET
NASHVILLE, TENNESSEE 37243
TELEPHONE: 615-313-4700 FAX: 615-741-4165
TTY: 1-800-270-1349
www.tn.gov/humanservices

BILL LEE
GOVERNOR

DANIELLE W. BARNES
COMMISSIONER

February 6, 2019

Ms. Ebony Harris, Owner
In Good Hands Learning Center
2752 B North Highland
Jackson, Tennessee 38305-7600

Dear Ms. Harris,

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 In Good Hands Learning Center (Sponsor), Application Agreement number 00696, on December 20, 2018. 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 one feeding site operating during the review period. In Good Hands Learning Center was selected as the sample.

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) to seek reimbursement. We inspected meal counts sheets for our test period and reconciled the meals claimed to the meals reported as served for each meal service. We also assessed compliance with civil rights requirements. In addition, we observed a supplement service on November 5, 2018.

Our review of the Sponsor's records for November 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 the test month, we noted that the Sponsor reported 27 participants in the free category, three (3) participants in the reduced-price category, and nine (9) participants in the paid category. However, based on our review of the records available, we found there were 23 participants in the free category, two (2) participants in the reduced-price category, and 14 participants in the paid category.

The differences were based on the following:

- There were two participants that were classified as free but did not have an application on file for the review month. These two participants were reclassified as paid.
- There were two participants that were classified as reduced-price on their application but did not have the adult's social security number (last four digits required) documented. These participants were reclassified as paid.
- There was one participant that was classified as free on their application but did not have the adult's social security number (last four digits required) documented. This participant was reclassified as paid.
- There was one participant reported in the free category that was determined to be eligible for reduced-price. This participant was reclassified as reduced-price.

As a result, the Sponsor overreported the number of participants in the free category by four (4), overreported reduced-price by one (1), and underreported the number of participants in the paid category by five (5) participants. (See Exhibit)

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 the test month, we noted that the Sponsor reported 522 breakfast meals, 560 lunch meals, and 534 supplements served. However, based on our review of available documents, we found that there were 506 breakfast meals, 560 lunch meals, and 534 supplements supported as served, prior to any meal disallowances.

As a result, 16 breakfast meals claimed were over reported. (See Exhibit)

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 claims for reimbursement are completed correctly and based on accurate supporting documents.

3. The Sponsor provided menus that did not meet USDA meal pattern requirements

Condition

Based on our review of the menus provided by the Sponsor for the test month, one menu provided did not meet the USDA meal pattern requirements. The lunch menu for November 8, 2018, listed 1% milk and whole milk, mac and cheese with added cheese, pears and whole grain bread. There was no second fruit/vegetable listed as being served.

As a result, 26 lunch meals were disallowed.

Criteria

Title 7 of the Code of Federal Regulations, Section 226.17(b)(4) states, "Each child care center participating in the Program shall claim only the meal types specified in its approved application in accordance with the meal pattern requirements specified in §226.20 ..."

Title 7 of the Code of Federal Regulations, Section 226.17(b)(4) states, "Each child care center participating in the Program shall claim only the meal types specified in its approved application in accordance with the meal pattern requirements specified in §226.20..."

Title 7 of the Code of Federal Regulations, Section 226.20(c)(2) states, "Fluid milk, meat and meat alternatives, vegetable, fruits, and grains are required components in the lunch and supper meals."

Recommendation

The Sponsor should ensure menus meet the USDA meal pattern requirements.

4. The Sponsor did not provide menus as required

Condition

The Sponsor did not provide infant menus for November 1, 2018, through November 7, 2018. As a result, we could not determine if any creditable meals were served during the review period; therefore, all meals were disallowed.

As a result, 29 breakfast meals, 32 lunch meals, and 32 supplements were disallowed.

Criteria

FNS Instructions 796-2, Rev, 4, states, "Menu records that identify the meal components served to participants must be maintained. Menu records must be updated to reflect changes to planned menus so that the menu records reflect the actual meal components and foods served to the participants."

Recommendation

The Sponsor should ensure all records are maintained and available and on-site for authorized officials' review.

5. The Sponsor provided infant menus that did not meet the CACFP meal pattern

Condition

Based on our review of the infant menus provided by the Sponsor for the test month, we noted the menus provided did not meet the USDA meal pattern requirements. An infant birth through 5 months must be served 4-6 fluid ounces of breastmilk or iron-fortified infant formula (IFIF) for breakfast, snack, lunch, and dinner. An infant 6 through 11 months must be served 6-8 fluid ounces breastmilk or iron-fortified formula (IFIF); and 0-4 tablespoons iron-fortified infant cereal, meat, fish, poultry, whole egg, cooked dry beans or peas; 0-2 ounces cheese; or 0-4 ounces cottage cheese; or 0-4 ounces or ½ cup of yogurt; or a combination of the before mentioned items; and 0-2 tablespoons vegetable or fruit or a combination of both for breakfast, lunch, and supper. An infant aged 6-11 months must be served 2-4 fluid ounces breastmilk or iron-fortified(IFIF) formula; and 0 to 1/2 slice bread; or 0-2 crackers; or 0-4 tablespoons infant cereal or ready-to-eat cereals with the supplement meal when the infant is developmentally ready. This component is optional until introduced to the infant's diet then required. The menus provided for infants had deficiencies and listed the following:

Infant: NW, 3 Months

Date	Menu Deficiency	Deficient Meal
11/16/18	Missing Component: breast milk or iron-fortified infant formula Menu Listed: No supplement menu	1 Supplement
11/19/18	Missing Component: breast milk or iron-fortified infant formula Menu Listed: No supplement menu	1 Supplement
11/20/18	Missing Component: breast milk or iron-fortified infant formula Menu Listed: No supplement menu	1 Supplement
11/21/18	Missing Component: breast milk or iron-fortified infant	1 Lunch

	formula Menu Listed: No lunch or supplement menu	1 Supplement
11/28/18	Missing Component: breast milk or iron-fortified infant formula Menu Listed: No supplement menu	1 Supplement
11/29/18	Missing Component: breast milk or iron-fortified infant formula Menu Listed: No supplement menu	1 Supplement

Infant: HW, 4 Months

Date	Menu Deficiency	Deficient Meal
11/08/18	Missing Component: breast milk or iron-fortified infant formula Menu Listed: No breakfast, lunch or supplement menu	1 Breakfast 1 Lunch 1 Supplement
11/9/18	Missing Component: breast milk or iron-fortified infant formula Menu Listed: No supplement menu	1 Supplement
11/14/18	Missing Component: breast milk or iron-fortified infant formula Menu Listed: No breakfast, lunch or supplement menu	1 Breakfast 1 Lunch 1 Supplement
11/16/18	Missing Component: breast milk or iron-fortified infant formula Menu Listed: No supplement menu	1 Supplement
11/20/18 11/21/18 11/28/18 11/29/18	Missing Component: breast milk or iron-fortified infant formula Menu Listed: No breakfast, lunch, or supplement menus	4 Breakfasts 4 Lunches 4 Supplements

Infant: JC, 5 months

Date	Menu Deficiency	Deficient Meal
11/16/18	Missing Component: breast milk or iron-fortified infant formula Menu Listed: No breakfast menu	1 Breakfast
11/20/18	Missing Component: breast milk or iron-fortified infant formula Menu Listed: No supplement menu	1 Supplement
11/26/18	Missing Component: breast milk or iron-fortified infant formula Menu Listed: No supplement menu	1 Supplement

Infant: MJ, 7 months

Date	Menu Deficiency	Deficient Meal
11/08/18	Missing Component: Breakfast - breast milk or iron-fortified infant formula; iron-fortified infant cereal or meat/meat alternative; and	1 Breakfast 1 Lunch 1 Supplement

	<p>vegetable or fruit or a combination of both Menu Listed- No breakfast menu Lunch - iron-fortified infant cereal or meat/meat alternative; and vegetable or fruit or a combination of both Menu Listed: iron-fortified infant formula Supplement - bread, crackers, infant cereal or ready to eat breakfast cereal; and vegetable or fruit, or a combination of both Menu Listed: iron-fortified infant formula</p>	
11/09/18	<p>Missing Component: Breakfast/Lunch - Iron-fortified infant cereal or meat/meat alternative; and vegetable or fruit or a combination of both Menu Listed: iron-fortified infant formula Supplement - breast milk or iron-fortified infant formula; bread, crackers, infant cereal or ready to eat breakfast cereal; and vegetable or fruit, or a combination of both Menu Listed: No supplement menu</p>	<p>1 Breakfast 1 Lunch 1 Supplement</p>
11/13/18	<p>Missing Component: Breakfast/Lunch- iron-fortified infant cereal or meat/meat alternative; and vegetable or fruit or a combination of both Menu listed: iron-fortified infant formula Supplement - Bread, crackers, infant cereal or ready to eat breakfast cereal; and vegetable or fruit, or a combination of both Menu Listed: iron-fortified infant formula</p>	<p>1 Breakfast 1 Lunch 1 Supplement</p>
11/14/18	<p>Missing Component: Breakfast/Lunch- iron-fortified infant cereal or meat/meat alternative; and vegetable or fruit or a combination of both Menu listed: iron-fortified infant formula Supplement - breast milk or iron-fortified infant formula; bread, crackers, infant cereal or ready to eat breakfast cereal; and vegetable or fruit, or a combination of both Menu Listed: No supplement menu</p>	<p>1 Breakfast 1 Lunch 1 Supplement</p>
11/16/18	<p>Missing Component: Breakfast - breast milk or iron-fortified infant formula Menu Listed: applesauce and granola Lunch - iron-fortified infant cereal or meat/meat alternative; and vegetable or fruit or a combination of both Menu Listed: iron-fortified infant formula Supplement - breast milk or iron-fortified infant formula; bread, crackers, infant cereal or ready to eat breakfast cereal; and vegetable or fruit, or a combination of both Menu Listed: No supplement menu</p>	<p>1 Breakfast 1 Lunch 1 Supplement</p>
11/19/18	<p>Missing Component: Breakfast - iron-fortified infant cereal or meat/meat alternative Menu listed Apple, banana and iron-fortified infant</p>	<p>1 Breakfast 1 Lunch 1 Supplement</p>

	<p>formula</p> <p>Lunch- iron-fortified infant cereal or meat/meat alternative; and vegetable or fruit or a combination of both</p> <p>Menu listed: iron-fortified infant formula</p> <p>Supplement - breast milk or iron-fortified infant formula; bread, crackers, infant cereal or ready to eat breakfast cereal; and vegetable or fruit, or a combination of both</p> <p>Menu Listed: No supplement menu</p>	
11/20/18	<p>Missing Component:</p> <p>Breakfast - breast milk or iron-fortified infant formula; iron-fortified infant cereal or meat/meat alternative; and vegetable or fruit or a combination of both</p> <p>Menu listed: No breakfast menu</p> <p>Lunch – iron-fortified infant cereal or meat/meat alternative; and vegetable or fruit or a combination of both</p> <p>Menu listed: iron-fortified infant formula</p> <p>Supplement – Bread, crackers, infant cereal or ready to eat breakfast cereal; and vegetable or fruit, or a combination of both</p> <p>Menu Listed: iron-fortified infant formula</p>	<p>1 Breakfast 1 Lunch 1 Supplement</p>
11/21/18	<p>Missing Component:</p> <p>Breakfast - iron-fortified infant cereal or meat/meat alternative; and vegetable or fruit or a combination of both</p> <p>Menu listed: iron-fortified infant formula</p> <p>Lunch - iron-fortified infant cereal or meat/meat alternate; and vegetable or fruit or a combination of both</p> <p>Menu listed: iron-fortified infant formula and macaroni and cheese</p> <p>Supplement - Bread, crackers, infant cereal or ready to eat breakfast cereal; and vegetable or fruit, or a combination of both</p> <p>Menu Listed: iron-fortified infant formula</p>	<p>1 Breakfast 1 Lunch 1 Supplement</p>
11/26/18	<p>Missing Component:</p> <p>Lunch - iron-fortified infant cereal or meat/meat alternative; and vegetable or fruit or a combination of both</p> <p>Menu listed: iron-fortified infant formula</p> <p>Supplement - Bread, crackers, infant cereal or ready to eat breakfast cereal; and vegetable or fruit, or a combination of both</p> <p>Menu Listed: iron-fortified infant formula</p>	<p>1 Lunch 1 Supplement</p>
11/27/18	<p>Missing Component:</p> <p>Breakfast - iron-fortified infant cereal or meat/meat alternative</p> <p>Menu Listed: Banana-Mango, Orange, and iron-fortified infant formula</p>	<p>1 Breakfast</p>
11/28/18	<p>Missing Component:</p> <p>Breakfast – iron-fortified infant cereal or meat/meat alternative; and vegetable or fruit or a combination of</p>	<p>1 Breakfast 1 Supplement</p>

	<p>both Menu listed: no breakfast menu Supplement – breast milk or iron-fortified infant formula; bread, crackers, infant cereal or ready to eat breakfast cereal; and vegetable or fruit, or a combination of both Menu Listed: iron-fortified infant formula</p>	
11/29/18	<p>Missing Component: Breakfast - breast milk or iron-fortified infant formula; iron-fortified infant cereal or meat/meat alternative; and vegetable or fruit or a combination of both Menu Listed: No breakfast menu Lunch- iron-fortified infant cereal or meat/meat alternative; and vegetable or fruit or a combination of both Menu Listed: iron-fortified infant formula Supplement - Bread, crackers, infant cereal or ready to eat breakfast cereal; and vegetable or fruit, or a combination of both Menu Listed: iron-fortified infant formula</p>	<p>1 Breakfast 1 Lunch 1 Supplement</p>
11/30/18	<p>Missing Component: Breakfast/Lunch - iron-fortified infant cereal or meat/meat alternative; and vegetable or fruit or a combination of both Menu listed: iron-fortified infant formula Supplement - Bread, crackers, infant cereal or ready to eat breakfast cereal; and vegetable or fruit, or a combination of both Menu Listed: iron-fortified infant formula</p>	<p>1 Breakfast 1 Lunch 1 Supplement</p>

Infant: TW, 7 months

Date	Menu Deficiency	Deficient Meal
11/08/18	<p>Missing Component: Breakfast - iron-fortified infant cereal or meat/meat alternative Menu listed: iron-fortified infant formula and banana Lunch - iron-fortified infant cereal or meat/meat alternative; and vegetable or fruit or a combination of both Menu listed: iron-fortified infant formula Supplement - Bread, crackers, infant cereal or ready to eat breakfast cereal; and vegetable or fruit, or a combination of both Menu Listed: No supplement menu</p>	<p>1 Breakfast 1 Lunch 1 Supplement</p>
11/09/18	<p>Missing Component: Breakfast - breast milk or iron-fortified infant formula Menu listed: cinnamon granola and banana Lunch - breast milk or iron-fortified infant formula; iron-fortified infant cereal or meat/meat alternative Menu listed: sweet potatoes Supplement - Bread, crackers, infant cereal or ready to eat breakfast cereal and IFIF</p>	<p>1 Breakfast 1 Lunch 1 Supplement</p>

	Menu Listed: apple/banana/strawberry	
11/13/18	<p>Missing Component: Breakfast – A vegetable or fruit or a combination of both Menu listed: iron-fortified infant formula and oatmeal Lunch - iron-fortified infant cereal or meat/meat alternative Menu listed: iron-fortified infant formula Supplement - breast milk or iron-fortified infant formula; bread, crackers, infant cereal or ready to eat breakfast cereal; and vegetable or fruit, or a combination of both Menu Listed: No supplement menu</p>	<p>1 Breakfast 1 Lunch 1 Supplement</p>
11/14/18	<p>Missing Component: Breakfast /Lunch- breast milk or iron-fortified infant formula; iron-fortified infant cereal or meat/meat alternative; a vegetable or fruit or a combination of both Menu Listed: no dated menu Supplement - breast milk or iron-fortified infant formula; bread, crackers, infant cereal or ready to eat breakfast cereal; and vegetable or fruit, or a combination of both Menu Listed: No dated menu</p>	<p>1 Breakfast 1 Lunch 1 Supplement</p>
11/16/18	<p>Missing Component: Breakfast/Lunch – iron-fortified infant cereal or meat/meat alternative; a vegetable or fruit or a combination of both Menu listed: iron-fortified infant formula Supplement – Bread, crackers, infant cereal or ready to eat breakfast cereal; and vegetable or fruit, or a combination of both Menu Listed: iron-fortified infant formula</p>	<p>1 Breakfast 1 Lunch 1 Supplement</p>
11/19/18 11/20/18 11/21/18 11/26/18	<p>Missing Component: Breakfast/Lunch- breast milk or iron-fortified infant formula; iron-fortified infant cereal or meat/meat alternative; a vegetable or fruit or a combination of both Menu Listed: No dated menus Supplement - breast milk or iron-fortified infant formula; bread, crackers, infant cereal or ready to eat breakfast cereal; and vegetable or fruit, or a combination of both Menu Listed: No dated menu</p>	<p>4 Breakfasts 4 Lunches 4 Supplements</p>
11/27/18	<p>Missing Component: Breakfast- iron-fortified infant cereal or meat/meat alternative Menu listed: iron-fortified infant formula and banana Lunch- iron-fortified infant cereal or meat/meat alternative Menu listed: iron-fortified infant formula, apple and squash Supplement – Bread, crackers, infant cereal or ready to eat breakfast cereal; and vegetable or fruit, or a combination of both Menu Listed: iron-fortified infant formula</p>	<p>1 Breakfast 1 Lunch 1 Supplement</p>
11/28/18	Missing Component:	2 Breakfasts

11/29/18	<p>Breakfast/Lunch- breast milk or iron-fortified infant formula; iron-fortified infant cereal or meat/meat alternative; a vegetable or fruit or a combination of both Menu Listed: no dated menus</p> <p>Supplement – breast milk or iron-fortified infant formula; bread, crackers, infant cereal or ready to eat breakfast cereal; and vegetable or fruit, or a combination of both Menu Listed: No dated menu</p>	<p>2 Lunches 2 Supplements</p>
11/30/18	<p>Missing Component: Breakfast – iron-fortified infant cereal or meat/meat alternative Menu listed: iron-fortified infant formula, mango, pears, spinach</p> <p>Lunch- breast milk or iron-fortified infant formula; iron-fortified infant cereal or meat/meat alternative Menu listed: bananas and sweet potatoes</p> <p>Supplement – Bread, crackers, infant cereal or ready to eat breakfast cereal Menu Listed: iron-fortified infant formula and banana, apple, pear</p>	<p>1 Breakfast 1 Lunch 1 Supplement</p>

Infant: JW, 7 months

Date	Menu Deficiency	Deficient Meal
11/08/18	<p>Missing Component: Breakfast /Lunch- breast milk or iron-fortified infant formula; iron-fortified infant cereal or meat/meat alternative; a vegetable or fruit or a combination of both Menu Listed: No menus</p> <p>Supplement - breast milk or iron-fortified infant formula; bread, crackers, infant cereal or ready to eat breakfast cereal; and vegetable or fruit, or a combination of both Menu Listed: No menu</p>	<p>1 Breakfast 1 Lunch 1 Supplement</p>
11/19/18	<p>Missing Component: Lunch - iron-fortified infant cereal or meat/meat alternative; and vegetable or fruit or a combination of both Menu Listed: iron-fortified infant formula</p> <p>Supplement - Bread, crackers, infant cereal or ready to eat breakfast cereal; and vegetable or fruit, or a combination of both Menu Listed: iron-fortified infant formula</p>	<p>1 Lunch 1 Supplement</p>
11/20/18 11/21/18 11/26/18	<p>Missing Component: Breakfast/Lunch - breast milk or iron-fortified infant formula; iron-fortified infant cereal or meat/meat alternative; a vegetable or fruit or a combination of both Menu Listed: No dated menus</p> <p>Supplement - breast milk or iron-fortified infant formula; bread, crackers, infant cereal or ready to eat breakfast cereal; and vegetable or fruit, or a combination of both Menu Listed: No dated menu</p>	<p>3 Breakfasts 3 Lunches 3 Supplements</p>
11/27/18	<p>Lunch - iron-fortified infant cereal or meat/meat alternative</p>	<p>1 Lunch</p>

	Menu Listed: iron-fortified infant formula and sweet potato	
11/28/18	Missing Component: Breakfast/Lunch - breast milk or iron-fortified infant formula; iron-fortified infant cereal or meat/meat alternative; a vegetable or fruit or a combination of both Menu Listed: No menus Supplement - breast milk or iron-fortified infant formula; bread, crackers, infant cereal or ready to eat breakfast cereal; and vegetable or fruit, or a combination of both Menu Listed: No menu	1 Breakfast 1 Lunch 1 Supplement
11/29/18	Missing Component: Lunch - breast milk or iron-fortified infant formula; iron-fortified infant cereal or meat/meat alternative; and vegetable or fruit or a combination of both Menu Listed: No menu Supplement - breast milk or iron-fortified infant formula; bread, crackers, infant cereal or ready to eat breakfast cereal; and vegetable or fruit, or a combination of both Menu Listed: No menu	1 Lunch 1 Supplement

Infant: AH, 8 months

Date	Menu Deficiency	Deficient Meal
11/08/18	Missing Component: Breakfast/Lunch - breast milk or iron-fortified infant formula; iron-fortified infant cereal or meat/meat alternative; a vegetable or fruit or a combination of both Menu Listed: No menus Supplement - breast milk or iron-fortified infant formula; bread, crackers, infant cereal or ready to eat breakfast cereal; and vegetable or fruit, or a combination of both Menu Listed: No menu	1 Breakfast 1 Lunch 1 Supplement
11/09/18 11/13/18 11/14/18 11/20/18 11/21/18 11/26/18	Missing Component: Breakfast/Lunch - iron-fortified infant cereal or meat/meat alternative; a vegetable or fruit or a combination of both Menu Listed: iron-fortified infant formula Supplement - Bread, crackers, infant cereal or ready to eat breakfast cereal; and vegetable or fruit, or a combination of both Menu Listed: iron-fortified infant formula	6 Breakfasts 6 Lunches 6 Supplements
11/16/18 11/19/18	Missing Component: Breakfast/Lunch - iron-fortified infant cereal or meat/meat alternative; a vegetable or fruit or a combination of both Menu Listed: iron-fortified infant formula Supplement - breast milk or iron-fortified infant formula; Bread, crackers, infant cereal or ready to eat breakfast cereal; and vegetable or fruit, or a combination of both Menu Listed: No menu	2 Breakfast 2 Lunches 2 Supplements
11/27/18	Missing Component:	4 Breakfasts

11/28/18 11/29/18 11/30/18	Breakfast/Lunch - iron-fortified infant cereal or meat/meat alternative; a vegetable or fruit or a combination of both Menu Listed: iron-fortified infant formula Supplement - Bread, crackers, infant cereal or ready to eat breakfast cereal; and vegetable or fruit, or a combination of both Menu Listed: iron-fortified infant formula	4 Lunches 4 Supplements
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Infant: CW, 11 months

Date	Menu Deficiency	Deficient Meal
11/9/18	Missing Component: Breakfast - iron-fortified infant cereal or meat/meat alternative Menu Listed: iron-fortified infant formula and banana/apple Supplement - Bread, crackers, infant cereal or ready to eat breakfast cereal Menu Listed: iron-fortified infant formula and applesauce	1 Breakfast 1 Supplement
11/13/18	Missing Component: Breakfast/Lunch - iron-fortified infant cereal or meat/meat alternative; a vegetable or fruit or a combination of both Menu Listed: iron-fortified infant formula Supplement - Bread, crackers, infant cereal or ready to eat breakfast cereal; and vegetable or fruit, or a combination of both Menu Listed: iron-fortified infant formula	1 Breakfast 1 Lunch 1 Supplement
11/14/18	Missing Component: Breakfast/Lunch - breast milk or iron-fortified infant formula; iron-fortified infant cereal or meat/meat alternative; a vegetable or fruit or a combination of both Menu Listed- No dated Menus Supplement - breast milk or iron-fortified infant formula; bread, crackers, infant cereal or ready to eat breakfast cereal; and vegetable or fruit, or a combination of both Menu Listed: No dated menu	1 Breakfast 1 Lunch 1 Supplement
11/16/18	Missing Component: Supplement - Bread, crackers, infant cereal or ready to eat breakfast cereal Menu Listed: iron-fortified infant formula and pears	1 Supplement
11/19/18	Missing Component: Breakfast - iron-fortified infant cereal or meat/meat alternative; a vegetable or fruit or a combination of both Menu Listed: iron-fortified infant formula and butternut squash Supplement - breast milk or iron-fortified infant formula; and vegetable or fruit, or a combination of both Menu Listed: puffs	1 Breakfast 1 Supplement
11/20/18 11/21/18 11/26/18	Missing Component: Breakfast/Lunch - breast milk or iron-fortified infant formula; iron-fortified infant cereal or meat/meat	3 Breakfasts 3 Lunches 3 Supplements

	alternative; a vegetable or fruit or a combination of both Menu Listed: No dated menus Supplement - breast milk or iron-fortified infant formula; bread, crackers, infant cereal or ready to eat breakfast cereal; and vegetable or fruit, or a combination of both Menu Listed: No dated menu	
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As a result, 57 breakfast meals, 57 lunch meals, and 69 supplements served were disallowed. (See Exhibit)

Criteria

Title 7 of the Code of Federal Regulations, Section 226.17(b)(4) states, "Each child care center participating in the Program shall claim only the meal types specified in its approved application in accordance with the meal pattern requirements specified in §226.20 ..."

Title 7 of the Code of Federal Regulations, Section 226.20 (b) states in part, "... Infant meals- (1) Feeding infants. Foods in reimbursable meals served to infants ages birth through 11 months must be of a texture and a consistency that are appropriate for the age and development of the infant being fed. Foods must also be served during a span of time consistent with the infant's eating habits."

Title 7 of the Code of Federal Regulations, Section 226.20 (4)(2)(a) states in part, "...Infant meals must have, at a minimum, each of the food components indicated, in the amount that is appropriate for the infant's age.... Breakfast, lunch, or supper. Six to 8 fluid ounces of breastmilk or iron-fortified infant formula, or portions of both; and 0 to 4 tablespoons of iron-fortified dry infant cereal, meat, fish, poultry, whole egg, cooked dry beans, or cooked dry peas; or 0 to 2 ounces (weight) of cheese; or 0 to 4 ounces (volume) of cottage cheese; or 0 to 4 ounces of yogurt; and 0 to 2 tablespoons of vegetable, fruit, or portions of both. Fruit juices and vegetable juices must not be served. Snack. Two to 4 fluid ounces of breastmilk or iron-fortified infant formula; and 0 to 1/2 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 USDA meal pattern requirements.

6. The Sponsor did not provide documentation to support sufficient quantities of milk were purchased for all meals claimed for reimbursement

Condition

Based on the number of meals claimed for reimbursement with milk as a component, the Sponsor should have purchased and served a total of 4,544 ounces of milk. However, the Sponsor could only provide documents to support the purchase of 4,112 ounces of milk, resulting in a shortage of 432 ounces of milk.

As a result, 72 breakfast meals claimed were disallowed. (See Exhibit)

Criteria

Title 7 of the Code of Federal Regulations, Section 226.17(b)(4) states, “Each child care center participating in the Program shall claim only the meal types specified in its approved application in accordance with the meal pattern requirements specified in §226.20....”

Title 7 of the Code of Federal Regulations, Section 226.20 (c)(1) states, in part, “Fluid milk, vegetables or fruit, or portions of both, and grains are required components of the breakfast meal.”

Title 7 of the Code of Federal Regulations, Section 226.20(a)(1) states, “Fluid milk must be served as a beverage or on cereal, or a combination of both, as follows: (i) Children 1 year old. Children one year of age must be served unflavored whole milk. (ii) Children 2 through 5 years old. Children two through five years old must be served either unflavored low-fat (1 percent) or unflavored fat-free (skim) milk. (iii) Children 6 years and older. Children six years old and older must be served milk that is low-fat (1 percent fat or less) or fat-free (skim). Milk may be unflavored or flavored from July 1, 2018, through June 30, 2019 (school year 2018-2019).” (iv)

Recommendation

The Sponsor should ensure that the required amount of milk is served to the participants and ensure that proper records are maintained to support the milk purchase.

7. The Sponsor served meals outside of the approved serving time

Condition

During our monitoring visit on November 5, 2018, an observed supplement was served outside of the TIPS approved time. The observed meal service was from 2:37 pm to 3:00 pm, but the TIPS approved meal service time was 2:00 pm to 2:30 pm.

No meals were disallowed due to the observed meals being creditable.

Criteria

Title 7 of the Code of Federal Regulations, Section 226.17(b)(4) states, “Each child care center participating in the Program shall claim only the meal types specified in its approved application in accordance with the meal pattern requirements specified in §226.20....”

Title 7 of the Code of Federal Regulations, Section 226.17(b)(9) states, “Each child care center must maintain daily records of time of service meal counts by type (breakfast, lunch, supper, and snacks) served to enrolled children, and to adults performing labor necessary to the food service.”

Recommendation

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

8. The Sponsor did not provide enrollment information for participants

Condition

During our monitoring visit on December 20, 2018, there were two participants on the attendance sheet for whom the provider did not provide enrollment information.

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 all enrollment information is collected as required and updated annually.

9. The Sponsor reported the number of attendance days incorrectly

Condition

The claim for reimbursement for the test month showed 646 participant days. However, based on our review of the Sponsor’s documentation, we noted there were 532 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 the claim for reimbursement includes the correct number of participant attendance days.

10. The Sponsor reported incorrect days of operation

Condition

The claim for reimbursement for the test month showed 19 days of operation. However, based on our review of the Sponsor’s documentation, we noted 18 days of operation.

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 claim for reimbursement includes the correct number of days of operation.

11. The Sponsor did not provide annual training to staff as required

Condition

During our review, we requested documentation to show the Sponsor provided training to the staff involved with the CACFP. The training should include CACFP operations as well as Civil Rights. The Sponsor provided documentation of the Civil Rights training but was unable to provide documentation of the CACFP Operations training provided to staff members.

Criteria

Title 7 of the Code of Federal Regulations, Section 226.15 (e) (12) states, "Each institution shall establish procedures to collect and maintain all program records required under this part, as well as any records required by the State agency....At a minimum, the following records shall be collected and maintained: Information on training session date(s) and location(s), as well as topics presented and names of participants.

The USDA Monitoring Handbook for State Agencies, page 30, states, "Training must include instructions, appropriate to the level of staff experience and duties, on the Program's meal patterns, meal counts, claims submission and claim review procedures, recordkeeping requirements, and an explanation of the Program's reimbursement system and adherence with civil rights requirements."

Recommendation

The Sponsor should ensure all required training is completed annually and all employees involved in CACFP are provided training.

Technical Assistance Provided

The Sponsor was provided technical assistance on maintaining a general ledger, requirements for annual CACFP training and Infant Menus. An email was forwarded to the CACFP Program Specialist for additional technical assistance.

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 \$908.81.

Corrective Action

The Sponsor should 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 November 2018, which contains the verified claim data from the enclosed exhibits. ***Please note that, if the claim is revised,*** TIPS will automatically deduct the overpayment from your next CACFP claim for reimbursement.

- 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, 15th 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 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, 16th 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 meals cost, 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: Shauna Taylor, Director, In Good Hands Learning Center
Allette Vayda, Director of Operations, Child and Adult Care Food Program
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: In Good Hands Learning Center

Review Month/Year: November 2018

Total Meal Reimbursement Received: \$2,685.46

Site Meal Service Reconciliation and Monitor Activity	Reported on Claim	Reconciled to Documentation
Total Days of CACFP Food Service	19	18
Total Attendance	646	532
Percentage of Free or Reduced-price Category	XXXXXX	64%
Number of Breakfasts Served	522	348
Number of Lunches Served	560	445
Number of Suppers Served	NA	NA
Number of Supplements Served	534	433
Number of Participants in Free Category	27	23
Number of Participants in Reduced-Price Category	3	2
Number of Participants in Paid Category	9	14
Total Number of Participants	39	39
Total Amount of Eligible Food Costs	XXXXXXXX	\$1,058.42
Total Amount of Eligible Food and Non-Food Costs	XXXXXXXX	\$2,822.15



**STATE OF TENNESSEE
DEPARTMENT OF HUMAN SERVICES**

JAMES K. POLK BUILDING
505 DEADERICK STREET
NASHVILLE, TENNESSEE 37243
TELEPHONE: 615-313-4700 FAX: 615-741-4165
TTY: 1-800-270-1349
www.tn.gov/humanservices

BILL LEE
GOVERNOR

DANIELLE W. BARNES
COMMISSIONER

February 6, 2019

Ms. Ebony Harris
In Good Hands Learning Center
2752 B North Highland
Jackson, Tennessee 38305-7600

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

Institution Name:	In Good Hands Learning Center
Institution Address:	2752 B North Highland, Jackson, Tennessee 38305-7600
Agreement Numbers:	00696
Amount Due:	\$ 908.81
Due Date:	March 7, 2019

Based on the monitoring report issued, 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 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, 16th 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.

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: In Good Hands Learning Center	Agreement No. 00696	<input type="checkbox"/> SFSP <input checked="" type="checkbox"/> CACFP
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Mailing Address: 2752 B North Highland Jackson, Tennessee 38305-7600

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

Name and Title: Ms. Ebony Harris, Owner	Date of Birth: / /
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Section C. Dates of Issuance of Monitoring Report/Corrective Action Plan

Monitoring Report: 2/6/2019	Corrective Action Plan: 2/6/2019
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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 did not meet USDA meal pattern requirements
4. The Sponsor did not provide menus as required
5. The Sponsor provided infant menus that did not meet the CACFP meal pattern
6. The Sponsor did not provide documentation to support sufficient quantities of milk were purchased for all meals claimed for reimbursement
7. The Sponsor served meals outside of the approved serving time
8. The Sponsor did not provided enrollment information for participants
9. The Sponsor reported the number of attendance days incorrectly
10. The Sponsor reported incorrect days of operation
11. The Sponsor did not provide annual training to staff as required

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:

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

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

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

Measure No.2: The Sponsor reported 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:

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

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

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

Measure No. 3: The Sponsor provided menus that did not meet 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:

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

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

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

Measure No. 4: The Sponsor did not provide menus 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?):

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

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

Measure No. 5: The Sponsor provided infant menus that did not meet the CACFP meal pattern

The finding will be fully and permanently corrected.

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

Name:

Position Title:

Name:

Position Title:

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

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

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

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

Measure No.6: The Sponsor did not provide documentation to support sufficient quantities of milk were purchased for all meals claimed for reimbursement

The finding will be fully and permanently corrected.

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

Name:

Position Title:

Name:

Position Title:

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

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

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

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

Measure No. 7: The Sponsor served meals outside of the approved serving time

The finding will be fully and permanently corrected.

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

Name: _____ Position Title: _____

Name: _____ Position Title: _____

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

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

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

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

Measure No. 8: The Sponsor did not 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:

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

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

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

Measure No. 9: 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:

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

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

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

Measure No. 10: The Sponsor reported incorrect days of operation

The finding will be fully and permanently corrected.

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

Name: _____ Position Title: _____

Name: _____ Position Title: _____

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

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

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

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

Measure No. 11: The Sponsor did not provide annual training to staff 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?):

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

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

I certify by my signature below that I am authorized by the institution to sign this document. As an authorized representative of the institution, I fully understand the corrective measures identified above and agree to fully implement these measures within the required time frame. 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 16th calendar day following the institution's or sponsoring agency's receipt of the notice, and that the responsible principals and individuals of the institution or sponsoring agency are disqualified from participation.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Appeal Procedures for Child and Adult Care Food Program-Institutions

Revised March 2017

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

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

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

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.