



**STATE OF TENNESSEE
DEPARTMENT OF HUMAN SERVICES**

JAMES K. POLK BUILDING
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NASHVILLE, TENNESSEE 37243-1403

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BILL LEE
GOVERNOR

DANIELLE W. BARNES
COMMISSIONER

Certified Mail – Return Receipt #70163010000073326777

March 25, 2019

LaTonia Richmond, Owner
Rich Enhancement Development
1807 John Paul Drive
Memphis, Tennessee 38114-6411

RE: Notice of Serious Deficiency for the Child and Adult Care Food Program (CACFP) Agreement Number 00-472

Dear Ms. Richmond,

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 Rich Enhancement Development (Sponsor), Application Agreement number 00472, on February 13, 2019. 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.

SERIOUS DEFICIENCY DETERMINATION

Based on the monitoring review, the Department has determined that Rich Enhancement Development is seriously deficient in its operation of the CACFP. In addition, the Department has identified LaTonia Richmond, Owner as responsible for the serious deficiencies in light of their responsibility for the overall management of Rich Enhancement Development's CACFP.

If Rich Enhancement Development does not fully and permanently correct all of the serious deficiencies and submit documentation of the corrective action by the due date, the Department will:

- Propose to terminate Rich Enhancement Development's agreement to participate in the CACFP;
- Propose to disqualify Rich Enhancement Development from future CACFP participation; and
- Propose to disqualify LaTonia Richmond, Owner, from future CACFP participation.

In addition, if Rich Enhancement Development voluntarily terminates its CACFP agreement after receiving this letter, the Department will propose to disqualify Rich Enhancement Development and

LaTonia Richmond, Owner from future CACFP participation. If disqualified, Rich Enhancement Development, and LaTonia Richmond, Owner will be placed on the National Disqualified List (“NDL”). While on the NDL, Rich Enhancement Development will not be able to participate in the CACFP as an institution or facility. LaTonia Richmond, Owner will not be able to serve as a principal in any institution or facility or as a day care home provider in the CACFP.

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

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

SERIOUS DEFICIENCIES, ADDITIONAL FINDINGS AND REQUIRED CORRECTIVE ACTION

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 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 lunch meal service on January 10, 2019.

Our review of the Sponsor’s records for January 2019 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 January 2019, we noted the Sponsor reported 41 participants in the free category and 39 participants in the reduced-price category. However, based on our review of the records available, we determined that there were 35 participants in the free category, 32 participants in the reduced-price category and four participants in the paid category.

The differences were based on the following:

- There was one participant reported in the reduced-priced category that did not have a determining official’s signature on the application. This participant was reclassified as paid.
- There were two participants reported in the reduced-priced category that did not have a determining official’s signature or the last four digits of the parent’s social security number listed on the application. These participants were reclassified as paid.

- There was one participant that was reported in the free category that did not have a determining official's signature or the last four digits of the parent's social security number listed on the application. This participant was reclassified as paid.
- There were nine infants listed as enrolled on the attendance documentation provided by the Sponsor. The Sponsor stated that infants are not claimed as participants. The Sponsor over-reported the number of participants in the free category by five and the number of participants in the reduced-price category by four.

As a result, the Sponsor over-reported the number of participants in the free category by six, over reported the reduced-price paid category by seven participants and under-reported the paid category by four participants. (See Exhibit)

This is a repeat finding from a previous report dated July 20, 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 provided menus that did not meet the USDA meal pattern requirements

This is a Serious Deficiency:

Condition

Based on our review of the menus provided by the Sponsor for the test month, the menus provided did not meet the USDA meal pattern requirements. The menus provided had deficiencies as follows:

Date	Menu	Type of Meal	Number of Meals
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01/14/19	Menu listed: Bake chicken, green beans, sweet potatoes, and milk Deficiency: No grain	Lunch	40
01/24/19	Menu listed: Fish sticks, French fries, diced pears, wheat rolls, and milk Deficiency: No CN labeled provided for fish	Lunch	40
01/24/19	Menu listed: Fish sticks, French fries, diced pears, wheat rolls, and milk Deficiency: No CN label provided for fish	Supper	42
01/25/19	Menu listed: Pizza w/Extra cheese, carrots with celery dip, bread sticks, and milk Deficiency: Missing 2 nd fruit or vegetable component	Lunch	38
01/25/19	Menu listed: Pizza w/Extra cheese, carrots with celery dip, bread sticks, and milk Deficiency: Missing 2 nd fruit or vegetable component	Supper	42
01/17/19	Menu listed: Pineapple juice and trail mix Deficiency: 2 nd creditable component. Ingredients not listed for trail mix	PM Supplement	41
01/17/19	Menu listed: Pineapple juice and trail mix Deficiency: 2 nd creditable component. Ingredients not listed for trail mix	Evening Supplement	44

As a result, 118 lunch meals, 84 supper meals, and 85 supplements claimed for reimbursement 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 ...”

The USDA Crediting Handbook for the Child and Adult Care Food Program, page 63, concerning snack/party mixes, trail mixes states, “These are snack food mixtures with a variety of items including nuts, cereals, seeds, dried fruits, etc. These items cannot be credited unless there is an explanation of the creditable ingredients included in the mix on the menu.”

The USDA Crediting Foods in the Child and Adult Care Food Program, page 62, states, “... Because of the uncertainty of the actual amount of meat/meat alternate contained in these products, they should not be used unless (1) they are CN-labeled; or (2) you obtain a Product Formulation Statement signed by an official of the manufacturer (not a salesperson) that shows how the crediting has been determined....”

Recommendation

The Sponsor should:

- maintain copies of commercially prepared food CN labels or Product Formulation Statements on file and follow the recommended serving sizes/equivalents listed on the label;
- ensure all the meals prepared meet the meal patterns established by the USDA, and menus should be reviewed to ensure they contain all required meal components to be eligible as a reimbursable meal.

3. The Sponsor served juice for pm and evening supplements

Condition

Based on our review of the menus provided by the Sponsor, the menus were not in accordance with the USDA meal pattern requirements. Juice was served the entire month of January for the pm and evening supplements. The participants on the second shift were served supper meals, pm supplements, and evening supplements.

In accordance with the revised USDA meal pattern requirements, fruit juice can only be served for one meal service each day.

Title 7 of the Code of Federal Regulations, Section 226.14(b) states, "In the event that the State agency finds that an institution which prepares its own meals is failing to meet the meal requirements of §226.20, the State agency need not disallow payment or collect an overpayment arising out of such failure if the institution takes such other action as, in the opinion of the State agency, will have a corrective effect."

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)(3)(i) states, "... Fruit juice or vegetable 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.

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

Condition

Based on our review of the menus provided by the Sponsor for the test month, the menus provided did not meet the USDA meal pattern requirements. The menus provided had deficiencies as follows:

Date	Menu	Menu Error	Meal Type	No. of Meals
01/02/19	Apple juice and butter cookies	Grain-based dessert	PM Supplement	41
01/07/19	Fruit punch and butter cookies	Grain-based dessert	PM Supplement	31
01/14/19	Apple juice and vanilla wafers	Grain-based dessert	PM Supplement	31
01/22/19	Grape juice and vanilla wafers	Grain-based dessert	PM Supplement	31
01/23/19	Apple juice and pound cake	Grain-based dessert	PM Supplement	37
01/31/19	Strawberry juice and vanilla wafers	Grain-based dessert	PM Supplement	41

Title 7 of the Code of Federal Regulations, Section 226.14(b) states, “In the event that the State agency finds that an institution which prepares its own meals is failing to meet the meal requirements of §226.20, the State agency need not disallow payment or collect an overpayment arising out of such failure if the institution takes such other action as, in the opinion of the State agency, will have a corrective effect.”

Due to the new the 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.

5. The Sponsor claimed meals in excess of licensed capacity.

This is a Serious Deficiency:

Condition

Based on the meal count records provided the following supplements and supper meals were reported in excess of the capacity level of 40:

Date	Meals claimed	Over capacity by	Meal Type
01/02/19	41	1	PM supplement
01/02/19	44	4	Evening supplement
01/03/19	41	1	PM supplement
01/04/19	41	1	PM supplement
01/04/19	44	4	Evening supplement
01/07/19	44	4	Evening supplement
01/09/19	41	1	PM supplement
01/09/19	44	4	Evening supplement
01/11/19	41	1	PM supplement
01/11/19	44	4	Evening supplement
01/14/19	44	4	Evening supplement
01/15/19	41	1	PM supplement
01/16/19	41	1	PM supplement
01/16/19	44	4	Evening supplement
01/18/19	44	4	Evening supplement
01/22/19	43	3	Evening supplement
01/23/19	44	4	Evening supplement
01/24/19	44	4	Evening supplement
01/28/19	41	1	PM supplement
01/28/19	44	4	Evening supplement
01/29/19	41	1	PM supplement

01/29/19	44	4	Evening supplement
01/30/19	41	1	PM supplement
01/30/19	44	4	Evening supplement
01/22/19	41	1	Supper
01/23/19	42	2	Supper
01/28/19	42	2	Supper
01/29/19	42	2	Supper

As a result, seven supper meals and 64 supplements claimed for reimbursement were disallowed.

Criteria

Title 7 of the Code of Federal Regulations, Section 226.6 (d) (2), states “the State agency shall establish for each meal service an approved level for the maximum number of children’s meals which may be served under the Program.”

Recommendation

The Sponsor should not claim meals over the license capacity.

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

This is a Serious Deficiency:

Condition

Based on the number of meals served with milk as a component, the Sponsor was required to purchase a total of 11,688 ounces of milk. However, the Sponsor could only document the purchase of 5,760 eligible ounces of milk, resulting in a shortage of 5,928 ounces of milk. The Sponsor purchased 2 percent milk to be served with meals.

As a result, 837 breakfast meals and 234 supper meals claimed for reimbursement 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(c)(2) states, “Fluid milk, meat and meat alternatives, vegetable, fruits, and grains are required components in the lunch and supper meals.”

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).”

Recommendation

The Sponsor should perform an inventory for milk and maintain all receipts for food purchases to verify the required amount of milk was purchased and served.

7. The Sponsor reported the number of attendance days incorrectly

Condition

Based on our review of the Claim for Reimbursement for the test month, the Sponsor reported 837 participant days. However, we noted that there were 1,488 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 participants are recorded as present only for their actual days of attendance.

8. The Sponsor’s menus did not specify which grains were whole grain-rich

Condition

Based on our review of the menus provided, the Sponsor did not denote on the menus if the grains served were whole grain or whole wheat. We requested labels for all grains served for the month of January. The Sponsor provided labels for the grains served which met the whole grain-rich requirement on the daily menus.

No meals were disallowed due to sponsor provided labels to support meals served meeting the USDA requirements.

Criteria

Title 7 of the Code of Federal Regulations, Section 226.20(a)(4)(a)(b) states “At least one serving per day, across all eating occasions of bread, cereals, and grains, must be whole grain-rich. Whole grain-rich foods contain at least 50 percent whole grains and the remaining grains in the food are enriched, and must meet the whole grain-rich criteria specified in FNS guidance.”

Recommendation

The Sponsor should denote on menu which components are whole grain-rich.

9. The Sponsor did not list the specific name of items served

Condition

The breakfast menu for January 28th listed cereal, milk, and banana. The type of cereal was not listed. The menus for January 2019 listed juice daily as the second creditable component. The menu did not specify that the juice served was 100%.

The receipts provided by the Sponsor identified the specific names of cereal and juice purchased. No meals will be disallowed.

Criteria

Title 7 of the Code of Federal Regulations, Section 226.20(a)(3)(i) states "... A serving may contain fresh, frozen, canned, dried fruits, or fruit juice. ...Pasteurized, full-strength fruit juice may be used to fulfill the entire requirement."

Title 7 of the Code of Federal Regulations, Section 226.10(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.... Menus and any other nutritional records required by the State agency shall be maintained to document compliance with such requirements."

Food & Nutrition Service (FNS) 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 service to participants."

Recommendation

The Sponsor should state the name of specific items served on the menu.

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

Condition

Based on review of the menus provided by the Sponsor, we noted that there were infant menus that did not meet the USDA meal pattern requirements. Some menus did not list the appropriate components for the infant's age and some menus listed grain-based desserts and fruit juice.

No meals will be disallowed since the Sponsor did not claim infant meals.

Criteria

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 the infant menus meet the meal patterns established by the USDA.

Note: Our observation of the lunch meal service on January 10, 2019, revealed no deficiencies.

Technical Assistance Provided

The Sponsor was provided technical assistance regarding menu planning and buying the correct milk.

OVERPAYMENT-RIGHT TO APPEAL

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 \$3,186.30.

The procedures for submitting an appeal regarding the amount of overpayment are enclosed. Please note that the appeal must be in writing and must be received by our Department no later than fifteen (15) calendar days from your receipt of this letter. 7 C.F.R. § 226.6(k). The appeal must be submitted to:

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

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

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

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

SUMMARY

The Department has determined that Rich Enhancement Development is seriously deficient in its operation of the CACFP and that LaTonia Richmond, Owner is responsible for the serious deficiencies.

You may not appeal the serious deficiency determination itself. If the Department proposes to terminate Rich Enhancement Development CACFP agreement, or propose to Rich Enhancement Development and

the responsible individuals, you will be able to appeal those actions and you will be advised of your appeal rights and the appeal procedures at that time.

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

To provide for the full and permanent correction of the serious deficiencies and findings, please complete the following actions within thirty (30) days of your receipt of this notice:

- Log into the Tennessee Information Payment System (TIPS) and revise the claim submitted for January 2019, 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.
- 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 the Department does not receive the corrective action plan by the deadline date, or the Department determines that the corrective action plan does not provide for the full and permanent correction of the serious deficiencies and findings, the Department will propose to terminate the Institution's CACFP Provider Agreement and to disqualify you and the Institution from future CACFP participation by issuing a Notice of Proposed Termination and Disqualification.

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

Sincerely,



Allette Vayda
Director of Operations- Food Programs

Exhibit

cc: Otis Hicks, Co-Owner, Rich Enhancement Development
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: Rich Enhancement Development****Review Month/Year: January 2019****Total Meal Reimbursement Received: \$7,889.39**

Site Meal Service Reconciliation and Monitor Activity	Reported on Claim	Reconciled to Documentation
Total Days of CACFP Food Service	21	21
Total Attendance	837	1,488
Percentage of Free or Reduced-price Category	XXXXXX	94%
Number of Breakfasts Served	837	0
Number of Lunches Served	837	719
Number of Suppers Served	777	452
Number of Supplements Served	1,614	1,465
Number of Participants in Free Category	41	35
Number of Participants in Reduced-Price Category	39	32
Number of Participants in Paid Category	0	4
Total Number of Participants	80	71
Total Amount of Eligible Food Costs	XXXXXXXX	\$866.59
Total Amount of Eligible Food and Non-Food Costs	XXXXXXXX	\$2,979.92



**STATE OF TENNESSEE
DEPARTMENT OF HUMAN SERVICES**

James K. Polk Building
505 DEADERICK STREET
NASHVILLE, TENNESSEE 37243-1403

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www.tn.gov/humanservices

BILL LEE
GOVERNOR

DANIELLE W. BARNES
COMMISSIONER

March 25, 2019

LaTonia Richmond, Owner
Rich Enhancement Development
1807 John Paul Drive
Memphis, Tennessee 38114-6411

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

Institution Name:	Rich Enhancement Development
Institution Address:	1807 John Paul Drive Memphis, Tennessee 38114-6411
Agreement Numbers:	00472
Amount Due:	\$3,186.30
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, 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
CHILD AND ADULT CARE FOOD PROGRAM (CACFP)
TENNESSEE DEPARTMENT OF HUMAN SERVICES (TDHS)**

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

Section A. Institution Information

Name of Institution Rich Enhancement Development	CACFP Agreement No. 00-472
Mailing Address: 1807 John Paul Drive Memphis, Tennessee 38114	

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

Name and Title: LaTonia Richmond, Owner	Date of Birth (s):
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Section C. Dates of Issuance of Monitoring Report/Corrective Action Plan

SD Report: March 25, 2019	Corrective Action Plan: March 25, 2019
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Section D. Findings

Findings: <ol style="list-style-type: none"> 1. The Sponsor reported the number of participants in the free, reduced-price, and paid categories incorrectly 2. The Sponsor provided menus that did not meet the USDA meal pattern requirements 3. The Sponsor served juice for pm and evening supplements 4. The Sponsor provided menus that contained grain-based desserts as a component 5. The Sponsor claimed meals in excess of licensed capacity 6. The Sponsor did not provide documentation to support sufficient quantities of milk were purchased for all meals reported 7. The Sponsor reported the number of attendance days incorrectly 8. The Sponsor's menus did not specify which grains were whole grain-rich

- 9. The Sponsor did not list the specific name of items served
- 10. The Sponsor provided infant menus that did not meet the USDA meal pattern requirements

The following measures will be completed within **30 business 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 provided 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:

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 served juice for pm and evening supplements

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 provided menus that contained grain-based desserts as a 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:

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 claimed meals in excess of licensed capacity

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 reported

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

Name: _____ Position Title: _____

Name: _____ Position Title: _____

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

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 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. 8: The Sponsor's menus did not specify which grains were whole grain-rich.

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 did not list the specific name of items served.

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 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:

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

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

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

I certify by my signature below that I am authorized by the institution to sign this document. As an authorized representative of the institution, I fully understand the corrective measures identified above and agree to fully implement these measures within the required time frame.

Printed Name of Authorized Institution Official

Position

Signature of Authorized Institution Official

Date

Signature of Authorized TDHS Official

Date

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

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

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.