



**STATE OF TENNESSEE
DEPARTMENT OF HUMAN SERVICES**

CITIZENS PLAZA BUILDING
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NASHVILLE, TENNESSEE 37243-1403

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BILL HASLAM
GOVERNOR

RAQUEL HATTER, MSW, Ed.D.
COMMISSIONER

Certified Mail - Return Receipt Requested # 7013225000220450791

May 18, 2015

Kristi Herrell, Owner
Little Stars Child Development Center & Preschool
540 Smith Street
Charlotte, TN 37036

RE: Notice of Termination and Disqualification of Child and Adult Care Food Program Agreement Number 03-47-70522-00-5

Dear Ms. Herrell:

This letter serves as notice that the Tennessee Department of Human Services ("Department") is terminating the Child and Adult Care Food Program ("CACFP") agreement with Little Stars Child Development Center & Preschool and Kristi Herrell, Owner (collectively, "Institution"). The grounds for this action are the Institution's failure to correct the serious deficiencies with the Institution's CACFP and the Institution's failure to return the over-payment money due to the Department. The authorization for this action is found in Paragraph 1.e. of your FY 2013 CACFP Provider Agreement and in the United States Department of Agriculture ("USDA") Food and Nutrition Service ("FNS") regulations at 7 C.F.R. § 226.6(c)(3)(iii)(E).

The action in this letter is based on the Institution's failure to provide the over-payment money due to the Department and the Institution's failure to provide a Corrective Action Plan that meets the requirements contained on Page 4 of Memo Code CACFP 14-2012 dated May 1, 2012. On October 1, 2014, the Department of Human Services ("Department") sent you a Notice of Serious Deficiency. The notice outlined the following: CACFP applications on file had regulatory deficiencies, failure to report participants in the correct categories, failure to meet the requirement that at least 25% of the enrollment or license capacity be beneficiaries of the Child Care Certificate Program or participants who are eligible for free or reduced-price meal payments for the test month, failure to report correct meal counts, documented number of meals exceeded

Kristi Herrell, Owner
Little Stars Child Development Center & Preschool
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verified attendance, failure to provide sufficient quantities of milk, failure to ensure enrollment addendum forms were on file, and failure to provide annual training for staff.

This failure resulted in the Department determining that the Institution and the Owner are seriously deficient in their operation of the CACFP. **The Institution has not submitted the over-payment of \$4,583.33. A 1% interest charge (\$45.83) has been added to the over-payment. To provide for the recovery of the over-payment, please remit a check payable to the Tennessee Department of Human Services in the amount of \$4,629.16.**

The Institution has not paid the overpayment identified in the monitoring report issued September 2, 2014. In addition, the responsible individual was asked to complete corrective action. However, the Institution and responsible individuals failed to complete an adequate Corrective Action Plan (CAP). Accordingly, the Department determined that the Institution and the Owner have failed to fully and permanently correct the serious deficiency cited in the Serious Deficiency Notice.

As a result of the Institution's failure to submit an adequate Corrective Action Plan, a Notice of Proposed Termination and Disqualification was issued January 13, 2015. The Institution did not appeal the Notice of Proposed Termination. As a result, the Institution's CACFP Provider Agreement is formally terminated as of the date of this letter and Little Stars Child Development Center & Preschool and the Owner are disqualified from future CACFP participation as required by the CACFP regulations at 7 C.F.R. § 226.6 (c)(3)(iii)(E).

Institutions and individuals remain on the NDL until USDA'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 NDL until the debt and any accrued interest is repaid. In accordance with 7 C.F.R. § 226.14(a), in part, the State agency must assess interest beginning November 19, 2014. For information about applied interest rates please visit the following website:

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

The authorization for this action is found in Paragraph 1.e. of your FY 2014 CACFP Provider Agreement and in the CACFP regulations at 7 C.F.R. § 226.6(c)(3)(iii)(C).

If you have any questions, please feel free to contact Mamawah Hill at (615) 313-5451.

Sincerely,

Handwritten signature of Raquel Hatter in black ink.

Raquel Hatter, MSW, Ed.D.

Commissioner

MH/ba