



**STATE OF TENNESSEE
DEPARTMENT OF HUMAN SERVICES**

JAMES K. POLK BUILDING
505 DEADERICK STREET
NASHVILLE, TENNESSEE 37243-1403

TELEPHONE: 615-313-4700 FAX: 615-741-4165
TTY: 1-800-270-1349
www.tn.gov/humanservices

BILL LEE
GOVERNOR

DANIELLE W. BARNES
COMMISSIONER

September 14, 2020

Cornelia Graves, Board Chair
Daniel Payne Christian Childcare Center
212 Neill Avenue
Nashville, Tennessee 37206-4021

Dear Dr. Graves,

The Department of Human Services (DHS) - Division of Audit Services staff conducted a limited desk review of the Child and Adult Care Food Program (CACFP) at Daniel Payne Christian Childcare Center, Application Agreement number 00-240, during the period of March 30, 2020 through May 26, 2020. Our scope of the review was for reimbursement made to the Sponsor for February 2020.

The purpose of this review was to determine if the Sponsor complied with USDA regulations set through the COVID-19 period, taking into consideration the waivers granted to the Sponsor's operation. Also, to determine if the Sponsor complied with the applicable *Title 7 of the Code of Federal Regulations* (CFR) applicable parts, provider agreements, and applicable Federal and State regulations.

Important COVID-19 note: Due the current outbreak and the risk that COVID19 poses to your organization personnel and our staff, all our staff are working from home with no or very limited access to the office. Therefore, we will not send a copy of this report via regular mail until further notice. Please confirm the receipt of this email as it is currently the option to communicate to you. If you need any assistance or have any questions, please do not hesitate to contact us via email.

Background

CACFP Sponsors utilize meal count sheets to record the number of breakfasts, 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 breakfast meal service on February 28, 2020.

Our review of the Sponsor's records for February 2020 disclosed the following:

1. The Sponsor reported the number of participants in the free and paid categories incorrectly

Condition

Based on our review of the Claim for Reimbursement for the February 2020, we noted the Sponsor reported 28 participants in the free category, zero (0) participants in the reduced-price category, and four (4) participants in the paid category. However, based on our review of the records available, we noted that there were 29 participants in the free category, zero (0) participants in the reduced-price category, and five (5) participants in the paid category.

The differences were based on the following:

- There were two (2) participants that were not reported. These participants were identified and determined to be categorically eligible using DHS Child Certificate information available. These participants were added to the free category.
- There was one (1) participant that was correctly classified as paid on the application that the Sponsor reported was claimed as free. This participant was reclassified as paid.

There were 32 participants reported on the Claim for Reimbursement. However, based on our review of the Sponsor's records, we noted that there were 34 participants enrolled in the program.

As a result, the Sponsor underreported the number of participants in the free category by one (1) participant and the paid category by one (1) participant. (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 maintain all information used to determine eligibility, ensure that each participant is classified and reported accurately based on categorical or income eligibility, and report all participants enrolled and in attendance.

2. The Sponsor provided a meal that did not meet USDA meal pattern requirements during an observed meal

Condition

During our monitoring visit on February 28, 2020, we observed a breakfast meal service. The meal served included whole grain Cheerios, mixed fruit, and milk; however, there was one participant served chocolate almond milk.

There were no meals disallowed as the Sponsor did not claim the one (1) breakfast meal that did not meet USDA meal pattern requirements.

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(a)(1) states, “Fluid milk must be served as a beverage or on cereal, or a combination of both, as follows: (i) Children one year of age must be served unflavored whole milk. (ii) Children two through five years old must be served either unflavored low-fat (1 percent) or unflavored fat-free (skim) milk. 8 ounces of fluid milk once per day...”

Recommendation

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

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

Condition

Based on the number of meals served with milk as a component, the Sponsor was required to purchase a total of 2,606 ounces of milk. However, the Sponsor could only document the purchase of 2,176 ounces of milk, resulting in a shortage of 430 ounces of milk.

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

Criteria

Title 7 of the Code of Federal Regulations, Section 226.17(b)(4) states, “Each childcare 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(a)(1) states, “Fluid milk must be served as a beverage or on cereal, or a combination of both, as follows: (i) Children one year of age must be served unflavored whole milk. (ii) Children two through five years old must be served either unflavored low-fat (1 percent) or unflavored fat-free (skim) milk. 8 ounces of fluid milk once per day...”

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.”

Recommendation

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

Technical Assistance Provided

The Sponsor requested technical assistance regarding inventory, "And Justice for All" poster, meal pattern requirements, infant meal count sheets and expansion preparation. The requests were forwarded to a DHS Program Specialists for further 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 \$156.48.

Corrective Action

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

- Log into the Tennessee Information Payment System (TIPS) and revise the claim submitted for February 2020, 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. **OR**
- If you are no longer participating in the CACFP program, remit a check payable to the ***Tennessee Department of Human Services*** in the amount noted in the report for recovery of the amounts disallowed in this report. ***Please return the attached billing notice with your check;*** and
- Prepare and submit a corrective action plan to address the deficiencies identified in this report. The corrective action plan template is attached. Please return the corrective action plan to:

AuditServices.CAPS.DHS@tn.gov

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

Allette Vayda, Director of Operations
Child and Adult Care Food Program
James K. Polk Building, 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: W. Antoni Sinkfield, Executive Director, Daniel Payne Christian Childcare Center
Melba White, Director, Daniel Payne Christian Childcare Center
Allette Vayda, Director of Operations, Child and Adult Care Food Programs
Debra Pasta, Program Manager, Child and Adult Care Food Program
Elke Moore, Administrative Services Assistant 3, Child and Adult Care Food Program
Constance Moore, Program Specialist, Child and Adult Care Food Program
Marty Widner, Program Specialist, Child and Adult Care Food Program
Comptroller of the Treasury, State of Tennessee

EXHIBIT

Verification of CACFP Independent Center Claim

Name of Agency: Daniel Payne Childcare Center

Review Month/Year: February 2020

Total Meal Reimbursement Received: \$1,965.63

Site Meal Service Reconciliation and Monitor Activity	Reported on Claim	Reconciled to Documentation
Total Days of CACFP Food Service	18	18
Total Attendance	465	465
Number of Breakfasts Served	301	229
Number of Lunches Served	339	339
Number of Supplements Served	440	440 ¹
Number of Participants in Free Category	28	29
Number of Participants in Reduced-Price Category	0	0
Number of Participants in Paid Category	4	5
Total Number of Participants	32	34

¹The reconciled number of supplements was 439 but the overreported one (1) supplement is immaterial and was not included in this report as a finding



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September 14, 2020

Cornelia Graves, Board Chair
Daniel Payne Christian Childcare Center
212 Neill Avenue
Nashville, Tennessee 37206-4021

Note 1: If you are no longer participating in the CACFP, remit a check payable to the Tennessee Department of Human Services in the amounts disallowed in this report to the address below. Please return the attached billing notice with your check.

Note 2: log into the Tennessee Information Payment System (TIPS) and revise the claim submitted for February 2020, which contains the verified claim data from the enclosed exhibits.

Institution Name:	Daniel Payne Christian Childcare Center
Institution Address:	212 Neill Avenue, Nashville, Tennessee 37206-4021
Agreement Numbers:	00-240
Amount Due:	\$156.48
Due Date:	October 15, 2020

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