



**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

March 30, 2020

Judy Baldwin, Owner
Mother Goose Day Care Center
3430 Rena Street
Pigeon Forge, TN 37863-7708

Dear Ms. Baldwin,

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 Mother Goose Day Care Center (Sponsor), Application Agreement number 00422 on February 11, 2020. Additional information was requested and provided on February 13, 2020. 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.

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 December 5, 2019.

Our review of the Sponsor's records for December 2019 disclosed the following:

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

Condition

Based on our review of the menus provided by the Sponsor for December 2019, 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
12/06/2019	Apple juice, veggie straws	Veggie straws are not a creditable component	Supplement	18
12/13/2019	Apple juice, veggie straws	Veggie straws are not a creditable component	Supplement	19
12/20/2019	Apple juice, veggie straws	Veggie straws are not a creditable component	Supplement	20
12/27/2019	Apple juice, veggie straws	Veggie straws are not a creditable component	Supplement	16

As a result, 73 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 ...”

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(c)(3) states, “Serve two of the following five components: Fluid milk, meat and meat alternatives, vegetable, fruits, and grains. Fruit juice, vegetable juice and milk may comprise only one component of the snack...”

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. The Sponsor should also ensure that all 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.

2. The Sponsor did not serve a whole grain-rich component once per day as required

Condition

Based on our review of the menus provided, the Sponsor did not document a whole grain component was served once per day as required on December 4, 2019, December 5, 2019, December 11, 2019, December 12, 2019, December 18, 2019, December 19, 2019 and December 26, 2019.

Due to the new CACFP meal patterns 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)(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.”

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 226.14 (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.”.

Condition

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

Technical Assistance Provided

Technical assistance was given regarding the new CACFP meal pattern requirements.

Disallowed Meals Cost

The disallowed meals cost associated with the findings above is below the DHS threshold for repayment.

Corrective Action

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

- 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

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

Sam O. Alzoubi, CFE
Director of Audit Services

Exhibit

cc: 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: Mother Goose Day Care Center

Review Month/Year: December 2019

Total Meal Reimbursement Received: \$995.68

Site Meal Service Reconciliation and Monitor Activity	Reported on Claim	Reconciled to Documentation
Total Days of CACFP Food Service	20	20
Total Attendance	342	342
Percentage of Free or Reduced-price Category	41%	41%
Number of Breakfasts Served	342	342
Number of Lunches Served	342	342
Number of Supplements Served	342	269
Number of Participants in Free Category	4	4
Number of Participants in Reduced-Price Category	5	5
Number of Participants in Paid Category	13	13
Total Number of Participants	22	22