



**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

June 16, 2020

Kotourta Pruitt, Director  
Sensational Enlightenment  
5960 Knight Arnold Road  
Memphis, Tennessee 38115-3202

Dear Ms. Pruitt,

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) of Sensational Enlightenment (Sponsor), Application Agreement number 00483, during the period of April 28, 2020, through May 11, 2020. Our scope of the review was for March 2020.

Due to the outbreak and the risk that COVID19 poses to the Sponsor and our staff, the review was limited to verification based on a review of the documents obtained from the Sponsor via e-mail, mail, or other electronic transmissions of documents. We also obtained confirmation from the feeding sites and Sponsor staff via telephone or e-mail relative to the operation and administration of the CACFP.

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 to 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 with 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 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 count sheets for our test period and reconciled the meals claimed for reimbursement to the meals reported as served for each meal service. We also reviewed documentation of the Sponsor's financial transactions including, but not limited to, purchases of food. In addition, we observed a lunch meal service on March 12, 2020.

Our review of the Sponsor's documentation for March 2020 disclosed the following:

**1. The Sponsor reported the number of free, reduced-price and paid participants incorrectly**

Condition

Based on our review of the Claim for Reimbursement, we noted the Sponsor reported 744 participants in the free category, three participants in the reduced-price category, and eight participants in the paid category. However, based on our review of the records available, we noted that there were 74 participants in the free category, three participants in the reduced-price category, and eight participants in the paid category. The difference was based on the following:

The Sponsor over reported the number of participants in the free category by 670.

There were 755 participants reported on the Claim for Reimbursement. However, based on our review of the Sponsor's records, we found there were 85 participants enrolled in the program.

***This is a repeat finding from a previous report dated April 13, 2017.***

Criteria

*Title 7 of the Code of Federal Regulations* Section 226.10 (c) states "... In submitting a Claim for Reimbursement, each institution shall certify the claim is correct and that records are available to support that claim..."

Recommendation

The Sponsor should ensure the number of participants reported is based on the number of enrolled participants in attendance during the reporting period.

**2. The Sponsor did not provide evidence of sufficient quantities of milk was purchased to support the number of meals claimed for reimbursement**

Condition

Based on the number of meals served with milk as a component, the Sponsor required 7,692 ounces of milk. However, based on our review of the receipts provided by the Sponsor, we were able to verify the purchase of 7,424 ounces of milk. This resulted in a shortage of 268 ounces.

As a result, 34 breakfast meals claimed for reimbursement were disallowed.

***This is a repeat finding from a previous report dated April 13, 2017.***

**Note:** Though there was a waiver for milk in place during this time, the Sponsor did not communicate with program management and maintain the required documentation for participation in the waiver per our communication with program management.

#### Criteria

*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.”*

#### Recommendation

The Sponsor should maintain all receipts for food purchases to provide evidence the required amount of milk was purchased and served.

### **3. The compensation policy provided did not contain all required compensation components**

#### Condition

The Sponsor provided a compensation policy for an employee paid with CACFP funds; however, the policy did not list the payment schedule. The written compensation policy must include a rate of pay, hours of work, (including breaks and meal periods), the payment schedule for regular compensation, overtime, compensatory time, holiday pay, benefits, awards, severance pay, and payroll tax withholding.

#### Criteria

*FNS instruction 796-2 Revision 4, Financial Management –Child and Adult Care Food Program p. 44(c)(1) states “Institutions must establish and maintain a written compensation policy for every element of compensation charged to the Program. At a minimum, the written compensation policy must apply to any individual group of individuals employed by the institution and identify: (a) rates of pay; (b) hours of work, including breaks, and meal periods; and (c) the institutions' policy and payment schedule for regular compensation, overtime, compensatory time, holiday pay, benefits, awards, severance pay, and payroll tax withholding. The timing and frequency of the institution’s payments to its employees will follow a routine schedule as directed by its human resource policy...”*

#### Recommendation

The Sponsor should maintain written compensation policies for staff paid with CACFP funds and ensure information is accurate and completed in its entirety.

**Note:** Our meal observation on March 12, 2020, revealed no significant deficiencies.

## Technical Assistance Provided

Technical assistance was provided regarding filing claims and requesting waivers.

## 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 \$391.54.

## 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 March 2020, which contains the verified claim data from the enclosed exhibit. ***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](mailto: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, 15<sup>th</sup> Floor  
505 Deaderick Street  
Nashville, Tennessee 37243  
[Allette.Vayda@tn.gov](mailto: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 is completed 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, 16<sup>th</sup> 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 meal 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](mailto:Sean.Baker@tn.gov).

Sincerely,



Sam O. Alzoubi, CFE  
Director of Audit Services

Exhibit

cc: 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: Sensational Enlightenment**

**Review Month/Year: March 2020**

**Total Meal Reimbursement Received: \$4,299.50**

<b>Site Meal Service Reconciliation and Monitor Activity</b>	<b>Reported on Claim</b>	<b>Reconciled to Documentation</b>
Total Days of CACFP Food Service	15	15
Total Attendance	733	733
Percentage of Participants in the Free or Reduced-price Category (For Proprietary Center Only)	XXXXX	91%
Number of Breakfasts Served	563	530
Number of Lunches Served	722	722
Number of P.M. Supplements Served	722	722
Number of Participants in Free Category	744	74
Number of Participants in Reduced-Price Category	3	3
Number of Participants in Paid Category	8	8
Total Number of Participants	755	85



**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

June 16, 2020

Kotourta Pruitt, Director  
Sensational Enlightenment  
5960 Knight Arnold Road  
Memphis, Tennessee 38115-3202

Note: 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.

If you plan to continue participating in the CACFP, log into the Tennessee Information Payment System (TIPS) and revise the claim submitted for March 2020, which contains the verified claim data from the enclosed exhibit.

Institution Name:	Sensational Enlightenment
Institution Address:	5960 Knight Arnold Road Memphis, Tennessee 38115-3202
Agreement Numbers:	00483
Amount Due:	\$391.54
Due Date:	July 17, 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:

Tennessee Department of Human Services  
Fiscal Services 16th Floor  
James K. Polk Building  
505 Deaderick Street  
Nashville, Tennessee 37243

Please note the disallowed meal 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](mailto:Allette.Vayda@tn.gov).

Thank you for your attention