



**STATE OF TENNESSEE  
DEPARTMENT OF HUMAN SERVICES**

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**BILL LEE**  
GOVERNOR

**DANIELLE W. BARNES**  
COMMISSIONER

April 13, 2020

Dr. Tracy D. Hall, President  
Southwest Tennessee Community College  
Mfa 3003  
5983 Macon Cove  
Memphis, TN 38134-7693

Dear Dr. Hall,

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 Southwest Tenn Community College (Sponsor), Application Agreement number 00506, on March 3, 2020. Additional information was requested and provided on March 4, 2020. 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.

**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 to the meals reported as served for each meal service. We also assessed compliance with civil rights requirements. In addition, we observed an a.m. supplement meal service on December 6, 2019, at the Early Childhood Education Center site.

The Sponsor had two childcare centers in operation during December 2019. The Early Childhood Education Center was selected as the sample site. We also reviewed income eligibility applications to meet the required valid statistical sample and the monitoring documentation for the Campus Kids' Corner site.

**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.

Our review of the Sponsor's records for December 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 December 2019, we noted the Sponsor reported 110 participants in the free category, seven participants in the reduced-price category, and seven participants in the paid category. However, based on our review of the records available, we noted that there were 108 participants in the free category, five participants in the reduced-price category, and eight participants in the paid category. (See Exhibit A)

The differences were based on the following:

**Early Childhood Education Center**

- There was one participant who was categorized correctly on the application as reduced-price but was reported as paid. This is a reporting error, and the participant was reclassified as reduced-price.
- The Sponsor over reported the number of participants in the free category by three, over reported the number of participants in the reduced-priced category by two and under reported the number of participants in the paid category by one.

There were 43 participants reported on the Claim for Reimbursement. However, based on our review of the Sponsor's records, we found there were 39 participants enrolled in the program at the Early Childhood Education Center. (See Exhibit B)

**Campus Kids' Corner**

- There was one participant reported in the reduced-price category whose application did not list the last four digits of the adult's Social Security number. This participant was reclassified as paid.
- The Sponsor under reported the number of free participants by one.

There were 81 participants reported on the Claim for Reimbursement. However, based on our review of the Sponsor's records, we found there were 82 participants enrolled in the program at the Campus Kids' Corner. (See Exhibit C)

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."

#### 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 reported an incorrect number of a.m. supplements from an observed meal service**

#### Condition

#### **Early Childhood Education Center**

On December 6, 2019, a DHS program monitor arrived at the Early Childhood Education Center at approximately 8:15 a.m. to observe the a.m. supplement meal service. The approved meal service time listed in TIPS was from 8:30 a.m. until 9:00 a.m. The monitor observed 23 participants during the approved meal service time. The Sponsor reported a total of 27 a.m. supplements being served.

As a result, four (4) Supplements claimed for reimbursement were disallowed. (See Exhibits A & B)

#### Criteria

*Title 7 of the Code of Federal Regulations, Section 226.10 (c)* states in part "...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 the number of meals reported is accurate and served during the approved meal service time.

### **3. The Sponsor did not have a menu posted for an observed meal**

#### Condition

#### **Early Childhood Education Center**

During our meal observation on December 6, 2019, there was no menu posted.

#### Criteria

*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."

The USDA Monitoring Handbook for State Agencies, page 29, states, "Institutions must serve meals according to the posted menus and document substitutions...."

#### Recommendation

The Sponsor should ensure the menu is posted and updated for each meal served.

### **4. An inventory of food and non-food items was not maintained**

#### Condition

The Sponsor did not maintain an annual inventory of food and non-food items purchased with CACFP funds. As a result, we could not determine if excess CACFP funds exist.

#### Criteria

The Monitoring Handbook for State Agencies, A child and Adult Care Food Program Handbook, pages 27, in part states, "Many State agencies require the calculation of the "cost of food used" at the end of each month... Other State agencies may require an inventory to be taken once a year so they can make adjustments in the cost of food on an annual basis. In this case, the same procedure as the monthly inventory would be followed, but only once a year."

#### Recommendation

The Sponsor should ensure an inventory is completed annually for food and non-food supplies purchased with CACFP funds.

### **5. The Sponsor's documentation of monitoring reviews did not list the specific dates for the five-day reconciliation**

#### Condition

During the Sponsor review, we reviewed monitoring documentation for both the Early Childhood Education Center and the Campus Kids' Corner sites. The 5-day reconciliations did not list dates on any of the monitoring reviews. The Sponsor is responsible for examining the meal count records for five prior consecutive days, and we could not determine if this was accurately completed.

#### Criteria

*Title 7 of the Code of Federal Regulations, Section 226.16(d)(4)(ii)* states, "Reviews must examine the meal counts recorded by the facility for five consecutive days during the current and/or prior claiming period. For each day examined, reviewers must use enrollment and attendance records..."

## Recommendation

The Sponsor should ensure all monitoring stipulations are met and the forms are completed in their entirety.

### **6. The Sponsor did not provide sufficient documentation for the annual CACFP training requirement**

#### Condition

During our monitoring visit to the Sponsor on March 3, 2020, we requested documentation of the required annual CACFP training completed. The Sponsor provided the training agenda documentation but did not provide the roster of the participants in attendance. Training for key personnel is a requirement for the annual CACFP training.

#### Criteria

*Title 7 of the Code of Federal Regulations, Section 226.16 (d)(2) states, "Training on Program duties and responsibilities to key staff from all sponsored facilities prior to the beginning of Program operations. At a minimum, such training must include instruction, appropriate to the level of staff experience and duties, on the Program's meal patterns, meal counts, claims submission and review procedures, recordkeeping requirements, and reimbursement system. Attendance by key staff, as defined by the State agency, is mandatory;"*

*Title 7 of the Code of Federal Regulations, Section 226.16 (d)(3) states, "Additional mandatory training sessions for key staff from all sponsored childcare and adult daycare facilities not less frequently than annually. At a minimum, such training must include instruction, appropriate to the level of staff experience and duties, on the Program's meal patterns, meal counts, claims submission and review procedures, recordkeeping requirements, and reimbursement system. Attendance by key staff, as defined by the State agency, is mandatory;"*

## Recommendation

The Sponsor should ensure all training requirements are met for CACFP employees and completed annually.

### **7. One of the sponsored feeding sites did not have a current health inspection documentation**

#### Condition

#### **Early Childhood Education Center**

We requested the health inspection documentation during our meal observation on December 6, 2019, and again during our Sponsor monitoring review on March 3, 2020. The documentation provided for the health inspection report was dated July 26, 2016.

#### Criteria

*Title 7 of the Code of Federal Regulations, Section 226.6 (b)(2)(vii)(c)(5)(iii) states institutions must, "... Have a food service that complies with applicable State and local health and sanitation requirements;..."*

## Recommendation

The Sponsor should comply with applicable State and local health and sanitation standards as required by the CACFP and maintain proper documentation on file.

## **Technical Assistance Provided**

Technical Assistance was provided regarding menu requirements and posting, ensuring applications are completed and reported correctly, the maintenance of an inventory on food and non-food items, and training documentation 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](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

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: Mary Palmer, Director of Campus Child Care Programs, Southwest Tenn Community College  
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 A**

**Verification of CACFP Sponsor of Affiliated Centers Claim**

**Name of Agency: Southwest Tenn Community College**

**Review Month/Year: December 2019**

**Total Meal Reimbursement Received: \$5,962.45**

<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	1,203	1,203
Number of Lunches Served	1,187	1,187
Number of A.M. Supplements Served	1,113	1,109
Number of P.M. Supplements Served	1,036	1,036
Number of Participants in Free Category	110	108
Number of Participants in Reduced-Price Category	7	5
Number of Participants in Paid Category	7	8
Total Number of Participants	124	121



**EXHIBIT B****Verification of Affiliated Sponsored Center Data****Center: Early Childhood Education Center****Review Month/Year: December 2019**

<b>Site Meal Service Reconciliation and Monitor Activity</b>	<b>Reported on Claim</b>	<b>Reconciled to Documentation</b>
Number of Days that CACFP Food Service was operated	15	15
Total Attendance	331	331
Number of Lunch Meals Served	324	324
Number of A.M. Supplements Served	271	267
Number of P.M. Supplements Served	293	293
Number of Participants in Free Category	36	33
Number of Participants in Reduced-Price Category	4	3
Number of Participants in Paid Category	3	3
Total Number of Participants	43	39

## EXHIBIT C

### Verification of Affiliated Sponsored Center Data

**Center: Campus Kids' Corner**  
**Review Month/Year: December 2019**

<b>Site Meal Service Reconciliation and Monitor Activity</b>	<b>Reported on Claim</b>	<b>Reconciled to Documentation</b>
Number of Days that CACFP Food Service was operated	NA	NA
Total Attendance	NA	NA
Number of Lunch Meals Served	NA	NA
Number of Supplements Served	NA	NA
Number of Participants in Free Category	74	75
Number of Participants in Reduced-Price Category	3	2
Number of Participants in Paid Category	4	5
Total Number of Participants	81	82

\*Additional applications were viewed to meet valid statistical sample numbers at this site.