



**STATE OF TENNESSEE  
DEPARTMENT OF HUMAN SERVICES**

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**BILL LEE**  
GOVERNOR

**DANIELLE W. BARNES**  
COMMISSIONER

May 29, 2020

Sandra Gouge, Owner  
Unicoi Childcare Center  
P.O. Box 341  
Unicoi, Tennessee 37692

Dear Mrs. Gouge,

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 Unicoi Childcare Center (Sponsor), Application Agreement number 00-557 during the period of April 6, 2020 through April 22, 2020. Our scope of the review was for reimbursement made to the Sponsor for February 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 review of the documents obtained from Sponsor, via e-mail, mail, or other electronic transmission 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.

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.

**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 February 2020 disclosed the following:

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

#### Condition

Based on our review of the menus provided by the Sponsor for February 2020, the menus provided did not meet the USDA meal pattern requirements. The menus provided had deficiencies as follows:

<b>Date</b>	<b>Menu</b>	<b>Menu Error</b>	<b>Number of Meals Disallowed</b>
2/3/2020	Veggie Straws and White Grape Juice	Veggie Straws not a creditable component	29 supplements
2/17/2020	Veggie Straws and White Grape Juice	Veggie Straws not a creditable component	25 supplements

As a result, 54 supplement meals claimed for reimbursement were disallowed. (See Exhibit)

Additionally, menus provided for lunch did not contain sufficient protein. The menus provided had deficiencies as follows:

<b>Date</b>	<b>Menu</b>	<b>Menu Error</b>	<b>Lunches</b>
2/3/2020	Grilled Cheese Sandwich, Tater Tots, Green Beans, Grapes, White Bread and Milk	Kraft processed cheese food product slices not creditable	29
2/10/2020	Peanut Butter and Jelly Sandwich, Macaroni and Cheese, Green Beans, Grapes, White Bread and Milk	Insufficient protein for 3-5 year old participants	14
2/17/2020	Grilled Cheese Sandwich, Tater Tots, Green Beans, Grapes, White Bread and Milk	Kraft processed cheese food product slices not creditable	25
2/24/2020	Peanut Butter and Jelly Sandwich, Macaroni and Cheese, Green Beans, Grapes, White Bread and Milk	Insufficient protein for 3-5 year old participants	14

Due to the new CACFP meal pattern requirements and emphasis on providing technical assistance during the implementation process, the lunch meals were not disallowed.

#### 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 226.14 (b)* states, “In the event that the State agency finds that an institution which prepares its own meals is failing to meet the meal pattern 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”

### Recommendation

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 provided menus that contained grain-based desserts as a component**

### Condition

Based on our review of the menus provided by the sponsor for February 2020, the menus provided did not meet the USDA meal pattern requirements. The menus provided for supplements listed a grain-based dessert and had deficiencies as follows:

<b>Date</b>	<b>Menu</b>	<b>Supplements</b>
2/7/2020	Apple Juice, Nilla Wafer	24
2/14/2020	Apple Juice, Nilla Wafer	28
2/21/2020	Apple Juice, Nilla Wafer	22
2/28/2020	Apple Juice, Nilla Wafer	28

Due to the new CACFP meal pattern 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)(iii)* states, “Grain-based desserts do not count towards meeting the grains requirement.”

*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 pattern 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”

### Recommendation

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

## Technical Assistance Provided

Technical assistance was offered via email, but it was declined by the Sponsor.

## Disallowed Meals Cost

The disallowed meal cost associated with the findings above is below the 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: Boudi Gouge, Assistant Director, Unicoi 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**

**Center: Unicoi Childcare Center**  
**Review Month/Year: February 2020**  
**Total Reimbursement: \$ 1,781.55**

<b>Site Meal Service Activity and Monitor Reconciliation</b>	<b>Reported on Claim</b>	<b>Reconciled to Documentation</b>
Total Days of CACFP Food Service	20	20
Total Attendance	548	550 <sup>1</sup>
Percentage of Participants in the Free or Reduced-price Category (For Proprietary Center Only)	45%	NA <sup>2</sup>
Number of Breakfasts Served	510	510
Number of Lunches Served	526	526
Number of Supplements Served	527	473
Number of Participants in Free Category	14	NA <sup>2</sup>
Number of Participants in Reduced-Price Category	0	NA <sup>2</sup>
Number of Participants in Paid Category	17	NA <sup>2</sup>
Total Number of Participants	31	NA <sup>2</sup>

<sup>1</sup>The difference in the reported and reconciled attendance is immaterial and not included in the report as a finding

<sup>2</sup>The number of participants and their classifications were not verified due to the limited review because of COVID19.