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July 1, 2019

Johnny Cannon, Board Chair
Our Daily Bread of Tennessee, Incorporated
Post Office Box 12120
Knoxville, Tennessee 37912-1620

Dear Mr. Cannon,

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 Our Daily Bread of Tennessee, Inc. (Sponsor), Application Agreement number 00-059, on April 1, 2019 through April 4, 2019. Additional information was requested and provided on April 5, 2019, and information was requested on April 25 and 30, 2019 and received on May 3, 2019. 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.

Based on our review of the Sponsor's records and information provided, the Sponsor had 210 childcare centers and 223 day care home providers operating during the review period. The **Ben's Club House**, Discovery Learning Academy (**Discovery**), **Jayne's Academy #3**, **Jayne's Academy #4**, Jungle Town Daycare & Early Learning Center (**Jungle Town**), Little Kings & Queens Child Development Center (**Kings & Queens**), Mt. Juliet Day School (**Mt. Juliet**), New Beeginings, LLC (**New Beeginings**), Northside Christian Academy (**Northside**), Parkway Church of God Child Care (**Parkway**), Serenity Child Care (**Serenity**), and Tabernacle Christian School Pre-K (**Tabernacle**) were selected as the sample centers. The providers **Jennifer Boykin**, **Carla Brown**, **Ericka Brown-McKinney**, **Nina Bryant**, **Charie Coleman**, **Marion Hunt**, **Peggie Sue McDuffey**, **Carla Morrow**, **Marta Newman**, **Rhonda Oakley**, **Katrina Pennington**, **Iris Powe**, **Dana Robertson**, **Michelle Tschaekofske**, and **James Williams** were selected as the sample homes.

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 meal services at each of the sample centers and homes during the review period.

We observed a meal at the home of Ericka Brown-McKinney, but a claim was not submitted for this provider for the review period. We also attempted to observe meal services at the homes of Kristin Todd, Geraldina Little, Christine Pirlle Jones, Tramain Ashmore, Pamela Bean, Janiela Jones, Dawn Smith, Tina Winters and Kiya Johnson, but either the provider was not participating or children were not in attendance.

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

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

Condition

Ben's Club House – sample center

Based on our review of the Claim for Reimbursement for **Ben's Club House** for the test month, we noted the Sponsor reported 13 participants in the free category, four (4) participants in the reduced-price category, and 13 participants in the paid category. However, based on our review of the records available, we found there were 14 participants in the free category, three (3) participants in the reduced-price category, and 13 participants in the paid category.

The differences were based on the following:

- There were three (3) participants reported in the paid category and one (1) participant reported in the reduced-price category that were categorically or income eligible for free. These participants were reclassified as free.
- There was one (1) participant reported in the reduced-price category but did not have an application provided. This participant was reclassified as paid.

As a result, the Sponsor underreported the number of participants in the free category by one (1) participant, and overreported the reduced-price category by one (1) participant. (See Exhibit P)

Discovery – sample center

Based on our review of the Claim for Reimbursement for **Discovery** for the test month, we noted the Sponsor reported 60 participants in the free category, six (6) participants in the reduced-price category, and ten (10) participants in the paid category. However, based on our review of the records available, we found there were 62 participants in the free category, six (6) participants in the reduced-price category, and eight (8) participants in the paid category.

The differences were based on the following:

- There was one (1) participant correctly identified as eligible for the free category on the application that was reported in the paid category. This participant was reclassified as free.
- There was one (1) participant correctly identified as eligible for the free category on the application that was reported in the reduced-price category. This participant was reclassified as free.
- There was one (1) participant correctly identified as eligible for the reduced-price category on the application that was reported in the paid category. This participant was reclassified as reduced-price.

As a result, the Sponsor underreported the number of participants in the free category by two (2) participants, and overreported the paid category by two (2) participants. (See Exhibit Q)

Jayme’s Academy #4 – sample center

Based on our review of the Claim for Reimbursement for **Jayme’s Academy #4** for the test month, we noted the Sponsor reported ten (10) participants in the free category, two (2) participants in the reduced-price category, and 18 participants in the paid category. However, based on our review of the records available, we found there were 11 participants in the free category, one (1) participant in the reduced-price category, and 18 participants in the paid category.

As a result, the Sponsor underreported one (1) participant in the free category and overreported one (1) participant in the reduced-price category. (See Exhibit S)

Jungle Town – sample center

Based on our review of the Claim for Reimbursement for **Jungle Town** for the test month, we noted the Sponsor reported four (4) participants in the free category, six (6) participants in the reduced-price category, and 187 participants in the paid category. However, based on our review of the records available, we found there were (4) participants in the free category, six (6) participants in the reduced-price category, and 183 participants in the paid category.

The differences were based on the following:

- There were two (2) participants reported in the free category but did not have applications provided. These participants were reclassified as paid.
- There were two (2) participants that were not claimed that did not have applications provided. These participants were added to the paid category.

There were 86 participants reported on the Claim for Reimbursement. However, based on our review of the Sponsor’s records, we found there were 88 participants enrolled in the program and in attendance.

As a result, the Sponsor overreported the number of participants in the free category by two (2) participants, and underreported the paid category by four (4) participants. (See Exhibit T)

Kings & Queens – sample center

Based on our review of the Claim for Reimbursement for **Kings & Queens** for the test month, we noted the Sponsor reported 27 participants in the free category. However, based on our review of the records available, we found there were 26 participants in the free category and one (1) participant in the paid category.

The differences were based on the following:

- There was one (1) participant reported in the free category but did not have an application provided. These participants were reclassified as paid.
- There was one (1) participant in the free category that was reported twice. One participant was removed from free.

There were 27 participants reported on the Claim for Reimbursement. However, based on our review of the Sponsor's records, we found there were 26 participants enrolled in the program and in attendance.

As a result, the Sponsor overreported the number of participants in the free category by two (2) participants, and underreported the paid category by one (1) participant. (See Exhibit U)

Northside – sample center

Based on our review of the Claim for Reimbursement for **Northside** for the test month, we noted the Sponsor reported 16 participants in the free category, seven (7) participants in the reduced-price category, and 28 participants in the paid category. However, based on our review of the records available, we found there were 15 participants in the free category, six (6) participants in the reduced-price category, and 29 participants in the paid category.

The differences were based on the following:

- There was one (1) participant reported in the free category that was income eligible for the reduced-price category. This participant was reclassified as reduced-price.
- There was one (1) participant in the reduced-price category that did not meet the minimum income eligible requirements for the reduced-price category. This participant was reclassified as paid.
- The Sponsor overreported the number of participants in the reduced-price category by one participant.

There were 51 participants reported on the Claim for Reimbursement. However, based on our review of the Sponsor's records, we found there were 50 participants enrolled in the program and in attendance.

As a result, the Sponsor overreported the number of participants in the free category by one (1) participant and the reduced-price category by one (1) participant, and underreported the paid category by one (1) participant. (See Exhibit X)

Parkway – sample center

Based on our review of the Claim for Reimbursement for **Parkway** for the test month, we noted the Sponsor reported four (4) participants in the free category, six (6) participants in the

reduced-price category, and 187 participants in the paid category. However, based on our review of the records available, we found there were (4) participants in the free category, six (6) participants in the reduced-price category, and 183 participants in the paid category.

There were 197 participants reported on the Claim for Reimbursement. However, based on our review of the Sponsor's records, we found there were 193 participants enrolled in the program and in attendance.

As a result, the Sponsor overreported the number of participants in the paid category by four (4) participants. (See Exhibit Y)

Serenity – sample center

Based on our review of the Claim for Reimbursement for **Serenity** for the test month, we noted the Sponsor reported 18 participants in the free category, six (6) participants in the reduced-price category, and three (3) participants in the paid category. However, based on our review of the records available, we found there were 16 participants in the free category, seven (7) participants in the reduced-price category, and four (4) participants in the paid category.

The differences were based on the following:

- There were two (2) participants reported in the free category that not in attendance during the review period. These participants were removed from the free category.
- The number of participants reported in the reduced-price category was underreported by one participant, and the number of participants reported in the paid category was underreported by one (1) participant.

There were 29 participants reported on the Claim for Reimbursement. However, based on our review of the Sponsor's records, we found there were 27 participants enrolled in the program and in attendance.

As a result, the Sponsor overreported the number of participants in the free category by two (2) participants, and underreported the reduced-price category by one (1) participant and the paid category by one (1) participant. (See Exhibit Z)

This is a repeat finding from a previous report dated February 8, 2018.

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."

Title 7 of the Code of Federal Regulations, Section 226.17(b)(8) states, in part, “Child care centers shall collect and maintain documentation of the enrollment of each child, including information used to determine eligibility for free and reduced price meals in accordance with §226.23(e)(1). ...”

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 meal counts incorrectly

Condition

Rhonda Oakley – sample home

Based on our review of the Claim for Reimbursement for the test month for **Rhonda Oakley**, the Sponsor reported 198 breakfasts, 199 lunches, 127 supper meals, and 488 supplements served. However, based on our review of available documents, we found there were 197 breakfasts, 197 lunches, 126 supper meals, and 505 supplements served, prior to any disallowances.

As a result, one (1) breakfast meal, two (2) lunch meals, and one (1) supper meal claimed were overreported, and 17 supplements were underreported. (See Exhibit I)

Tabernacle – sample center

Based on our review of the Claim for Reimbursement for the test month for **Tabernacle**, the Sponsor reported 92 breakfasts, 93 lunches, and 161 supplements served. However, based on our review of available documents, we found there were 92 breakfasts, 93 lunches, and 204 supplements served, prior to any disallowances.

As a result, 55 supplements were underreported. (See Exhibit AA)

This is a repeat finding from a previous report dated October 12, 2018.

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 ensure that claims for reimbursement are completed correctly and based on accurate supporting documents.

3. 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 the test month, the menus provided did not meet the USDA meal pattern requirements. The menus provided had

deficiencies as follows:

Homes:

Rhonda Oakley – sample home

The Sponsor provided menus for **Rhonda Oakley** for the test month that contained components that were not supported by nutrition labels or product formulation statements. Based on our review of the labels provided for “Beef hot dog” and the “cheese” in “Grilled Cheese Sandwich”, there was an insufficient amount of protein in these components to meet the meat or meat alternative requirements. The label provided to support the hot dogs was a turkey frank with 6 grams of protein, and the label provided for cheese was a cheese product that contains 4 grams of protein per serving. The menus with deficiencies are as follows:

| Date | Menu | Meal Type | No. of Meals |
|-------------|--|------------------|---------------------|
| 2/1/19 | Beef hotdog, baked beans, grapes, wheat bun, and milk | Supper | 4 |
| 2/11/19 | Fluid milk, cheese, tomato soup, bananas, and wheat bread | Lunch | 9 |
| 2/15/19 | Fluid milk, beef hot dog, baked beans, grapes, and wheat bun | Lunch | 8 |

Additionally, there were menus provided for infant that failed to document whether iron-fortified formula or breastmilk was served for all meals during the review period. The Sponsor reported 19 breakfast meals, 19 lunch meals, 19 supper meals, and 38 supplements for this infant.

As a result, 19 breakfast meals, 36 lunch meals, 23 supper meals, and 38 supplements claimed were disallowed. (See Exhibit I)

Iris Powe – sample home

The Sponsor provided menus for **Iris Powe** for five (5) meals reported for the lunch meal on February 20, 2019, that listed American cheese, cornbread, collard greens, applesauce, and milk. The label for American cheese provided was a cheese product that contains 4 grams of protein per serving.

The Sponsor provided menus for one infant enrolled who was 11 months old during throughout the review period that did not meet the USDA meal pattern requirements. The infant menu errors are as follows:

- The menus provided for 16 breakfast meals listed formula and infant cereal. No vegetable, fruit, or portions of both were listed.
- The menu provided for the lunch meal on February 14, 2019, listed formula and chili beans. No vegetable, fruit, or portions of both were listed.
- The menus provided for ten (10) supplements listed formula and various crackers. No vegetable, fruit, or portions of both were listed.
- The menus provided for 11 lunch meals listed formula and a vegetable, fruit, or combination of both. No infant cereal, meat, or meat alternative was listed.
- The menus provided for four (4) supplements listed formula and applesauce. No infant cereal, bread, or cracker was listed.
- The menus provided for three (3) supplements listed formula. Neither the infant cereal, bread, or cracker component and the vegetable, fruit, or combination of both component

were listed.

As a result, 16 breakfast meals, 17 lunch meals, and 17 supplements claimed were disallowed. (See Exhibit K)

Centers:

Jayme's Academy #4 – sample center

The Sponsor provided infant menus for breakfast meals, lunch meals, and supplements for **Jayme's Academy #4** that were missing components. The menus provided for breakfast and lunch meals during the review period did not contain an infant cereal or protein component and supplements did not contain a vegetable, fruit, or portions of both for infants 6 to 11 months of age. All infant meals reported for the review period were disallowed.

As result, 34 breakfast meals, 40 lunch meals, and 40 supplements claimed were disallowed. (See Exhibit S)

Kings & Queens – sample center

The Sponsor provided menus for **Kings & Queens** that contained components that were not supported by nutrition labels or product formulation statements. We were unable to determine if the component "Cheese" listed on the menus was a creditable component. The menus with deficiencies are as follows:

| Date | Menu | Meal Type | No. of Meals |
|---------|---|------------|--------------|
| 2/4/19 | Cheese, Wheat Toast, Tomato Soup, Bananas, and Fluid Milk | Supper | 4 |
| 2/15/19 | Cheese and Tortilla | Supplement | 23 |
| 2/25/19 | Cheese, White/Wheat Bread, Eggplant, Fruit Cocktail, and Fluid Milk | Supper | 4 |

Additionally, the Sponsor did not provide infant menus for any meals reported for enrolled infants during the review period. There were 31 breakfast meals, 31 lunch meals, and 30 supplements reported.

As result, 31 breakfast meals, 31 lunch meals, eight (8) supper meals, and 53 supplements claimed were disallowed. (See Exhibit T)

Parkway – sample center

The Sponsor provided an infant menu for lunch for **Parkway** that was missing components. The menu provided had deficiencies as follows:

| Date | Infant Menu | Menu Error | Meal Type | No. of Meals |
|---------|--------------------------------------|---|-----------|--------------|
| 2/20/19 | Breast Milk/Iron Formula and bananas | No infant cereal or meat/meat alternative | Lunch | 5 |

As result, five (5) lunches claimed were disallowed. (See Exhibit Y)

Serenity – sample center

The Sponsor provided infant menus for **Serenity** that were missing components. The menus provided had deficiencies as follows:

| Date | Menu | Menu Error | Meal Type | No. of Meals |
|-------------|---|-----------------------|------------------|---------------------|
| 2/5/19 | English muffin w/ fruit spread, Canadian bacon and milk | No vegetable or fruit | Supplement | 1 |
| 2/8/19 | English muffin w/ fruit spread, Canadian bacon and milk | No bread or grain | Supplement | 1 |
| 2/12/19 | English muffin w/ fruit spread, cheese cubes and milk | No bread or grain | Lunch | 1 |
| 2/25/19 | English muffin w/ fruit spread, Canadian bacon and milk | No bread or grain | Supplement | 1 |

As result, one (1) lunch and three (3) supplements claimed were disallowed. (See Exhibit Z)

This is a repeat finding from a previous report dated February 8, 2018.

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 226.18(d) states, “Each day care home participating in the program shall serve the meal types specified in its approved application in accordance with the meal pattern requirements specified in §226.20. Menu records shall be maintained to document compliance with these requirements. Meals shall be served at no separate charge to enrolled children.”

Title 7 of the Code of Federal Regulations, Section 226.20(b)(4)(ii) states, “Infant meals must have, at a minimum, each of the food components indicated, in the amount that is appropriate for the infant's age.”

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.”

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 alternates, vegetables, 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; and

- 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.

4. The Sponsor provided meals that did not meet USDA meal pattern requirements for observed meals

Condition

Marion Hunt – sample home

During our monitoring visit on February 28, 2019, we observed a lunch meal service at the home of **Marion Hunt**. The meal served included turkey and grilled cheese, white bread, oranges, and milk. A vegetable component was not served.

As a result, four (4) lunch meals claimed were disallowed. (See Exhibit E)

Peggie Sue McDuffey – sample home

During our monitoring visit on February 13, 2019, we observed a lunch meal service at the home of **Peggie Sue McDuffey**. The meal served included salmon patty, black beans, cornbread, bananas, and milk. One participant was served Silk as a substitute for milk, which does not have the nutritional equivalence of milk. There was no medical statement or parent statement on file documenting a need for the substitution.

As a result, one (1) lunch meal claimed was disallowed. (See Exhibit F)

Iris Powe – sample home

During our monitoring visit on February 26, 2019, we observed a lunch meal service at the home of **Iris Powe**. The meal served included chicken nuggets, broccoli with cheese, sliced whole wheat bread, pears, milk, and diced potatoes fried in oil. The potatoes were cooked by submerging the food in hot oil.

No meals were disallowed as the Sponsor did not claim these meals.

Dana Robertson – sample home

During our visit on February 15, 2019, we observed a lunch meal service at the home of **Dana Robertson**. The meal served included a grilled cheese sandwich, green beans, mandarin oranges, pasta with meatballs, and 2% milk. Two percent milk is not creditable.

No meals were disallowed as the Sponsor did not claim these meals.

Michelle Tschaekofske – sample home

During our visit on February 13, 2019, we observed a lunch meal service at the home of **Michelle Tschaekofske**. The meal served included a fish sandwich on whole grain bread, French fries, apples, and 2% milk. Two percent milk is not creditable.

No meals were disallowed as the Sponsor did not claim these meals.

Criteria

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.”

Title 7 of the Code of Federal Regulations, Section 226.20(c)(2) states, “Fluid milk, meat and meat alternatives, vegetables, fruits, and grains are required components in the lunch and supper meals.”

Title 7 of the Code of Federal Regulations, Section 226.18(d) states, “Deep-fat fried foods that are prepared on-site cannot be part of the reimbursable meal...”

Recommendation

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

5. The Sponsor did not provide documentation to support sufficient quantities of milk were purchased for all meals claimed for reimbursement

Ben’s Clubhouse – sample center

Based on the number of meals served with milk as a component at **Ben’s Clubhouse** during the review period, the Sponsor was required to purchase a total of 3,602 ounces of milk. However, the Sponsor could only document the purchase of 2,688 ounces of milk, resulting in a shortage 914 ounces of milk.

As a result, 152 breakfast meals claimed were disallowed. (See Exhibit P)

Jungle Town – sample center

Based on the number of meals served with milk as a component at **Jungle Town** during the review period, the Sponsor was required to purchase a total of 12,194 ounces of milk. However, the Sponsor could only document the purchase of 8,960 ounces of milk, resulting in a shortage 3,234 ounces of milk.

As a result, 496 breakfast meals and 50 supplements claimed were disallowed. (See Exhibit T)

New Beeginings_– sample center

Based on the number of meals served with milk as a component at **New Beeginings** during the review period, the Sponsor was required to purchase a total of 5,490 ounces of milk. However, the Sponsor could only document the purchase of 4,736 ounces of milk, resulting in a shortage 754 ounces of milk.

As a result, 136 breakfast meals claimed were disallowed. (See Exhibit W)

Northside_– sample center

Based on the number of meals served with milk as a component at **Norhtisde** during the review period, the Sponsor was required to purchase a total of 5,016 ounces of milk. However, the Sponsor could only document the purchase of 3,584 ounces of milk, resulting in a shortage 1,432 ounces of milk.

As a result, 214 breakfast meals claimed were disallowed. (See Exhibit X)

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. (iii) Children six years old and older must be served milk that is low-fat (1 percent fat or less) or fat-free (skim). Milk may be unflavored or flavored from July 1, 2018, through June 30, 2019 (school year 2018-2019)....”

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.

6. The Sponsor provided menus that did not meet the updated USDA meal pattern requirements effective October 1, 2017

Condition

Based on our review of the menus provided, the Sponsor did not provide meals that conformed to the updated meal patterns established by the USDA that were effective October 1, 2017. The menus provided had deficiencies as follows:

Kings & Queens – sample center

The Sponsor provided menus for **Kings & Queens** that contained components that were not supported by nutrition labels or product formulation statements. We were unable to determine if the components “Cheese” and “Yogurt” listed on the menus were creditable components. The menus with deficiencies are as follows:

| Date | Menu | Meal Type | No. of Meals |
|-------------|--------------------------------------|------------------|---------------------|
| 2/26/19 | Yogurt and Honey Bunches of Oats | Supplement | 3 |
| 2/27/19 | Yogurt, Strawberries, and Fluid Milk | Breakfast | 22 |

Additionally, the Sponsor did not document a whole grain-rich component was served once per day provided as required on menus provided for **Discovery, Jayme’s Academy #4**, and

Jungle Town for the review period. Also, there was no whole grain-rich component listed once per day at **Tabernacle** for meals reported for February 1 and 12, 2019.

The Sponsor was aware of the updated meal patterns and had a system in place for identifying these menu errors. The Sponsor stated they were relying on the State Agency to provide guidance regarding disallowing for these errors. No guidance was provided and the Sponsor relied on the USDA policy memorandum, SP 01-2019, CACFP 01-2019 Guidance for FY 2019... which states, "... for fiscal year 2019, FNS strongly encourages State agencies to use the flexibilities available to them under 7 CFR 210.18(l)(2) and 226.14(b). For CACFP, when a State agency finds that an institution, which prepares its own meals, is failing to meet meal requirements under 7 CFR 226.20, fiscal action need not be taken if the State agency determines other action would have a corrective effect (7 CFR 226.14(b))...."

Due to the new the 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)(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 226.14(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.

7. The Sponsor provided menus that did not name specific components

Condition

The Sponsor provided menus that did not list the specific type of milk served to participants. **Discovery, Kings & Queens, Mt. Juliet, and Parkway.**

There were no meals disallowed as it was observed the correct milk was provided to each age group and receipts were sufficient to identify the type of milk purchased.

Criteria

Title 7 of the Code of Federal Regulations, Section 226.10(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.... Menus and any other nutritional records required by the State agency shall be maintained to document compliance with such requirements." ...

The USDA Monitoring Handbook for State Agencies, page 24, states “Daily records of menus must contain a listing of the food items served in each meal type to ensure that the CACFP meal pattern requirements were met....”

The USDA policy memorandum, CACFP 17-2017 Documenting Meals in the Child and Adult Care Food Program, states, “CACFP centers and day care homes are required to demonstrate that they are serving meals that meet the meal pattern requirements. Centers and day care homes must keep records of menus....”

The USDA policy memorandum, CACFP 17-2016 Nutrition Requirements for Fluid Milk and Fluid Milk Substitutions in the Child and Adult Care Food Program, states, “In order to ensure compliance with the milk requirements outlined in 7 CFR 226.20(a)(1) and this memorandum, centers and day care homes must document the type of milk served on their menu. This includes listing the fat content (e.g. whole, low-fat or 1%, and fat-free or skim) and if the milk is flavored. It is the responsibility of the State agency or sponsor, as applicable, to further ensure that the correct type of milk is being served when conducting reviews.”

Recommendation

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

8. The Sponsor’s day care home providers did not have records available

Condition

During our monitoring visits for the review period, providers stated enrollment information, daily attendance, daily meal counts, and menus were maintained at the Sponsor. The providers did not maintain documentation as follows:

- **Peggie Sue McDuffey** did not have a medical statement on file for a child served Silk
- **Carla Morrow** did not have enrollment, infant menus, meal counts, attendance
- **Dana Robertson** did not have enrollment for all participants
- **Michelle Tschakofske** did not have enrollment, meal counts, and attendance
- **James Williams** did not have medical statements on file for special diets

During our monitoring visit beginning on April 1, 2019, the Sponsor did provide the missing documentation requested from the daycare home providers.

Criteria

Title 7 of the Code of Federal Regulations, Section 226.18(e) states, “Each day care home must maintain on file documentation of each child’s enrollment and must maintain daily records of the number of children in attendance and the number of meals, by type, served to enrolled children....”

Title 7 of the Code of Federal Regulations, Section 226.18(g) states, “Each day care home shall comply with the recordkeeping requirements established in §226.10(d) and in this section. Failure to maintain such records shall be grounds for the denial of reimbursement.”

Recommendation

The Sponsor should ensure that day care home providers record and maintain all required documents for three years.

9. The Sponsor did not have a completed menu available for an observed meal

Condition

Carla Morrow – sample home

During our monitoring visit at the home of **Carla Morrow** on February 20, 2019, the menu was not complete.

Dana Robertson – sample home

During our monitoring visit at the home of **Dana Robertson** on February 15, 2019, the posted menu did not reflect the type of milk served to participants.

Michelle Tschaekofske – sample home

During our monitoring visit at the home of **Michelle Tschaekofske** on February 13, 2019, the posted menu did not reflect the type of milk served to participants.

James Williams – sample home

During our monitoring visit at the home of **James Williams** on February 21, 2019, the posted menu was not completed for lunch or snack on the day of the visit, and all dates were not completely filled out.

Criteria

The USDA policy memorandum, CACFP 17-2016 Nutrition Requirements for Fluid Milk and Fluid Milk Substitutions in the Child and Adult Care Food Program, states, “In order to ensure compliance with the milk requirements outlined in 7 CFR 226.20(a)(1) and this memorandum, centers and day care homes must document the type of milk served on their menu. This includes listing the fat content (e.g. whole, low-fat or 1%, and fat-free or skim) and if the milk is flavored. It is the responsibility of the State agency or sponsor, as applicable, to further ensure that the correct type of milk is being served when conducting reviews.”

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 for each meal served.

Note: Our observation of the meal services during the review period at **Discovery Learning Center, Jayme’s Academy #3, Mt. Juliet**, and the homes of **Jennifer Boykin, Carla Brown**,

Ericka Brown-McKinney, Nina Bryant, Charie Coleman, Marta Newman, Rhonda Oakley, Katrina Pennington, and Iris Powe revealed no significant deficiencies.

Technical Assistance Provided

During the exit conference on April 4, 2019, the Sponsor requested technical assistance regarding requirements for keeping recipes for components that are self-prepared. We provided technical assistance via email on April 5, 2019.

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 \$2,020.25 [\$1,738.71 for Centers and \$281.54 for Homes].

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 2019, 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
15th Floor, James K. Polk Building
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
16th Floor, James K. Polk Building
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

Exhibits

cc: Phillip Hester, President, Our Daily Bread of Tennessee Inc.
Senta Hester, Executive Director, Our Daily Bread of Tennessee, Inc.
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

Sponsor of Day Care Homes Meals Program Data

Sponsor: Our Daily Bread of Tennessee, Inc.

Review Month/Year: February 2019

Total Amount Paid to Sponsor for Reported Meals: \$190,768.94

Total Amount Paid by Sponsor to Homes for Meals: \$168,998.66

| Home Meal Service Reconciliation and Monitor Activity | Reported on Claim | Reconciled to Documentation |
|--|--------------------------|------------------------------------|
| Total Days of CACFP Food Service | 20 | 20 |
| Total Number of Tier 1 Homes | 213 | 213 |
| Total Number of Tier 2 Homes | 10 | 10 |
| Total Number of Homes | 223 | 223 |
| Number of Tier 1 Breakfasts Served | 30,911 | 30,875 |
| Number of Tier 2 Breakfasts Served | 1,002 | 1,002 |
| Number of Tier 1 Lunches Served | 27,614 | 27,554 |
| Number of Tier 2 Lunches | 1,066 | 1,066 |
| Number of Tier 1 Suppers Served | 10,727 | 10,703 |
| Number of Tier 2 Suppers Served | 127 | 127 |
| Number of Tier 1 Supplements Served | 40,081 | 40,043 |
| Number of Tier 2 Supplements Served | 1,242 | 1,242 |

Exhibit B

Name of Home/Tier Type: Nina Bryant -Tier 1
Sponsor Reimbursement Paid to the Home: \$979.39
Reimbursement due based on Reported Information: \$979.39
Reimbursement due based on Verified Information: \$979.39

| Home Meal Service Reconciliation and Monitor Activity | Reported on Claim | Reconciled to Documentation |
|--|--------------------------|------------------------------------|
| Total Days of CACFP Food Service | 19 | 19 |
| Total Attendance | 243 | 243 |
| Number of Breakfasts Served | 160 | 160 |
| Number of Lunches Served | 178 | 178 |
| Number of Supplements Served | 239 | 239 |
| Number of Suppers Served | 64 | 64 |

Exhibit C

Name of Home/Tier Type: Jennifer Boykin - Tier 2/Mixed
Sponsor Reimbursement Paid to the Home: \$342.20
Reimbursement due based on Reported Information: \$342.20
Reimbursement due based on Verified Information: \$342.20

| Home Meal Service Reconciliation and Monitor Activity | Reported on Claim | Reconciled to Documentation |
|--|--------------------------|------------------------------------|
| Total Days of CACFP Food Service | 20 | 20 |
| Total Tier 2 Attendance | 161 | 161 |
| Number of Tier 2 Breakfasts Served | 154 | 154 |
| Number of Tier 2 Lunches | 161 | 161 |
| Number of Tier 2 Supplements Served | 150 | 150 |

Exhibit D

Name of Home/Tier Type: Charie Coleman - Tier 1
Sponsor Reimbursement Paid to the Home: \$459.00
Reimbursement due based on Reported Information: \$459.00
Reimbursement due based on Verified Information: \$459.00

| Home Meal Service Reconciliation and Monitor Activity | Reported on Claim | Reconciled to Documentation |
|--|--------------------------|------------------------------------|
| Total Days of CACFP Food Service | 18 | 18 |
| Total Attendance | 102 | 102 |
| Number of Breakfasts Served | 102 | 102 |
| Number of Lunches Served | 102 | 102 |
| Number of Supplements Served | 102 | 102 |

Exhibit E

Name of Home/Tier Type: Marion Hunt - Tier 1
Sponsor Reimbursement Paid to the Home: \$323.10
Reimbursement due based on Reported Information: \$323.10
Reimbursement due based on Verified Information: \$313.26

| Home Meal Service Reconciliation and Monitor Activity | Reported on Claim | Reconciled to Documentation |
|--|--------------------------|------------------------------------|
| Total Days of CACFP Food Service | 20 | 20 |
| Total Attendance | 80 | 80 |
| Number of Breakfasts Served | 80 | 80 |
| Number of Lunches Served | 65 | 61 |
| Number of Supplements Served | 80 | 80 |

Exhibit F

Name of Home/Tier Type: Peggie Sue McDuffey -Tier 1
Sponsor Reimbursement Paid to the Home: \$138.76
Reimbursement due based on Reported Information: \$138.76
Reimbursement due based on Verified Information: \$136.30

| Home Meal Service Reconciliation and Monitor Activity | Reported on Claim | Reconciled to Documentation |
|--|--------------------------|------------------------------------|
| Total Days of CACFP Food Service | 18 | 16 |
| Total Attendance | 43 | 43 |
| Number of Breakfasts Served | 28 | 28 |
| Number of Lunches Served | 32 | 31 |
| Number of Supplements Served | 32 | 32 |

Exhibit G

Name of Home/Tier Type: Carla Morrow - Tier 1
Sponsor Reimbursement Paid to the Home: \$622.88
Reimbursement due based on Reported Information: \$622.88
Reimbursement due based on Verified Information: \$622.88

| Home Meal Service Reconciliation and Monitor Activity | Reported on Claim | Reconciled to Documentation |
|--|--------------------------|------------------------------------|
| Total Days of CACFP Food Service | 20 | 20 |
| Total Attendance | 139 | 139 |
| Number of Breakfasts Served | 137 | 137 |
| Number of Lunches Served | 139 | 139 |
| Number of Supplements Served | 139 | 139 |

Exhibit H

Name of Home/Tier Type: Marta Newman - Tier 1
Sponsor Reimbursement Paid to the Home: \$321.59
Reimbursement due based on Reported Information: \$321.59
Reimbursement due based on Verified Information: \$321.59

| Home Meal Service Reconciliation and Monitor Activity | Reported on Claim | Reconciled to Documentation |
|--|--------------------------|------------------------------------|
| Total Days of CACFP Food Service | 20 | 20 |
| Total Attendance | 70 | 70 |
| Number of Breakfasts Served | 2 | 2 |
| Number of Lunches Served | 45 | 45 |
| Number of Supplements Served | 73 | 73 |
| Number of Suppers Served | 63 | 63 |

Exhibit I

Name of Home/Tier Type: Rhonda Oakley - Tier I
Sponsor Reimbursement Paid to the Home: \$1,417.58
Reimbursement due based on Reported Information: \$1,417.58
Reimbursement due based on Verified Information: \$1,233.53

| Home Meal Service Reconciliation and Monitor Activity | Reported on Claim | Reconciled to Documentation |
|--|--------------------------|------------------------------------|
| Total Days of CACFP Food Service | 19 | 19 |
| Total Attendance | 361 | 361 |
| Number of Breakfasts Served | 198 | 178 |
| Number of Lunches Served | 199 | 161 |
| Number of Supplements Served | 488 | 467 |
| Number of Suppers Served | 127 | 103 |

Exhibit J

Name of Home/Tier Type: Katrina Pennington - Tier 1
Sponsor Reimbursement Paid to the Home: \$1,628.18
Reimbursement due based on Reported Information: \$1,628.18
Reimbursement due based on Verified Information: \$1,628.18

| Home Meal Service Reconciliation and Monitor Activity | Reported on Claim | Reconciled to Documentation |
|--|--------------------------|------------------------------------|
| Total Days of CACFP Food Service | 20 | 20 |
| Total Attendance | 403 | 403 |
| Number of Breakfasts Served | 232 | 232 |
| Number of Lunches Served | 232 | 232 |
| Number of Supplements Served | 456 | 456 |
| Number of Suppers Served | 171 | 171 |

Exhibit K

Name of Home/Tier Type: Iris Powe - Tier 1
Sponsor Reimbursement Paid to the Home: \$515.84
Reimbursement due based on Reported Information: \$515.84
Reimbursement due based on Verified Information: \$440.65

| Home Meal Service Reconciliation and Monitor Activity | Reported on Claim | Reconciled to Documentation |
|--|--------------------------|------------------------------------|
| Total Days of CACFP Food Service | 20 | 20 |
| Total Attendance | 132 | 132 |
| Number of Breakfasts Served | 114 | 98 |
| Number of Lunches Served | 111 | 94 |
| Number of Supplements Served | 128 | 111 |

Exhibit L

Name of Home/Tier Type: Dana Robertson - Tier 1
Sponsor Reimbursement Paid to the Home: \$1,228.16
Reimbursement due based on Reported Information: \$1,228.16
Reimbursement due based on Verified Information: \$1,228.16

| Home Meal Service Reconciliation and Monitor Activity | Reported on Claim | Reconciled to Documentation |
|--|--------------------------|------------------------------------|
| Total Days of CACFP Food Service | 20 | 20 |
| Total Attendance | 332 | 332 |
| Number of Breakfasts Served | 330 | 330 |
| Number of Lunches Served | 225 | 225 |
| Number of Supplements Served | 332 | 332 |

Exhibit M

Name of Home/Tier Type: Michelle Tschaekofske - Tier 2
Sponsor Reimbursement Paid to the Home: \$297.08
Reimbursement due based on Reported Information: \$297.08
Reimbursement due based on Verified Information: \$297.08

| Home Meal Service Reconciliation and Monitor Activity | Reported on Claim | Reconciled to Documentation |
|--|--------------------------|------------------------------------|
| Total Days of CACFP Food Service | 19 | 19 |
| Total Tier 2 Mixed Attendance | 158 | 158 |
| Number of Tier 2 Breakfasts Served | 143 | 143 |
| Number of Tier 2 Lunches | 133 | 133 |
| Number of Tier 2 Supplements Served | 158 | 158 |

Exhibit N

Name of Home/Tier Type: James Williams - Tier 1
Sponsor Reimbursement Paid to the Home: \$380.28
Reimbursement due based on Reported Information: \$380.28
Reimbursement due based on Verified Information: \$380.28

| Home Meal Service Reconciliation and Monitor Activity | Reported on Claim | Reconciled to Documentation |
|--|--------------------------|------------------------------------|
| Total Days of CACFP Food Service | 20 | 20 |
| Total Attendance | 140 | 140 |
| Number of Breakfasts Served | 115 | 115 |
| Number of Lunches Served | 61 | 61 |
| Number of Supplements Served | 109 | 109 |

Exhibit O

Sponsor of Unaffiliated Centers Program Data

Sponsor: Our Daily Bread, Inc.
Review Month/Year: February 2019
Total Reimbursement: \$619,827.32
Total Amount Paid by Sponsor to Centers for Meals: \$502,302.31

| Program Area | Reported on Claim | Reconciled to Documentation |
|-------------------------------|--------------------------|------------------------------------|
| Total Number of Centers | 210 | 210 |
| Total CACFP Food Service Days | 20 | 20 |
| Number of Breakfasts Served | 147,440 | 146,378 |
| Number of Lunches Served | 159,837 | 159,760 |
| Number of Suppers Served | 7,342 | 7,334 |
| Number of Supplements Served | 193,121 | 192,992 |

EXHIBIT P

Sponsored Unaffiliated Center Program Data

Center: Ben's Clubhouse

Total Reimbursement: \$1,186.18

| Program Area | Reported on Claim | Reconciled to Documentation |
|--|-------------------|-----------------------------|
| Total CACFP Food Service Days | 20 | 20 |
| Total Attendance | 375 | 377 ¹ |
| Number of Participants in Free Category | 13 | 14 |
| Number of Participants in Reduced-Price Category | 4 | 3 |
| Number of Participants in Paid Category | 13 | 13 |
| Total Number of Participants | 30 | 30 |
| Number of Breakfasts Served | 276 | 124 |
| Number of Lunches Served | 323 | 323 |
| Number of Supplements Served | 364 | 364 |
| Total Amount of Food Costs | XXXXXXXX | \$763.23 |
| Total Amount of Eligible Food and Nonfood Costs | XXXXXXXX | \$979.93 |

¹The difference in the reported and reconciled number is immaterial and was not included in this report as a finding

EXHIBIT Q**Sponsored Unaffiliated Center Program Data****Center: Discovery Learning Academy****Total Reimbursement: \$6,787.91**

| Program Area | Reported on Claim | Reconciled to Documentation |
|--|--------------------------|------------------------------------|
| Total CACFP Food Service Days | 19 | 19 |
| Total Attendance | 1,289 | 1,381 ¹ |
| Number of Participants in Free Category | 60 | 62 |
| Number of Participants in Reduced-Price Category | 6 | 6 |
| Number of Participants in Paid Category | 10 | 8 |
| Total Number of Participants | 76 | 76 |
| Number of Breakfasts Served | 815 | 815 |
| Number of Lunches Served | 1,060 | 1,060 |
| Number of Suppers Served | 411 | 411 |
| Number of Supplements Served | 1,214 | 1,214 |
| Total Amount of Food Costs | XXXXXXXX | \$4,509.20 |
| Total Amount of Eligible Food and Nonfood Costs | XXXXXXXX | \$5,192.00 |

¹The difference in the reported and reconciled number is immaterial and was not included in this report as a finding

EXHIBIT R

Sponsored Unaffiliated Center Program Data

Center: Jayme's Academy #3

Total Reimbursement: \$1,522.93

| Program Area | Reported on Claim | Reconciled to Documentation |
|--|--------------------------|------------------------------------|
| Total CACFP Food Service Days | 20 | 20 |
| Total Attendance | 595 | 595 |
| Number of Participants in Free Category | 10 | 10 |
| Number of Participants in Reduced-Price Category | 4 | 4 |
| Number of Participants in Paid Category | 23 | 23 |
| Total Number of Participants | 37 | 37 |
| Number of Breakfasts Served | 421 | 421 |
| Number of Lunches Served | 595 | 595 |
| Number of Supplements Served | 587 | 587 |
| Total Amount of Food Costs | XXXXXXXX | \$1,369.43 |
| Total Amount of Eligible Food and Nonfood Costs | XXXXXXXX | \$1,840.96 |

EXHIBIT S

Sponsored Unaffiliated Center Program Data

Center: Jayme's Academy #4

Total Reimbursement: \$1,411.59

| Program Area | Reported on Claim | Reconciled to Documentation |
|--|-------------------|-----------------------------|
| Total CACFP Food Service Days | 20 | 20 |
| Total Attendance | 1,289 | 513 |
| Number of Participants in Free Category | 10 | 11 |
| Number of Participants in Reduced-Price Category | 2 | 1 |
| Number of Participants in Paid Category | 18 | 18 |
| Total Number of Participants | 30 | 30 |
| Number of Breakfasts Served | 401 | 367 |
| Number of Lunches Served | 510 | 470 |
| Number of Supplements Served | 491 | 451 |
| Total Amount of Food Costs | XXXXXXXX | \$402.44 |
| Total Amount of Eligible Food and Nonfood Costs | XXXXXXXX | \$558.49 |

¹The difference in the reported and reconciled number is immaterial and was not included in this report as a finding

EXHIBIT T

Sponsored Unaffiliated Center Program Data

Center: Jungle Town

Total Reimbursement: \$2,884.80

| Program Area | Reported on Claim | Reconciled to Documentation |
|--|--------------------------|------------------------------------|
| Total CACFP Food Service Days | 20 | 20 |
| Total Attendance | 1,430 | 1,446 ¹ |
| Number of Participants in Free Category | 14 | 12 |
| Number of Participants in Reduced-Price Category | 7 | 7 |
| Number of Participants in Paid Category | 65 | 69 |
| Total Number of Participants | 86 | 88 |
| Number of Breakfasts Served | 1,286 | 790 |
| Number of Lunches Served | 1,394 | 1,394 |
| Number of Supplements Served | 1,317 | 1,267 |
| Total Amount of Food Costs | XXXXXXXX | \$2,059.61 |
| Total Amount of Eligible Food and Nonfood Costs | XXXXXXXX | \$2,707.46 |

¹The difference in the reported and reconciled number is immaterial and was not included in this report as a finding

EXHIBIT U

Sponsored Unaffiliated Center Program Data

Center: Little Kings & Queens

Total Reimbursement: \$2,802.39

| Program Area | Reported on Claim | Reconciled to Documentation |
|--|--------------------------|------------------------------------|
| Total CACFP Food Service Days | 19 | 19 |
| Total Attendance | 490 | 490 |
| Number of Participants in Free Category | 27 | 25 |
| Number of Participants in Reduced-Price Category | 0 | 0 |
| Number of Participants in Paid Category | 0 | 1 |
| Total Number of Participants | 27 | 26 |
| Number of Breakfasts Served | 432 | 401 |
| Number of Lunches Served | 357 | 326 |
| Number of Suppers Served | 76 | 68 |
| Number of Supplements Served | 543 | 490 |
| Total Amount of Food Costs | XXXXXXXX | \$1,366.90 |
| Total Amount of Eligible Food and Nonfood Costs | XXXXXXXX | \$1,568.47 |

EXHIBIT V

Sponsored Unaffiliated Center Program Data

Center: Mt. Juliet Day School

Total Reimbursement: \$1,627.67

| Program Area | Reported on Claim | Reconciled to Documentation |
|--|--------------------------|------------------------------------|
| Total CACFP Food Service Days | 20 | 20 |
| Total Attendance | 568 | 568 |
| Number of Participants in Free Category | 6 | 6 |
| Number of Participants in Reduced-Price Category | 6 | 6 |
| Number of Participants in Paid Category | 17 | 17 |
| Total Number of Participants | 30 | 30 |
| Number of Breakfasts Served | 568 | 568 |
| Number of Lunches Served | 567 | 567 |
| Number of Supplements Served | 537 | 537 |
| Total Amount of Food Costs | XXXXXXXX | \$1,106.40 |
| Total Amount of Eligible Food and Nonfood Costs | XXXXXXXX | \$1,313.44 |

EXHIBIT W

Sponsored Unaffiliated Center Program Data

Center: New Beeginings, LLC

Total Reimbursement: \$2,144.04

| Program Area | Reported on Claim | Reconciled to Documentation |
|--|--------------------------|------------------------------------|
| Total CACFP Food Service Days | 19 | 19 |
| Total Attendance | 750 | 750 |
| Number of Participants in Free Category | 32 | 32 |
| Number of Participants in Reduced-Price Category | 2 | 2 |
| Number of Participants in Paid Category | 13 | 13 |
| Total Number of Participants | 47 | 47 |
| Number of Breakfasts Served | 324 | 189 |
| Number of Lunches Served | 599 | 599 |
| Number of Suppers Served | 397 | 397 |
| Number of Supplements Served | 726 | 726 |
| Total Amount of Food Costs | XXXXXXXX | \$228.79 |
| Total Amount of Eligible Food and Nonfood Costs | XXXXXXXX | \$567.95 |

EXHIBIT X

Sponsored Unaffiliated Center Program Data

Center: Northside

Total Reimbursement: \$1,507.75

| Program Area | Reported on Claim | Reconciled to Documentation |
|--|-------------------|-----------------------------|
| Total CACFP Food Service Days | 19 | 19 |
| Total Attendance | 613 | 614 ¹ |
| Number of Participants in Free Category | 16 | 15 |
| Number of Participants in Reduced-Price Category | 7 | 6 |
| Number of Participants in Paid Category | 28 | 29 |
| Total Number of Participants | 51 | 50 |
| Number of Breakfasts Served | 496 | 282 |
| Number of Lunches Served | 381 | 381 |
| Number of Supplements Served | 578 | 578 |
| Total Amount of Food Costs | XXXXXXXX | \$1,218.35 |
| Total Amount of Eligible Food and Nonfood Costs | XXXXXXXX | \$1,282.61 |

¹The difference in the reported and reconciled number is immaterial and was not included in this report as a finding

EXHIBIT Y

Sponsored Unaffiliated Center Program Data

Center: Parkway Church of God Childcare

Total Reimbursement: \$2,261.62

| Program Area | Reported on Claim | Reconciled to Documentation |
|--|--------------------------|------------------------------------|
| Total CACFP Food Service Days | 19 | 19 |
| Total Attendance | 2,937 | 2,937 |
| Number of Participants in Free Category | 4 | 4 |
| Number of Participants in Reduced-Price Category | 6 | 6 |
| Number of Participants in Paid Category | 187 | 183 |
| Total Number of Participants | 197 | 193 |
| Number of Lunches Served | 2,567 | 2,562 |
| Number of Supplements Served | 4,676 | 4,676 |
| Total Amount of Food Costs | XXXXXXXX | \$5,324.13 |
| Total Amount of Eligible Food and Nonfood Costs | XXXXXXXX | \$5,568.85 |

EXHIBIT Z

Sponsored Unaffiliated Center Program Data

Center: Serenity Child Care
Total Reimbursement: \$2,144.04

| Program Area | Reported on Claim | Reconciled to Documentation |
|--|--------------------------|------------------------------------|
| Total CACFP Food Service Days | 19 | 19 |
| Total Attendance | 446 | 446 |
| Number of Participants in Free Category | 18 | 16 |
| Number of Participants in Reduced-Price Category | 6 | 7 |
| Number of Participants in Paid Category | 3 | 4 |
| Total Number of Participants | 27 | 27 |
| Number of Breakfasts Served | 249 | 249 |
| Number of Lunches Served | 404 | 320 |
| Number of Suppers Served | 56 | 46 |
| Number of Supplements Served | 456 | 453 |
| Total Amount of Food Costs | XXXXXXXX | \$705.75 |
| Total Amount of Eligible Food and Nonfood Costs | XXXXXXXX | \$896.98 |

EXHIBIT AA

Verification of CACFP Center Claim

Name of Agency: Tabernacle Christian School Pre-K

Total Meal Reimbursement Received: \$158.02

| Site Meal Service Reconciliation and Monitor Activity | Reported on Claim | Reconciled to Documentation |
|---|-------------------|-----------------------------|
| Total Days of CACFP Food Service | 19 | 19 |
| Total Attendance | 170 | 219 |
| Number of Breakfasts Served | 29 | 92 |
| Number of Lunches Served | 93 | 93 |
| Number of Supplements Served | 161 | 216 |
| Number of Participants in Free Category | 0 | 0 |
| Number of Participants in Reduced-Price Category | 0 | 0 |
| Number of Participants in Paid Category | 12 | 12 |
| Total Number of Participants | 12 | 12 |
| Total Amount of Eligible Food Costs | XXXXXXXX | \$297.23 |
| Total Amount of Eligible Food and Non-Food Costs | XXXXXXXX | \$321.96 |



**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

July 1, 2019

Johnny Cannon, Board Chair
Our Daily Bread of Tennessee, Incorporated
Post Office Box 12120
Knoxville, Tennessee 37912-1620

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 continue to participating in the CACFP, log into the Tennessee Information Payment System (TIPS) and revise the claim submitted for February 2019, which contains the verified claim data from the enclosed exhibits.

| | |
|----------------------|--|
| Institution Name: | Our Daily Bread of Tennessee, Inc. |
| Institution Address: | Post Office Box 12120, Knoxville, Tennessee 37912-1620 |
| Agreement Numbers: | 00-059 |
| Amount Due: | \$2,020.25 |
| Due Date: | August 1, 2019 |

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



Corrective Action Plan for Monitoring Findings

Instructions: Please print in ink or type the information to complete this document. Enter the date of birth for each Responsible Principal and/or Individual in Section B. Attach the additional documentation requested. Enter your name, title and date of signature on the last page. Please sign your name in ink.

Please return ALL pages of the completed Corrective Action Plan form.

Section A. Institution Information

| | | |
|---|---------------------|--|
| Name of Sponsor/Agency/Site: Our Daily Bread of Tennessee, Incorporated | Agreement No. 00059 | <input type="checkbox"/> SFSP <input checked="" type="checkbox"/> CACFP |
|---|---------------------|--|

Mailing Address: Post Office Box 12120 Knoxville, Tennessee 37912-1620

Section B. Responsible Principal(s) and/or Individual(s)

| | |
|--|--------------------|
| Name and Title: Johnny Cannon, Board Chair | Date of Birth: / / |
|--|--------------------|

Section C. Dates of Issuance of Monitoring Report/Corrective Action Plan

| | |
|-----------------------------|----------------------------------|
| Monitoring Report: 7/1/2019 | Corrective Action Plan: 7/1/2019 |
|-----------------------------|----------------------------------|

Section D. Findings

Findings:

1. The Sponsor reported the number of participants in the free, reduced-price, and paid categories incorrectly
2. The Sponsor reported meal counts incorrectly
3. The Sponsor provided menus that did not meet the USDA meal pattern requirements
4. The Sponsor provided meals that did not meet USDA meal pattern requirements for observed meals
5. The Sponsor did not provide documentation to support sufficient quantities of milk were purchased for all meals claimed for reimbursement
6. The Sponsor provided menus that did not meet the updated USDA meal pattern requirements effective October 1, 2017
7. The Sponsor provided menus that did not name specific components
8. The Sponsor's day care home providers did not have records available
9. The Sponsor did not have a completed menu available for an observed meal

The following measures will be completed within **30 calendar days** of my institution's receipt of this corrective action plan:

Measure No. 1: The Sponsor reported the number of participants in the free, reduced-price, and paid categories incorrectly

The finding will be fully and permanently corrected.

Identify the name(s) and position title(s) of the employee(s) who will be responsible for ensuring that the finding is fully and permanently corrected:

Name:

Position Title:

Name:

Position Title:

Describe below the **step-by-step** procedures that will be implemented to correct the finding:

When will the procedures for addressing the finding be implemented? Provide a timeline below for implementing the procedures (i.e., will the procedures be done daily, weekly, monthly, or annually, and when will they begin?):

Where will the Corrective Action Plan documentation be retained? Please identify below:

How will new and current staff be informed of the new policies and procedures to address the finding (e.g., Handbook, training, etc.)? Please describe below:

Measure No.2: The Sponsor reported meal counts incorrectly

The finding will be fully and permanently corrected.

Identify the name(s) and position title(s) of the employee(s) who will be responsible for ensuring that the finding is fully and permanently corrected:

Name: _____ Position Title: _____

Name: _____ Position Title: _____

Describe below the **step-by-step** procedures that will be implemented to correct the finding:

When will the procedures for addressing the finding be implemented? Provide a timeline below for implementing the procedures (i.e., will the procedures be done daily, weekly, monthly, or annually, and when will they begin?):

Where will the Corrective Action Plan documentation be retained? Please identify below:

How will new and current staff be informed of the new policies and procedures to address the finding (e.g., Handbook, training, etc.)? Please describe below:

Measure No. 3: The Sponsor provided menus that did not meet the USDA meal pattern requirements

The finding will be fully and permanently corrected.
Identify the name(s) and position title(s) of the employee(s) who will be responsible for ensuring that the finding is fully and permanently corrected:

Name: _____ Position Title: _____

Name: _____ Position Title: _____

Describe below the **step-by-step** procedures that will be implemented to correct the finding:

When will the procedures for addressing the finding be implemented? Provide a timeline below for implementing the procedures (i.e., will the procedures be done daily, weekly, monthly, or annually, and when will they begin?):

Where will the Corrective Action Plan documentation be retained? Please identify below:

How will new and current staff be informed of the new policies and procedures to address the finding (e.g., Handbook, training, etc.)? Please describe below:

Measure No. 4: The Sponsor provided meals that did not meet USDA meal pattern requirements for observed meals

The finding will be fully and permanently corrected.
Identify the name(s) and position title(s) of the employee(s) who will be responsible for ensuring that the finding is fully and permanently corrected:

Name: Position Title:

Name: Position Title:

Describe below the **step-by-step** procedures that will be implemented to correct the finding:

When will the procedures for addressing the finding be implemented? Provide a timeline below for implementing the procedures (i.e., will the procedures be done daily, weekly, monthly, or annually, and when will they begin?):

Where will the Corrective Action Plan documentation be retained? Please identify below:

How will new and current staff be informed of the new policies and procedures to address the finding (e.g., Handbook, training, etc.)? Please describe below:

Measure No. 5: The Sponsor did not provide documentation to support sufficient quantities of milk were purchased for all meals claimed for reimbursement

The finding will be fully and permanently corrected.

Identify the name(s) and position title(s) of the employee(s) who will be responsible for ensuring that the finding is fully and permanently corrected:

Name: _____ Position Title: _____

Name: _____ Position Title: _____

Describe below the **step-by-step** procedures that will be implemented to correct the finding:

When will the procedures for addressing the finding be implemented? Provide a timeline below for implementing the procedures (i.e., will the procedures be done daily, weekly, monthly, or annually, and when will they begin?):

Where will the Corrective Action Plan documentation be retained? Please identify below:

How will new and current staff be informed of the new policies and procedures to address the finding (e.g., Handbook, training, etc.)? Please describe below:

Measure No.6: The Sponsor provided menus that did not meet the updated USDA meal pattern requirements effective October 1, 2017

The finding will be fully and permanently corrected.

Identify the name(s) and position title(s) of the employee(s) who will be responsible for ensuring that the finding is fully and permanently corrected:

Name: _____ Position Title: _____

Name: _____ Position Title: _____

Describe below the **step-by-step** procedures that will be implemented to correct the finding:

When will the procedures for addressing the finding be implemented? Provide a timeline below for implementing the procedures (i.e., will the procedures be done daily, weekly, monthly, or annually, and when will they begin?):

Where will the Corrective Action Plan documentation be retained? Please identify below:

How will new and current staff be informed of the new policies and procedures to address the finding (e.g., Handbook, training, etc.)? Please describe below:

Measure No. 7: The Sponsor provided menus that did not name specific components

The finding will be fully and permanently corrected.

Identify the name(s) and position title(s) of the employee(s) who will be responsible for ensuring that the finding is fully and permanently corrected:

Name: _____ Position Title: _____

Name: _____ Position Title: _____

Describe below the **step-by-step** procedures that will be implemented to correct the finding:

When will the procedures for addressing the finding be implemented? Provide a timeline below for implementing the procedures (i.e., will the procedures be done daily, weekly, monthly, or annually, and when will they begin?):

Where will the Corrective Action Plan documentation be retained? Please identify below:

How will new and current staff be informed of the new policies and procedures to address the finding (e.g., Handbook, training, etc.)? Please describe below:

Measure No. 8: The Sponsor's day care home providers did not have records available

The finding will be fully and permanently corrected.

Identify the name(s) and position title(s) of the employee(s) who will be responsible for ensuring that the finding is fully and permanently corrected:

Name: _____ Position Title: _____

Name: _____ Position Title: _____

Describe below the **step-by-step** procedures that will be implemented to correct the finding:

When will the procedures for addressing the finding be implemented? Provide a timeline below for implementing the procedures (i.e., will the procedures be done daily, weekly, monthly, or annually, and when will they begin?):

Where will the Corrective Action Plan documentation be retained? Please identify below:

How will new and current staff be informed of the new policies and procedures to address the finding (e.g., Handbook, training, etc.)? Please describe below:

Measure No. 9: The Sponsor did not have a completed menu available for an observed meal

The finding will be fully and permanently corrected.

Identify the name(s) and position title(s) of the employee(s) who will be responsible for ensuring that the finding is fully and permanently corrected:

Name: _____ Position Title: _____

Name: _____ Position Title: _____

Describe below the **step-by-step** procedures that will be implemented to correct the finding:

When will the procedures for addressing the finding be implemented? Provide a timeline below for implementing the procedures (i.e., will the procedures be done daily, weekly, monthly, or annually, and when will they begin?):

Where will the Corrective Action Plan documentation be retained? Please identify below:

How will new and current staff be informed of the new policies and procedures to address the finding (e.g., Handbook, training, etc.)? Please describe below:

I certify by my signature below that I am authorized by the institution to sign this document. As an authorized representative of the institution, I fully understand the corrective measures identified above and agree to fully implement these measures within the required time frame. I also understand that failure to fully and permanently correct the findings in my institution's CACFP or SFSP will result in its termination from the program, and the placement of the institution and its responsible principals on the National Disqualified List maintained by the U.S. Department of Agriculture.

Printed Name of Authorized Institution Official:

Position:

Signature of Authorized Institution Official: _____

Date: / /

Signature of Authorized TDHS Official: _____

Date: / /

APPEAL PROCEDURES FOR CHILD AND ADULT CARE INSTITUTIONS AND SPONSORING AGENCIES

Appeal Procedures

1. Pursuant to 7 CFR §226.6(k)(4), the TN Department of Human Services (TDHS) must provide administrative review procedures to institutions and responsible principals and responsible individuals as follows:

- (a) Annually to all institutions;
- (b) To an institution and to each responsible principal and responsible individual when the State agency takes any action subject to an administrative review as described in 7 CFR §226.6(k)(2); and
- (c) Any other time upon request.

2. Pursuant to 7 CFR 226.6(k)(3) and (k)(9), some administrative actions are not subject to administrative review. Those actions are listed in paragraph 2.(a). Other administrative actions may be administratively appealed. Those actions are listed in paragraph 2.(b) and (c). All institutions and sponsoring agencies may appeal any adverse administrative action listed in paragraph 2.(b) which are taken by the TDHS by requesting a fair hearing to appear in person to refute the action, or by requesting a review of written information in lieu of a fair hearing.

(a) Pursuant to 7 CFR Part 226.6 (k)(3) TDHS is prohibited from offering administrative reviews of the following actions:

- (i) FNS decisions on claim deadline exceptions and requests for upward adjustments to a claim.
- (ii) Determination of serious deficiency.
- (iii) State agency determination that corrective action is inadequate.
- (iv) Disqualification and placement on State agency list and National disqualified list.
- (v) Termination.
- (vi) State agency or FNS decision regarding removal from the National disqualified list.
- (vii) State agency's refusal to consider an application submitted by an institution or facility on the National disqualified list.

(b) Pursuant to 7 CFR Part 226.6(k)(9), an abbreviated appeal process is available for the following actions. TDHS must limit the administrative review to a review of written submissions by the TDHS and institutions or sponsoring agencies concerning the accuracy of the State agency's determination if the application was denied, or the State agency proposes to terminate the institution's agreement because:

- (viii) The information submitted on the application was false;
- (ix) The institution, one of its sponsored facilities, or one of the principals of the institution or its facilities is on the national disqualified list;
- (x) The institution, one of its sponsored facilities, or one of the principals of the institution or its facilities is ineligible to participate in any other publicly funded program by reason of violation of the requirements of the program;

- (xi) The institution, one of its sponsored facilities, or one of the principals of the institution or its facilities has been convicted for any activity that indicates a lack of business integrity;

(c) Administrative review is also available if the State agency notifies the institution and responsible principal or responsible individual of the following actions: proposed disqualification of a responsible principal or responsible individual, denial of a budget, denial of a line item within a budget, downward adjustment of the amount approved in a budget, suspension of an institution's participation, denial of start-up or expansion funds, denial of a request for advanced payment, recovery of an advance in excess of a claim, denial of a claim for reimbursement (except for late submission), decision not to forward an exception request for payment of a late claim, overpayment demand, denial of a new or renewing institution's application for participation, denial of sponsored facility application, notice of proposed termination, claim denial, claim deadline exceptions and requests for upward adjustments to a claim, or any other action affecting an institutions participation or claim for payment.

3. All appeal requests must be presented in writing to the TDHS Division of Appeals and Hearings not later than 15 calendar days after the date the institution or sponsoring agency receives the notice of adverse administrative action.
4. The date of an institution's or sponsoring agency's receipt of a notice of suspension and/or proposed termination and disqualification will be governed by the federal regulation at 7 CFR Part 226.2. The notice must specify the action being proposed or taken and the basis for the action, and is considered to be received by the institution or day care home when it is delivered, sent by facsimile, or sent by email. If the notice is undeliverable, it is considered to be received by the institution, responsible principal or responsible individual, or day care home five days after being sent to the addressee's last known mailing address, facsimile number, or email address.
5. The TDHS Division of Appeals and Hearings will acknowledge the receipt of the appeal request within 10 calendar days of the receipt of the institution's or sponsoring agency's request for review. The written request for review should state if a fair hearing is requested or if a review of written information in lieu of a fair hearing is requested. If the appeal request from the institution or sponsoring agency does not specifically request a hearing, a review of written information in lieu of a hearing will occur. If a fair hearing is requested and the institution or sponsoring agency's representative fails to appear, the right to a personal appearance is waived.
6. If an institution or sponsoring agency does not request a fair hearing or a review of written information in lieu of the hearing within 15 calendar days from the date the institution or sponsoring agency receives a Notice of Proposed Termination, the TDHS will issue a letter advising the institution or sponsoring agency that it is terminated from the CACFP effective on the 16th calendar day following the institution's or sponsoring agency's receipt of the notice, and that the responsible principals and individuals of the institution or sponsoring agency are disqualified from participation.
7. To be considered for a fair hearing or for a review of written information in lieu of a fair

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hearing, all written documents must be submitted to the TDHS Division of Appeals and Hearings not later than 30 days after receipt of the notice of adverse administrative action.

8. The action of the TDHS must remain in effect during the administrative review. The effect of this requirement on particular actions by TDHS is as follows:

(i) *Overpayment demand.* During the period of the administrative review, TDHS is prohibited from taking action to collect or offset the overpayment. However TDHS must assess interest beginning with the initial demand for remittance of the overpayment and continuing through the period of administrative review unless the administrative review official overturns the TDHS's action.

(ii) *Recovery of advances.* During the administrative review, TDHS must continue its efforts to recover advances in excess of the claim for reimbursement for the applicable period. The recovery may be through a demand for full repayment or an adjustment of subsequent payments.

(iii) *Program payments.* The availability of Program payments during an administrative review of the denial of a new institution's application, denial of a renewing institution's application, proposed termination of a participating institution's agreement, and suspension of an institution are addressed in paragraphs (c)(1)(iii)(D), (c)(2)(iii)(D), (c)(3)(iii)(D), (c)(5)(i)(D), and (c)(5)(ii)(E), respectively, of 7 CFR §226.6.

9. The institution or sponsoring agency must refute the charges contained in the notice during the fair hearing or in the written information that is provided in lieu of the hearing.

10. The institution and the responsible principals and responsible individuals may retain legal counsel, or may be represented by another person.

11. If a fair hearing is requested, the institution or sponsoring agency will be notified in writing of the time, date and place of the fair hearing at least 10 calendar days in advance.

12. Any information which supports an adverse administrative action taken by the TDHS shall be available to the institution or sponsoring agency for inspection from the date of the receipt of the request for a fair hearing or a review of written information in lieu of the hearing.

13. In accordance with 7 CFR Part 226.6 (k)(8), the TDHS Division of Appeals and Hearings must conduct the administrative review of the proposed disqualification of the responsible principals and responsible individuals as part of the administrative review of the application denial, proposed termination, and/or proposed disqualification of the institution with which the responsible principals or responsible individuals are associated. However, at the administrative review official's discretion, separate administrative reviews may be held if the institution does not request an administrative review or if either the institution or the responsible principal or responsible individual demonstrates that their interests conflict.

14. The procedures contained in the Uniform Administrative Procedures Act found at TCA 4-5-301 et seq. shall be followed in rendering a decision on all appeals. The decision of the hearing officer is the final administrative determination to be afforded to the institution or sponsoring agency, and shall be rendered in a timely manner not to exceed 60 calendar days from the date of the receipt of the request for a fair hearing.

15. The processing limits for administrative appeals MUST be met. In the event a continuance is requested by a party, one continuance may be granted at the Hearing Official's discretion. This

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continuance shall not be for a period longer than ten (10) calendar days unless there are exceptional circumstances. Exceptional circumstances must be detailed in the order of continuance and the order must contain a date certain for the hearing, to be set as soon as possible. A report of pending CACFP desk review and fair hearing requests will be generated and reviewed daily by the Clerk's Office and the Legal Director for Appeals and Hearings who will monitor the dates for timeliness. In the event a decision has not been rendered within forty-five (45) calendar days of the date of receipt of the request for fair hearing or desk review, the Legal Director for Appeals and Hearings or their back-up shall notify the hearing official to take appropriate action.

16. All requests for a fair hearing or for a review of written information in lieu of a hearing must be submitted to:

Tennessee Department of Human Services
Division of Appeals and Hearings
PO Box 198996, Clerk's Office
Nashville, TN 37219-8996
Fax: (615) 248-7013 or (866) 355-6136
E-mail: AppealsClerksOffice.DHS@tn.gov

17. If a termination action is upheld by the hearing officer, the TDHS will issue a letter to the institution or sponsoring agency and its responsible principals and individuals advising that the termination and disqualification are effective on the date of the ruling issued by the hearing officer. The agency maintains searchable records of all administrative reviews and their dispositions for a period of five (5) years.

18. As required by 7 CFR Part 226.6 (c)(7), each disqualified institution, sponsoring agency, principal and individual will be placed on the National Disqualified List maintained by the U.S. Department of Agriculture (USDA). Once included on the National Disqualified List, an institution, sponsoring agency, principal and individual shall remain on the list until such time as the USDA, in consultation with the TDHS, determines that the serious deficiencies that led to their placement on the list have been corrected, or until seven years have elapsed since they were disqualified from participation. However, if the institution, sponsoring agency, principal or individual has failed to repay debts owed under the program, they will remain on the list until the debt has been paid.