



**STATE OF TENNESSEE
DEPARTMENT OF HUMAN SERVICES**

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505 DEADERICK STREET
NASHVILLE, TENNESSEE 37243-1403

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BILL LEE
GOVERNOR

DANIELLE W. BARNES
COMMISSIONER

Certified Mail - Return Receipt #70163010000073326869

February 19, 2019

Deborah Brown, Owner
Deb's Enrichment Center
846 Loeb Street
Memphis, TN 38111-7519

RE: Notice of Serious Deficiency for the Child and Adult Care Food Program (CACFP) Agreement Number 00-245 and Demand for Overpayment.

Dear Ms. Brown,

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 Deb's Enrichment Center (Sponsor), Application Agreement number 00245 on January 4, 2019. We requested additional information and the Sponsor provided that information on January 7, 2019. The purpose of this review was to determine if the Sponsor complied with *Title 7 of the Code of Federal Regulations (CFR)* applicable parts, provider agreement, and applicable Federal and State regulations.

SERIOUS DEFICIENCY DETERMINATION

Based on the monitoring review, the Department has determined Deb's Enrichment Center is seriously deficient in its operation of the CACFP. In addition, the Department has Deborah Brown, Owner as responsible for the serious deficiencies in light of her responsibility for the overall management of Deb's Enrichment Center's CACFP.

If Deb's Enrichment Center does not fully and permanently correct all of the serious deficiencies and submit documentation of the corrective action by the due date, the Department will:

- Propose to terminate Deb's Enrichment Center's agreement to participate in the CACFP;
- Propose to disqualify Deb's Enrichment Center from future CACFP participation; and

- Propose to disqualify Deborah Brown, Owner from future CACFP participation.

In addition, if Deb's Enrichment Center voluntarily terminates its CACFP agreement after receiving this letter, the Department will propose to disqualify Deb's Enrichment Center and Deborah Brown, Owner from future CACFP participation. If disqualified, Deb's Enrichment Center and Deborah Brown, Owner will be placed on the National Disqualified List ("NDL"). While on the NDL, Deb's Enrichment Center will not be able to participate in the CACFP as an institution or facility. Deborah Brown, Owner will not be able to serve as a principal in any institution or facility or as a day care home provider in the CACFP.

Institutions and individuals remain on the NDL until the United States Department of Agriculture's Food and Nutrition Service, in consultation with the Department, determines that the serious deficiencies have been corrected, or until seven years after their disqualification. However, if any debt relating to the serious deficiencies has not been repaid, they will remain on the list until the debt has been repaid.

The authorization for this action is found in Paragraph 1.e. of your FY 2016 CACFP Provider Agreement and in the CACFP regulations at 7 C.F.R. § 226.6(c)(3). You may not appeal a finding of serious deficiency.

SERIOUS DEFICIENCIES, ADDITIONAL FINDINGS AND REQUIRED CORRECTIVE ACTION

The following paragraphs detail each serious deficiency and additional finding:

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) to seek reimbursement.

We inspected meal counts sheets for our test period and reconciled the meals claimed to the meals reported as served for each meal service. We also assessed compliance with civil rights requirements. In addition, we observed a supplement service on November 1, 2018.

Our review of the Sponsor's records for November 2018 disclosed the following:

1. The Sponsor reported the number of participants in the free and paid categories incorrectly

Condition

Based on our review of the Claim for Reimbursement for the test month, we noted that the Sponsor reported 48 participants in the free category, zero participants in the reduced-price category, and zero participants in the paid category. However, based on our review of the available records, we found that there were 42 participants in the free category, zero participants in the reduced-price category, and seven participants in the paid category.

The differences were based on the following:

- The Sponsor did not have applications on file for six (6) of the participants claimed for the review period. All participants were reclassified as paid.

- There was one (1) participant reported in the free category, but the application did not have the signature of the adult household member. This participant was reclassified as paid.

There were 48 participants reported on the Claim for Reimbursement. However, based on our review of the Sponsor's records, we found there were 49 participants enrolled in the program.

As a result, the Sponsor over reported the number of participants in the free category by six (6) participants and under reported the number of participants in the paid category by seven (7). (See Exhibit)

This is a repeat finding from a previous report dated February 2, 2016.

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

Based on our review of the Claim for Reimbursement for the test month, the Sponsor reported 865 breakfast meals, 432 lunch meals, 433 supper meals, and 816 supplements served. However, based on our review of available documents, we found supporting documents for 865 breakfast meals, 432 lunch meals, 433 supper meals, and 819 supplements, prior to any meal disallowances.

As a result, three (3) supplements were under reported. (See Exhibit)

This is a repeat finding from a previous report dated February 2, 2016.

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 did not provide documentation of milk purchases to support menus from November 1, 2018- November 8, 2018 breakfast

This is a Serious Deficiency:

Condition

The Sponsor did not provide receipts to support milk purchases for meals served with milk until November 8, 2018, the time of the purchase was 10:32 am after the breakfast meals were served. In addition, the Sponsor did not have documentation of milk carryover from the previous month.

As a result, 270 breakfast meals, 105 lunch meals and 120 supper meals claimed for reimbursement were disallowed. (See Exhibit)

Criteria

Title 7 of the Code of Federal Regulations, Section 226.15(e) states, “Each institution shall establish procedures to collect and maintain all program records required under this part, as well as any records required by the State agency. Failure to maintain such records shall be grounds for the denial of the reimbursement for meals served during the period covered by the records in question and for the denial of reimbursement for costs associated with such records. At a minimum, the following records shall be collected and maintained: (6) Copies of invoices, receipts or other records required by the State agency financial management instruction to document...”

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 1 year old. Children one year of age must be served unflavored whole milk. (ii) Children 2 through 5 years old. Children two through five years old must be served either unflavored low-fat (1 percent) or unflavored fat-free (skim) milk. (iii) Children 6 years and older. 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.”

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

Recommendation

The Sponsor should ensure an inventory is completed at the end of each month and maintain all receipts for food purchases to verify the required amount of milk was purchased and served for the meals claimed for reimbursement.

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

This is a Serious Deficiency:

Condition

Based on the number of meals claimed for reimbursement with milk as a meal component, the Sponsor should have purchased and served a total of 8,824 ounces of milk. However, the Sponsor could only provide documents to support the purchase of 6,528 ounces of milk, resulting in a shortage of 2,296 ounces of milk.

As a result, 287 breakfast meals claimed for reimbursement were disallowed. (See Exhibit)

Criteria

Title 7 of the Code of Federal Regulations, Section 226.17(b)(4) states, "Recordkeeping 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 1 year old. Children one year of age must be served unflavored whole milk. (ii) Children 2 through 5 years old. Children two through five years old must be served either unflavored low-fat (1 percent) or unflavored fat-free (skim) milk. (iii) Children 6 years and older. 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."

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

Recommendation

The Sponsor should 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.

5. The Sponsor provided a meal that did not meet the USDA meal pattern requirements during an observed meal

Condition

We observed a supplement at Deb's Enrichment Center, on November 1, 2018. The supplement served included Applesauce and Cheetos. Cheetos are not a reimbursable component.

As a result, 13 supplements served were not allowed, and only three were allowable for infants in attendance. The Sponsor did not claim any supplements for November 1, 2018.

The under claiming of three supplements were addressed in Finding 2. (See Exhibit)

Criteria

Title 7 of the Code of Federal Regulations, Section 226.17(b)(4) states, “Each child care center participating in the Program shall claim only the meal types specified in its approved application in accordance with the meal pattern requirements specified in §226.20...”

Title 7 of the Code of Federal Regulations, Section 226.20(c)(3) states that the Sponsor must, “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 ensure that menus meet the USDA meal pattern requirements.

6. The Sponsor did not provide infant menus for a breakfast meal and a supper meal on November 1, 2018

Condition

Based on our review of the menus provided by the Sponsor, the Sponsor claimed four breakfast meals and one supper meal on November 1, 2018. The Sponsor only provided three infant menus for breakfast, lunch, and snack. No supper meals were listed for any infants. In addition, the Sponsor has only three infants enrolled at the center.

As a result, one (1) breakfast meal and one (1) supper meal claimed for reimbursement were disallowed. (See Exhibit)

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 ..."

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 menus for meals claimed for reimbursement meet the meal patterns established by the USDA.

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

Condition

Based on our review of the infant menu provided by the Sponsor for the test month, the menus provided did not meet the USDA meal pattern requirements. The menus provided for infants had deficiencies and listed the following:

Infant: AP, 10 Months

Date	Missing Component	Deficient Meal
11/26/18	Fruit/Vegetable Menu Lists: IFIF, Rice Cereal, WG Graham Crackers	1 Supplement

Infant: JR, 8 Months

Date	Missing Component	Deficient Meal
11/26/18	Fruit/Vegetable Menu Lists: IFIF, Rice Cereal, WG Graham Crackers	1 Supplement

Infant: AM, 6 Months

Date	Missing Component	Deficient Meal
11/26/18	Fruit/Vegetable Menu Lists: IFIF, Rice Cereal, WG Graham Crackers	1 Supplement

As a result, 3 supplements were disallowed. (See Exhibit)

Criteria

Title 7 of the Code of Federal Regulations, Section 226.20 (b) states in part, "... Infant meals-(1) Feeding infants. Foods in reimbursable meals served to infants ages birth through 11 months must be of a texture and a consistency that are appropriate for the age and development of the infant being fed. Foods must also be served during a span of time consistent with the infant's eating habits."

Title 7 of the Code of Federal Regulations, Section 226.20 (4)(2)(b) states in part, "...Infant meals must have, at a minimum, each of the food components indicated, in the amount that is appropriate for the infant's age..... Snack. Two to 4 fluid ounces of breastmilk or iron-fortified infant formula; and 0 to 1/2 slice bread; or 0-2 crackers; or 0-4 tablespoons infant cereal or ready-to-eat cereals; and 0 to 2 tablespoons of vegetable or fruit, or portions of both. Fruit juices and vegetable juices must not be served. A serving of grains must be whole grain-rich, enriched meal, or enriched flour."

Recommendation

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

8. The Sponsor did not maintain child nutrition (CN) labels or product formulation statements for frozen and commercially prepared foods and recipes for combined components

This is a Serious Deficiency:

Condition

The Sponsor provided menus that contained frozen or commercially prepared or combined food components. The Sponsor did not provide CN labels, product formulation statements, or recipes in order for us to determine whether these components were creditable. The following meals were disallowed due to components not determined creditable:

Date	Menu	Menu Error	Meal Type	No. of Meals
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11/5/18	Milk, chicken nuggets, whole kernel corn, green beans cut, grapes, peaches, pears whole wheat bread	Chicken Nuggets	Lunch and Supper Meals	Disallowed in Finding 3
11/7/18	Milk, Chicken nuggets, mac/cheese extra cheese green beans, grapes, peaches, pears, and WW bread.	Chicken Nuggets	Lunch and Supper Meals	Disallowed in Finding 3
11/13/18	Milk, chicken nuggets, whole kernel corn, green beans cut, grapes, peaches, pears whole wheat bread	Chicken Nuggets	Lunch and Supper Meals	21 Lunch Meals 24 Supper Meals
11/20/18	Milk, chicken nuggets, whole kernel corn, green beans cut, grapes, peaches, pears whole wheat bread	Chicken Nuggets	Lunch and Supper Meals	21 Lunch Meals 24 Supper Meals
11/27/18	Milk, chicken nuggets, whole kernel corn, green beans cut, grapes, peaches, pears whole wheat bread	Chicken Nuggets	Lunch and Supper Meals	21 Lunch Meals 24 Supper Meals
11/28/18	Milk, Fish Sticks , whole kernel corn, green beans cut, grapes, peaches, pears whole wheat bread	Fish Sticks	Lunch and Supper Meals	21 Lunch Meals 24 Supper Meals

As a result, 84 lunch meals and 96 supper meals claimed for reimbursement were disallowed. (See Exhibit)

Criteria

Title 7 of the Code of Federal Regulations, Section 226.17(b)(4) states, in part, “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. ...”

The USDA Crediting Foods in the Child and Adult Care Food Program, Revised 2011, page 62, states, in part, “... Because of the uncertainty of the actual amount of meat/meat alternate contained in these products, they should not be used unless (1) they are CN-labeled; or (2) you obtain a Product Formulation Statement signed by an official of the manufacturer (not a sales person) that shows how the crediting has been determined. ...”

Recommendation

The Sponsor should ensure that such information is maintained. This information is used to confirm whether all meal components are creditable and all meals served are reimbursable.

9. The Sponsor claimed lunch meals for a school aged child

Condition

The Sponsor documented serving a 6-12 year old participant lunch meals every day during November 2018. The Sponsor stated that this was a computer programming error and that no 6-12 year old participant was served lunch during the month of November 2018.

As a result, the cost reimbursed for nine (9) lunch meals was disallowed.

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 meal counts records are completed daily and accurately reflect participants in attendance.

10. The Sponsor did not provide enrollment information for participants

Condition

During our monitoring visit on January 9, 2019 enrollment information was not on file for six (6) participants.

Criteria

Title 7 of the Code of Federal Regulations, Section 226.17(b)(8) states, "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). ..."

The USDA policy memorandum, CACFP 15-2013 Existing Flexibilities in the Child and Adult Care Food Program states, "CACFP regulations require that institutions maintain documentation for participants enrolled to receive care [7 CFR 226.15(e)(2) and (e)(3)]. Documentation of participant's enrollment must include information on normal days and hours of care and the meals the participant normally receives while in care...."

Recommendation

The Sponsor should ensure that all enrollment information is collected as required and updated annually.

11. The Sponsor reported the number of attendance days incorrectly

Condition

The claim for reimbursement for the test month, showed 19 participant days. However based on our review of the Sponsor's documentation, we noted there were 18 participant days.

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 all participants are recorded as present only for their actual days of attendance.

12. The Sponsor did not maintain required financial records to document labor costs

Condition

The Sponsor did not provide documentation of written compensation policy and a time distribution record of employees paid with funds from the CACFP.

Criteria

Title 7 of the Code of Federal Regulations, Section 226.6(m)(3) states, "Review content as part of its conduct of program monitoring the State agency must assess each institution's compliance with the requirements of this part pertaining to (iii) Administrative costs..."

Recommendation

The Sponsor should maintain the required documentation of all employees paid with funds from CACFP.

13. The Sponsor provided questionable receipts

This is a Serious Deficiency:

Condition

During our review, we requested all receipts for the test month that support CACFP food purchases and other transactions. Based on our review of the receipts provided, we noted the Sponsor provided us with a receipt from Kroger dated November 19, 2018. The receipt showed the purchase was made with an Electronic Benefits Transfer (EBT) card in which food benefits are distributed through the Supplemental Nutrition Assistance Program (SNAP), formerly the Food Stamp Program.

The receipt total was \$154.10. The EBT card was used to pay \$130.00 of the total purchase, and remaining balance of \$24.10, was paid with cash.

Criteria

The Food and Nutrition Act of 2008 (the Act) defines eligible food as any food or food product for home consumption and also includes seeds and plants which produce food for consumption by SNAP households.

Recommendation

The Sponsor should ensure no food purchases for the CACFP food program are made to EBT.

14. The Sponsor did not have a menu posted for an observed supplement

Condition

During our unannounced monitoring visit on November 1, 2018, there was no menu posted for the supplement observed.

Criteria

Food & Nutrition Service (FNS) 796-2, Rev. 4, states, "Menu records that identify the meal components served to participants must be maintained. Menu records must be updated to reflect changes to planned menus so that the menu records reflect the actual meal components and foods service to participants."

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

Recommendation

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

Technical Assistance Provided

During our monitoring visit, we provided the Sponsor personnel with technical assistance regarding posting of current menus, payroll documentation, and milk inventory

OVERPAYMENT-RIGHT TO APPEAL

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 \$2,824.52.

The procedures for submitting an appeal regarding the amount of overpayment are enclosed. Please note that the appeal must be in writing and must be received by our Department no later than fifteen (15) calendar days from your receipt of this letter. 7 C.F.R. § 226.6(k). 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 overpayment, all appeal procedures must be followed as failure to do so may result in the denial of your request for an appeal.

In accordance with the CACFP regulations at 7 C.F.R. § 226.14(a), in part, the State agency must assess interest 30 days from the initial request for repayment. For information about applied interest rates please visit the following website:

http://www.fiscal.treasury.gov/fsreports/rpt/cvfr/historical_rates.htm

SUMMARY

The Department has determined that Deb's Enrichment Center is seriously deficient in its operation of the CACFP and that Deborah Brown, Owner is responsible for the serious deficiencies.

You may not appeal the serious deficiency determination itself. If the Department proposes to terminate Deb's Enrichment Center's CACFP agreement, or propose to Deb's Enrichment Center and the responsible individuals, you will be able to appeal those actions and you will be advised of your appeal rights and the appeal procedures at that time.

Deb's Enrichment Center may continue to participate in the CACFP during the corrective action period. The Department will pay any valid claims for reimbursement submitted by Deb's Enrichment Center for the corrective action period. As always, you must submit claims within sixty (60) calendar days of the last

day of the month covered by the claim. The Department will deny any portion of a claim we determine is invalid. If the Department denies payment of any portion of a claim submitted for the corrective action period, that action would be appealable.

To provide for the full and permanent correction of the serious deficiencies and findings, please complete the following actions within thirty (30) days of your receipt of this notice:

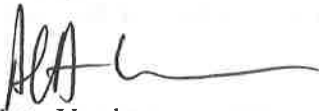
- Log into the Tennessee Information Payment System (TIPS) and revise the claim submitted for November 2018, which contains the verified claim data from the enclosed exhibits.
- Remit a check payable to the *Tennessee Department of Human Services* in the amount noted in the report for recovery of the 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 the Department does not receive the corrective action plan by the deadline date, or the Department determines that the corrective action plan does not provide for the full and permanent correction of the serious deficiencies and findings, the Department will propose to terminate the Institution's CACFP Provider Agreement and to disqualify you and the Institution from future CACFP participation by issuing a Notice of Proposed Termination and Disqualification.

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,



Allette Vayda
Director of Operations- Food Programs

Exhibit

cc: Debra Pasta, Program Manager, Child and Adult Care Food Program
Elke Moore, Administrative Services Assistant 3, Child and Adult Care Food Program
Constance Moore, Program Specialist, Child and Adult Care Food Program
Marty Widner, Program Specialist, Child and Adult Care Food Program
Comptroller of the Treasury, State of Tennessee

EXHIBIT

Verification of CACFP Independent Center Claim

Name of Agency: Deb's Enrichment Center

Review Month/Year: November 2018

Total Meal Reimbursement Received: \$5,357.34

Site Meal Service Reconciliation and Monitor Activity	Reported on Claim	Reconciled to Documentation
Total Days of CACFP Food Service	19	18
Total Attendance	865	865
Percentage of Free or Reduced-price Category	XXXXXX	86%
Number of Breakfasts Served	865	307
Number of Lunches Served	432	234
Number of Suppers Served	433	216
Number of Supplements Served	816	816
Number of Participants in Free Category	48	42
Number of Participants in Reduced-Price Category	0	0
Number of Participants in Paid Category	0	7
Total Number of Participants	48	49
Total Amount of Eligible Food Costs	XXXXXXXX	\$501.19
Total Amount of Eligible Food and Non-Food Costs	XXXXXXXX	\$768.94



**STATE OF TENNESSEE
DEPARTMENT OF HUMAN SERVICES**

JAMES K. POLK BUILDING
505 DEADERICK STREET
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BILL LEE
GOVERNOR

DANIELLE W. BARNES
COMMISSIONER

February 19, 2019

Deborah Brown, Owner
Deb's Enrichment Center
846 Loeb Street
Memphis, Tennessee 38111-7519

Notice of payment due to findings disclosed in the monitoring report for Child and Adult Care Food Program (CACFP)

Institution Name:	Deb's Enrichment Center
Institution Address:	846 Loeb Street Memphis Tennessee 38111-7519
Agreement Numbers:	00245
Amount Due:	\$2,824.52
Due Date:	March 19, 2019

Based on the monitoring report issued, by the Audit Services Division within the Tennessee Department of Human Services, the Community and Social Services- Food Programs- CACFP & SFSP management has agreed with the findings which require your institution to reimburse the Department of Human Services the disallowed cost noted in the report

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 37243-1403
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
CHILD AND ADULT CARE FOOD PROGRAM (CACFP)
TENNESSEE DEPARTMENT OF HUMAN SERVICES (TDHS)**

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 Date of Birth on the first page; enter your name, title and date of signature on the last page. Sign your name in ink. **Please return ALL pages of the completed Corrective Action Plan form.**

Section A. Institution Information	
Name of Institution Deb's Enrichment Center	CACFP Agreement No. 00-245
Mailing Address: 846 Loeb Street Memphis, Tennessee 38111	
Section B. Responsible Principal(s) and/or Individual(s)	
Name and Title: Deborah Brown, Owner	Date of Birth (s):
Section C. Dates of Issuance of Monitoring Report/Corrective Action Plan	
SD Report: February 19, 2019	Corrective Action Plan: February 19, 2019
Section D. Findings	
Findings:	
<ol style="list-style-type: none"> 1. The Sponsor reported the number of participants in the free and paid categories incorrectly 2. The Sponsor reported meal counts incorrectly 3. The Sponsor did not provide documentation of milk purchases to support menus from November 1, 2018- November 8, 2018 breakfast 4. The Sponsor did not provide documentation to support sufficient quantities of milk were purchased for all meals claimed for reimbursement 5. The Sponsor provided a meal that did not meet the USDA meal pattern requirements during an observed meal 6. The Sponsor did not provide infant menus for a breakfast meal and a supper meal on November 1, 2018 7. The Sponsor provided infant menus that did not meet the USDA meal pattern requirements 8. The Sponsor did not maintain child nutrition (CN) labels or product formulation statements for frozen and commercially prepared foods and recipes for combined components 9. The Sponsor claimed lunch meals for a school aged child 	

- 10. The Sponsor did not provide enrollment information for participants
- 11. The Sponsor reported the number of attendance days incorrectly
- 12. The Sponsor did not maintain required financial records to document labor costs
- 13. The Sponsor provided questionable receipts
- 14. The Sponsor did not have a menu posted for an observed supplement

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

Measure No. 1: The Sponsor reported the number of participants in the free 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 did not provide documentation of milk purchases to support menus from November 1, 2018- November 8, 2018 breakfast

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 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. 5: The Sponsor provided a meal that did not meet the USDA meal pattern

requirements during 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:

Measure No. 6: The Sponsor did not provide infant menus for a breakfast meal and a supper meal on November 1, 2018

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 infant 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. 8: The Sponsor did not maintain child nutrition (CN) labels or product formulation statements for frozen and commercially prepared foods and recipes for combined 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. 9: The Sponsor claimed lunch meals for a school aged child

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. 10: The Sponsor did not provide enrollment information for participants

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. 11: The Sponsor reported the number of attendance days 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. 12: The Sponsor did not maintain required financial records to document labor costs

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. 13: The Sponsor provided questionable receipts

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. 14: The Sponsor did not have a menu posted for an observed supplement

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.

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

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

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.