



**STATE OF TENNESSEE
DEPARTMENT OF HUMAN SERVICES**

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BILL LEE
GOVERNOR

DANIELLE W. BARNES
COMMISSIONER

March 25, 2020

John Kimbrough, Owner
Creative Learning Center
275 South Walnut Street
Cookeville, Tennessee 38501-3249

Dear Mr. Kimbrough,

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 Creative Learning Center (Sponsor), Application Agreement number 00-230, on February 13, 2020. Additional information was requested on February 20, 2020 and was provided on March 11, 2020. 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.

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 a lunch meal service during our monitoring visit on January 13, 2020.

Our review of the Sponsor's records for January 2020 disclosed the following:

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

Condition

Based on our review of the Claim for Reimbursement for January 2020, we noted the Sponsor reported 42 participants in the free category, three (3) participants in the reduced-price category, and 59 participants in the paid category. However, based on our review of the records available, we noted that there were 42 participants in the free category, four (4) participants in the reduced-price category, and 59 participants in the paid category.

The difference was due to one (1) participant being incorrectly reported as paid but income eligible for the reduced-price category

- As a result, the number of participants reported in the paid category was over reported by one (1) participant and the reduced-price category was underreported by one (1) participant. (See Exhibit)

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

Criteria

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

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 served breakfast cereals that did not meet USDA meal component requirements

Condition

Based on our review of the menus provided by the Sponsor, the menus contained dry cereals that did not meet USDA meal pattern requirements in that they contained more sugar than the maximum allowed. The menus with dry cereals that were not creditable are as follows:

- Apple Jacks cereal was served for breakfast on January 17, 2020. Apple Jacks cereal contains 28.6 grams of sugar per 100 grams of dry cereal.
- Honey Combs cereal was served for supplement meals on January 14 and 28, 2020. Honey Combs cereal contains 38.3 grams of sugar per 100 grams of dry cereal.
- Fruit Loops cereal was served for supplement meal on January 23, 2020. Fruit Loops cereal contains 28.3 grams of sugar per 100 grams of dry cereal.

Due to the updated 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)(ii) states, "... Breakfast cereals must contain no more than 6 grams of sugar per dry ounce (no more than 21.2 grams sucrose and other sugars per 100 grams of dry cereal) ..."

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."

Recommendation

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

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

Condition

Based on our review of the menus provided by the Sponsor, the menus did not list the specific type of milk served to participants.

There were no meals disallowed as it was observed the correct milk was provided to each age group during our monitoring visit on January 15, 2020 and receipts were sufficient to identify the type of milk purchased.

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.... Menus and any other nutritional records required by the State agency shall be maintained to document compliance with such requirements."

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.

Note: Our observation of the lunch meal service on January 13, 2020 revealed no significant deficiencies.

Technical Assistance Provided

During our monitoring visit on January 13, 2020, the Sponsor requested technical assistance

regarding whole grain-rich components, creditable dry cereals, and menu guides. We provided technical assistance requested and the updated "And Justice for All" poster on January 14, 2020.

Corrective Action

The Sponsor must complete the following actions within 30 days from the date of this report:

- Prepare and submit a corrective action plan to address the deficiencies identified in this report. The corrective action plan template is attached. Please return the corrective action plan to:

AuditServices.CAPS.DHS@tn.gov

If you have questions relative to the corrective action plan please contact:

Allette Vayda, Director of Operations
Child and Adult Care Food Program
James K. Polk Building, 15th Floor
505 Deaderick Street
Nashville, Tennessee 37243
Allette.Vayda@tn.gov
(615) 313-3769

We appreciate the assistance provided during this review. If you have any questions regarding this report, please contact Sean Baker, Audit Director 2, at 615-313-4727 or Sean.Baker@tn.gov.

Sincerely,



Sam O. Alzoubi, CFE
Director of Audit Services

Exhibit

cc: Laura Wheeler, Director, Creative Learning Center
Allette Vayda, Director of Operations, Child and Adult Care Food Programs
Debra Pasta, Program Manager, Child and Adult Care Food Program
Elke Moore, Administrative Services Assistant 3, Child and Adult Care Food Program
Constance Moore, Program Specialist, Child and Adult Care Food Program
Marty Widner, Program Specialist, Child and Adult Care Food Program
Comptroller of the Treasury, State of Tennessee

EXHIBIT

Verification of CACFP Independent Center Claim

Name of Agency: Creative Learning Center

Review Month/Year: January 2020

Total Meal Reimbursement Received: \$4,148.49

Site Meal Service Reconciliation and Monitor Activity	Reported on Claim	Reconciled to Documentation
Total Days of CACFP Food Service	22	22
Total Attendance	1,804	1,804
Percentage of Free or Reduced-price Category	43%	44%
Number of Breakfasts Served	709	709
Number of Lunches Served	1,438	1,438
Number of Supplements Served	1,739	1,739
Number of Participants in Free Category	42	42
Number of Participants in Reduced-Price Category	3	4
Number of Participants in Paid Category	59	58
Total Number of Participants	104	104