



**STATE OF TENNESSEE
DEPARTMENT OF HUMAN SERVICES**

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BILL LEE
GOVERNOR

DANIELLE W. BARNES
COMMISSIONER

July 27, 2020

Carla Murphy, Owner
Jellybean Junction Daycare
1130 West Main Street
Hohenwald, Tennessee 38462-3206

Dear Ms. Murphy,

The Department of Human Services (DHS) - Division of Audit Services staff conducted a limited desk review of the Child and Adult Care Food Program (CACFP) at Jellybean Junction Daycare (Sponsor), Application Agreement number 00-328, during the period of June 5, 2020 through June 16, 2020. Our scope of the review was for reimbursement made to the Sponsor for May 2020.

Due to the outbreak and the risk that COVID19 poses to the Sponsor and our staff, the review was limited to verification, based on review of the documents obtained from Sponsor, via e-mail, mail, or other electronic transmission of documents. We also, obtained confirmation from the feeding sites and Sponsor staff via telephone or e-mail relative to the operation and administration of the CACFP.

The purpose of this review was to determine if the Sponsor complied with USDA regulations set through the COVID-19 period, taking into consideration the waivers granted to the Sponsor's operation. Also, to determine if the Sponsor complied with the applicable *Title 7 of the Code of Federal Regulations* (CFR) applicable parts, provider agreements, and applicable Federal and State regulations.

Important COVID-19 note: Due the current outbreak and the risk that COVID19 poses to your organization personnel and our staff, all our staff are working from home with no or very limited access to the office. Therefore, we will not send a copy of this report via regular mail until further notice. Please confirm the receipt of this email as it is currently the option to communicate to you. If you need any assistance or have any questions, please do not hesitate to contact us via email.

Background

CACFP Sponsors utilize meal count sheets to record the number of breakfast, lunch, supper, and supplement meals served. Meals served by participating Sponsors must meet the minimum

guidelines set by the United States Department of Agriculture (USDA) and DHS to be eligible for reimbursement. The CACFP Sponsor reports the number of meals served through the DHS Tennessee Information Payment System (TIPS) for reimbursement.

We inspected meal count sheets provided by the Sponsor for the month of May 2020 and reconciled the meals claimed for reimbursement to the meals reported as served for each meal service. We also reviewed documentation of the Sponsor's financial transactions including but not limited to purchases of food.

Our review of the Sponsor's documentation for May 2020 disclosed the following:

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

Condition

Based on our review of the Claim for Reimbursement for May 2020, we noted the Sponsor reported 51 participants in the free category, three (3) participants in the reduced-price category, and 28 participants in the paid category. Based on our review of the records available, there were 43 participants in the free category, two (2) participants in the reduced-price category, and 17 participants in the paid category.

The Sponsor reported 82 participants enrolled and in attendance during the review period; however, there were only 62 participants in attendance.

As a result, the Sponsor overreported the free category by eight (8) participants, the reduced-price category by one (1) participant, and the paid category by 11 participants. (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 ..."

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.

This is a repeat finding from a previous report dated September 12, 2017

2. The Sponsor provided menus that did not name the specific type of milk served to participants as required

Condition

During our entrance conference conducted on June 5, 2020, we requested menus, receipts, and other documentation to support meals were served in compliance with USDA regulations. The Sponsor provided menus that did not identify the type of milk served to participants.

There were no meals disallowed as we were able to identify the type of milk purchased and

determine sufficient amounts of milk were purchased to provide the correct type of milk to participants in each age group based on food purchase receipts provided.

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 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.

Technical Assistance Provided

Technical assistance was requested and provided regarding the updated “And Justice for All” poster via email on June 15, 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

Sam O. Alzoubi, CFE
Director of Audit Services

Exhibit

cc: Juanita Woods, Director, Jellybean Junction Daycare
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 Program Data

Name of Agency: Jellybean Junction Daycare

Review Month/Year: May 2020

Total Meal Reimbursement Received: \$4,779.75

Site Meal Service Reconciliation and Monitor Activity	Reported on Claim	Reconciled to Documentation
Total Days of CACFP Food Service	19	19
Total Attendance	1,558	1,078
Number of Breakfasts Served	1,016	1,016
Number of Lunches Served	1,078	1,078
Number of Supplements Served	1,078	1,078
Number of Participants in Free Category	51	43
Number of Participants in Reduced-Price Category	3	2
Number of Participants in Paid Category	28	17
Total Number of Participants	82	62