



**STATE OF TENNESSEE
DEPARTMENT OF HUMAN SERVICES**

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BILL LEE
GOVERNOR

DANIELLE W. BARNES
COMMISSIONER

May 29, 2020

Dr. Charmin Thomas, Executive Director
Knight Arnold Children's Academy, LLC
5293 Knight Arnold Road
Memphis, Tennessee 38118-3540

Dear Dr. Thomas,

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 Knight Arnold Children's Academy, LLC (Sponsor), Application Agreement number 00369, during the period of March 30, 2020, through April 17, 2020. Our scope of the review was for reimbursement made to the Sponsor for November 2019.

Due to the outbreak and the risk COVID19 poses to the Sponsor and our staff, the review was limited to verification, based on a review of the documents obtained from Sponsor, via e-mail, mail, or another 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 to 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 only method of communicating with 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 for our test period 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. In addition, we observed a lunch meal service on November 22, 2019.

Our review of the Sponsor's documentation for November 2019 revealed the following:

1. The Sponsor provided infant menus that did not meet CACFP meal patterns

Condition

During our review of the infant menus provided by the Sponsor, we found the following deficiencies:

Infant: JW, 11 Months

Dates	Missing Component	Meal Type
11/22/19	Bread/Cracker/Cereal	Supplement
11/25/19	Fruit/Vegetable	Supplement

Infant: QE, 11 Months

Dates	Missing Component	Meal Type
11/22/19	Bread/Cracker/Cereal	Supplement
11/25/19	Fruit/Vegetable	Supplement

No meals were disallowed for infant menu deficiencies due to the technical assistance provided to the Sponsor.

Criteria

Title 7 of the Code of Federal Regulations, Section 226.20(b)(4)(ii) states, "... (B) 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 each meal served meets the meal pattern requirements established by the USDA.

2. The Sponsor did not serve a whole grain-rich component once per day as required

Condition

Based on our review of the menus provided, the Sponsor did not document a whole grain-rich component was served on 11/01/19.

No meals were disallowed due to technical assistance being provided and the Sponsor given time to conform to meal pattern changes effective October 2017.

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.”

Recommendation

The Sponsor should ensure each meal served meets the meal pattern requirements established by the USDA.

3. The Sponsor did not list the type of breakfast cereal served on the menu

Condition

The breakfast menus for 11/01/19, 11/20/19, and 11/21/19 did not list the specific type of cereal served on the menu. As a result, we were unable to determine the sugar content in the cereal served.

No meals were disallowed due to technical assistance being provided to the Sponsor.

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)...”

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.”

Recommendation

The Sponsor should ensure each meal served meets the meal pattern requirements established by the USDA and the menus list the specific food items.

Technical Assistance Provided

Technical assistance was provided regarding meal pattern requirements and a possible budget revision based on the financial information provided.

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:

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 (Claiming Percentages)****Center: Knight Arnold Children's Academy, LLC****Review Month/Year: November 2019****Total Reimbursement: \$ 4,704.62**

Site Meal Service Activity and Monitor Reconciliation	Reported on Claim	Reconciled to Documentation
Total Days of CACFP Food Service	18	18
Total Attendance	874	874
Percentage of Participants in the Free or Reduced-price Category (For Proprietary Center Only)	XXXXXXXX	98%
Number of Breakfasts Served	849	849
Number of Lunches Served	671	671
Number of Supplements Served	838	838
Number of Participants in Free Category	56	NA
Number of Participants in Reduced-Price Category	1	NA
Number of Participants in Paid Category	1	NA
Total Number of Participants	58	NA