



**STATE OF TENNESSEE  
DEPARTMENT OF HUMAN SERVICES**

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**BILL LEE**  
GOVERNOR

**DANIELLE W. BARNES**  
COMMISSIONER

June 18, 2020

James Cowans, Chairman of the Board  
St. Luke Day Care Center Missionary Baptist  
1641 Keating Street  
Memphis, Tennessee 38114-4232

Dear Mr. Cowans,

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) for St. Luke Day Care Center Missionary Baptist, Application Agreement number 00510, during the period of April 29, 2020, through May 12, 2020. Our scope of the review was for January 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 the review of the documents obtained from Sponsor via e-mail, mail, or other electronic transmissions 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 contract 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 option to communicate 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, a lunch meal service was observed on January 6, 2020.

Our review of the Sponsor's documentation for January 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 January 2020, the Sponsor reported 55 participants in the free category, three participants in the reduced-price category, and three participants in the paid category. However, based on our review of the records available, we noted that there were 55 participants in the free category, three participants in the reduced-price category, and four participants in the paid category.

The Sponsor under reported the total number of paid participants by one.

There were 61 participants reported on the Claim for Reimbursement. However, based on our review of the Sponsor's records, we found there were 62 participants enrolled in the program.

***This is a repeat finding from a previous report dated December 7, 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 ensure each participant is classified and reported accurately and based on categorical or income eligibility.

### **2. The Sponsor reported meal counts incorrectly**

#### Condition

Based on our review of the Claim for Reimbursement for January 2020, the Sponsor reported 492 breakfast meals, 578 lunch meals and 1,019 supplements served. However, based on our review

of available documents, we found there were 492 breakfast meals, 578 lunch meals, and 1,017 supplements served.

As a result, two supplements claimed for reimbursement were over reported.

***This is a repeat finding from a previous report dated December 7, 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 ensure that claims for reimbursement are completed accurately and based on supporting documents.

### **3. The Sponsor reported an incorrect number of meals for an observed meal service**

#### Condition

On January 6, 2020, we observed a lunch meal service during the approved feeding time of 10:45 a.m. until 11:30 a.m. We observed 28 lunch meals served. The Sponsor, however, reported a total of 27 lunch meals being served.

As a result, one lunch meal was under reported on the claim for reimbursement.

**Note:** Infant participants were observed on site who eat on demand but were not eating at the time of our meal observation. Therefore, the numbers above do not reflect infant meals reported as served. We observed three infants and three infant lunch meals were reported.

#### Criteria

*Title 7 of the Code of Federal Regulations, Section 226.10 (c)* states in part "...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 meals reported agree with the meals served during the approved meal service time.

### **4. The Sponsor provided infant menus that did not meet USDA meal pattern requirements**

#### Condition

Based on our review of the menus provided by the Sponsor for January 2020, the menus did not meet the USDA meal pattern requirements. The menus provided had deficiencies as follows:

**Infant: JB, 09 Months**

<b>Dates</b>	<b>Missing Component</b>	<b>Meal Type</b>
01/02/20	Iron Fortified Infant Cereal(IFIC)/Meat or Meat Alternative	Lunch
01/16/20	No menu provided	Supplement

**Infants KJ, 06 Months**

<b>Dates</b>	<b>Missing Component</b>	<b>Meal Type</b>
01/02/20 01/03/20	Iron Fortified Infant Cereal(IFIC)/Meat or Meat Alternative	Lunch
01/09/20	No menu provided	Breakfast
01/16/20	No menu provided	Supplement

No meals were disallowed due to technical assistance was provided regarding infant meal pattern requirements.

Criteria

*Title 7 of the Code of Federal Regulations, Section 226.20 (b)(4) states, "Infant meal pattern. Infant meals must have, at a minimum, each of the food components indicated, in the amount that is appropriate for the infant's...(ii)(A) Breakfast, lunch, or supper. Six to 8 fluid ounces of breastmilk or iron-fortified infant formula, or portions of both; and 0 to 4 tablespoons of iron-fortified dry infant cereal, meat, fish, poultry, whole egg, cooked dry beans, or cooked dry peas; or 0 to 2 ounces (weight) of cheese; or 0 to 4 ounces (volume) of cottage cheese; or 0 to 4 ounces of yogurt; and 0 to 2 tablespoons of vegetable, fruit, or portions of both. Fruit juices and vegetable juices must not be served...(ii)(B) Snack. Two to 4 fluid ounces of breastmilk or iron-fortified infant formula; and 0 to ½ 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.

*This is a repeat finding from a previous report dated December 7, 2017.*

**5. The Sponsor reported the number of participant days incorrectly**

Condition

Based on our review of the Claim for Reimbursement for January 2020, the Sponsor reported 1,059 participant days. However, our review of records noted that that there were 1,056 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 participant days are reported based on attendance and documentation is maintained to support the claim.

### **6. The Sponsor did not provide a compensation policy for an employee paid with CACFP funds**

## Condition

The Sponsor provided payroll documentation for staff paid with CACFP funds; however, the sponsor did not provide a compensation policy. The written compensation policy is a requirement for any employee paid with CACFP funds and must include: rate of pay, hours of work, (including breaks and meal periods), the payment schedule for regular compensation, overtime, compensatory time, holiday pay, benefits, awards, severance pay, and payroll tax withholding.

## Criteria

*FNS instruction 796-2 Revision 4, Financial Management –Child and Adult Care Food Program (VIII I) (23)(c)(1)* on page 44 states, "Institutions must establish and maintain a written compensation policy for every element of compensation charged to the Program. At a minimum, the written compensation policy must apply to any individual group of individuals employed by the institution and identify: (a) rates of pay; (b) hours of work, including breaks, and meal periods; and (c) the institutions policy and payment schedule for regular compensation, overtime, compensatory time, holiday pay, benefits, awards, severance pay, and payroll tax withholding. The timing and frequency of the institution's payments to its employees will follow a routine schedule as directed by its human resource policy..."

## Recommendation

The Sponsor should maintain written compensation policies for staff paid with CACFP funds.

## **Observation**

During our monitoring visit on January 6, 2020, the "Building for the Future" poster was not displayed in a Spanish version. The Sponsor should ensure the posters are displayed in the centers and are compliant with civil rights and CACFP regulations.

## **Technical Assistance Provided**

Technical assistance was provided regarding required postings, menu requirements, the maintenance of a compensation policy for employees paid with CACFP funds, and reviewing all documents for accuracy before submitting a claim.

## Disallowed Meals Cost

The disallowed meals cost associated with the findings above is below the DHS threshold for repayment.

## 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](mailto: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, 15<sup>th</sup> Floor  
505 Deaderick Street  
Nashville, Tennessee 37243  
[Allette.Vayda@tn.gov](mailto: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](mailto:Sean.Baker@tn.gov).

Sincerely,



Sam O. Alzoubi, CFE  
Director of Audit Services

## Exhibit

cc: Sandra White, Director, St. Luke Day Care Center Missionary Baptist  
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: St. Luke Day Care Center Missionary Baptist**

**Review Month/Year: January 2020**

**Total Meal Reimbursement Received: \$3,757.78**

<b>Site Meal Service Reconciliation and Monitor Activity</b>	<b>Reported on Claim</b>	<b>Reconciled to Documentation</b>
Total Days of CACFP Food Service	21	21
Total Attendance	1,059	1,056
Number of Breakfasts Served	492	492
Number of Lunches Served	578	579
Number of Supplements Served	1,019	1,017
Number of Participants in Free Category	55	55
Number of Participants in Reduced-Price Category	3	3
Number of Participants in Paid Category	3	4
Total Number of Participants	61	62