



**STATE OF TENNESSEE
DEPARTMENT OF HUMAN SERVICES**

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BILL HASLAM
GOVERNOR

DANIELLE W. BARNES
COMMISSIONER

January 18, 2018

Ruthie Curtis, Owner
Sharing God's Love Childcare
7579 Easterly Lane
Memphis, Tennessee 38125-4316

Dear Ms. Curtis,

The Department of Human Services (DHS) - Audit Services Division staff conducted an unannounced on-site review of the Child and Adult Care Food Program (CACFP) at Sharing God's Love Childcare (Sponsor) Application Agreement 00-487 on December 12, 2017. The purpose of this review was to determine if the Sponsor complied with *Title 7 of the Code of Federal Regulations* (CFR) applicable parts, application 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 DHS to be eligible for reimbursement. The CACFP sponsor reports the number of meals served through the DHS Tennessee Information Payment System (TIPS) system to seek reimbursement. We inspected meal count 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.

The Sponsor had two childcare centers in operation during the test month. Sharing God's Love Learning Center #2 was selected as the sample site. Applications were also viewed at Sharing God's Love to meet the required valid statistical sample.

We observed a meal service at Sharing God's Love Learning Center #2 on November 27, 2017.

Our review of the Sponsor's records for November 2017 disclosed the following:

1. The number of participants reported in the free category was incorrect

Condition

Based on our review of available documents and information, we noted that the number of participants reported in the free category was incorrect.

The claim for reimbursement for the test month of November 2017 reported 70 participants in the free category. However, our review of the Sponsor's records verified there were 66 participants in the free category. The differences were based on the following:

Sharing God's Love Learning Center # 2

The Sponsor had over reported four participants in the free category. There were 70 participants reported in the program, however, only 66 participants could be verified.

This is a repeat finding from a previous report dated February 3, 2015.

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 according to income eligibility applications for child care center participants and maintained on file and updated annually.

2. The Sponsor reported incorrect meal counts

Condition

The claim for reimbursement for the test month of November 2017 reported 736 breakfast meals, 736 lunch meals, 378 supper meals, and 1,114 supplements as served. However, our review of the Sponsor's records verified 720 breakfast meals, 736 lunch meals, 432 supper meals, and 1,168 supplements prior to any meal disallowances.

As a result, the Sponsor over reported the number of breakfast meals by 16, under reported the supper meals by 54, and under reported the supplements by 54. (**Note:** the Sponsor may not claim more than 1,114 supplements since this is the total number of participation days that was verified. See finding 3 below)

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 the meal count claimed agrees with the actual meal count documentation.

3. The number of supplements verified exceeded the validated participant days

Condition

Based on the meal count documentation, the number of verified supplements exceeded the validated participant days by 54. Based on our review of the Sponsor's records, we noted that 1,168 supplements served and 1,114 validated participant days. The number of meals served cannot exceed the verified attendance of 1,114.

As a result, 54 supplements were 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 accurate meal counts are reported and does not exceed attendance.

4. The Sponsor did not monitor feeding sites as required

Condition

The Sponsor did not conduct monitoring visits to its center that was in operation. Sponsoring Organizations are required to monitor each sponsored center at least three times each year, two of which must be unannounced with no more than six months between monitoring visits. If the sponsored center is new, monitoring must be completed within the first four weeks of operation.

Criteria

Title 7 of the Code of Federal Regulations, Section 226.16 (d) "Each sponsoring organization must provide adequate supervisory and operational personnel for the effective management and monitoring of the program at all facilities it sponsors. Each sponsoring organization must employ monitoring staff sufficient to meet the requirements of paragraph (b)(1) of this section. At a minimum, Program assistance must include: ... (4)(iii) *Frequency and type of required facility reviews*. Sponsoring organizations must review each facility three times each year, except as described in paragraph (d)(4)(iv) of this section. In addition:

- (A) At least two of the three reviews must be unannounced;
- (B) At least one unannounced review must include observation of a meal service;
- (C) At least one review must be made during each new facility's first four weeks of Program operations; and
- (D) Not more than six months may elapse between reviews. ...”

Recommendation

The Sponsor should ensure the monitoring of each center in operation is completed at least three times a year, no more than six months apart, and preoperational visits are conducted prior to the start of services being rendered.

5. The Sponsor did not discuss with the staff all of the required training topics

Condition

The management plan in TIPS stated that topics discussed in Annual CACFP training should include: CACFP meal pattern requirements, reimbursement processes, accurate meal counting, claim submission, record keeping, and Civil Rights compliance. According to the training roster provided, only two of the required topics were discussed.

Criteria

Title 7 of the Code of Federal Regulations, Section 226.15(e)(14), states, "For sponsoring organizations, records documenting the attendance at annual training of each staff member with monitoring responsibilities. Training must include instruction, appropriate to the level of staff experience and duties, on the Program's meal patterns, meal counts, claims submission and claim review procedures, recordkeeping requirements, and an explanation of the Program's reimbursement system."

Recommendation

The Sponsor should ensure all staff is trained on all topics discussed in the management plan listed in TIPS.

Note: Our observation of the meal service on November 27, 2017, revealed no deficiencies.

Disallowed Meals Cost

Our review did not result in a disallowed meals cost that warrant repayment.

Corrective Action

Sharing God's Love Childcare 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:

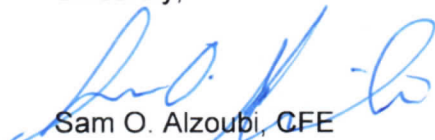
AuditServices.CAPS.DHS@tn.gov

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

Allette Vayda, Director
Child and Adult Care Food Program
8th Floor Citizens Plaza Building
400 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

Exhibits

Cc: Allette Vayda, Director, Child and Adult Care Food Programs
Debra Pasta, Program Manager, 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
Elke Moore, Administrative Assistant 3, Child and Adult Care Food Program
Comptroller of the Treasury, State of Tennessee

EXHIBIT A

Verification of CACFP Sponsor of Affiliated Centers Claim

Name of Sponsor: Sharing God's Love Childcare

Review Month/Year: November 2017

Total Meal Reimbursement Received: \$ 6,125.55

| Program Area | Reported | Reconciled by Monitoring Review |
|---|-----------------|--|
| Number of Days that CACFP Food Service was operated | 18 | 18 |
| Total Attendance | 1,114 | 1,114 |
| Number of Breakfast meals Served | 736 | 720 |
| Number of Lunch meals Served | 736 | 736 |
| Number of Suppers Served | 378 | 432 |
| Number of Supplements Served | 1,114 | 1,114 |
| Number of Participants in Free Category | 70 | 66 |
| Number of Participants in Reduced-Price Category | 0 | 0 |
| Number of Participants in Paid Category | 0 | 0 |
| Total Number of Participants | 70 | 66 |
| Total Number of Centers | XXXXXXXX | 2 |
| Total Amount of Food Costs | XXXXXXXX | \$1,974.65 |
| Total Amount of Eligible Food and Nonfood Costs | XXXXXXXX | \$3,435.83 |

EXHIBIT B**Verification of Affiliated Sponsored Center Data**

Name of Sponsor: Sharing God's Love
Site Name: Sharing God's Love Learning Center #2
Review Month/Year: November 2017
Total Meal Reimbursement Received: \$4,151.58

| Program Area | Reported on | Reconciled by Monitoring Review |
|--|--------------------|--|
| Number of Days that CACFP Food Service was operated | 18 | 18 |
| Total Attendance | 790 | 790 |
| Percentage of Participants in the Free or Reduced-price Category (For Proprietary Center Only) | XXXXXXXX | 100% |
| Number of Breakfast meals Served | 412 | 396 |
| Number of Lunch meals Served | 412 | 412 |
| Number of Suppers Served | 378 | 432 |
| Number of Supplements Served | 790 | 790 |
| Number of Participants in Free Category | 48 | 44 |
| Number of Participants in Reduced-Price Category | 0 | 0 |
| Number of Participants in Paid Category | 0 | 0 |
| Total Number of Participants | 48 | 44 |
| Total Amount of Eligible Food Costs | XXXXXXXX | \$1,276.28 |
| Total Amount of Eligible Food and Non-Food Costs | XXXXXXXX | \$2,737.46 |

EXHIBIT C

Verification of Affiliated Sponsored Center Data

Name of Sponsor: Sharing God's Love

Site Name: Sharing God's Love

Review Month/Year: November 2017

Total Meal Reimbursement Received: \$1,973.97

| Program Area | Reported on | Reconciled by Monitoring Review |
|--|--------------------|--|
| Number of Days that CACFP Food Service was operated | NA | NA |
| Total Attendance | NA | NA |
| Percentage of Participants in the Free or Reduced-price Category (For Proprietary Center Only) | XXXXXX | 100% |
| Number of Breakfast meals Served | NA | NA |
| Number of Lunch meals Served | NA | NA |
| Number of Suppers Served | NA | NA |
| Number of Supplements Served | NA | NA |
| Number of Participants in Free Category | 22 | 22 |
| Number of Participants in Reduced-Price Category | 0 | 0 |
| Number of Participants in Paid Category | 0 | 0 |
| Total Number of Participants | 22 | 22 |
| Total Amount of Eligible Food Costs | XXXXXXXX | NA |
| Total Amount of Eligible Food and Non-Food Costs | XXXXXXXX | NA |



Corrective Action Plan for Monitoring Findings

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 name, title and date of signature on the last page. Please sign your name in ink. **Please return ALL pages of the completed Corrective Action Plan form.**

Section A. Institution Information

| | | |
|---|-------------------------|--|
| Name of Sponsor/Agency/Site: Sharing God's Love Childcare | Agreement No. 00-487 | <input type="checkbox"/> SFSP <input checked="" type="checkbox"/> CACFP |
|---|-------------------------|--|

Mailing Address: 7579 Easterly Lane Memphis, Tennessee 38125-4316

Section B. Responsible Principal(s) and/or Individual(s)

| | |
|--------------------------------------|--------------------|
| Name and Title: Ruthie Curtis, Owner | Date of Birth: / / |
|--------------------------------------|--------------------|

Section C. Dates of Issuance of Monitoring Report/Corrective Action Plan

| | |
|------------------------------|-----------------------------------|
| Monitoring Report: 1/18/2018 | Corrective Action Plan: 1/18/2018 |
|------------------------------|-----------------------------------|

Section D. Findings

Findings:

1. The number of participants reported in the free category was incorrect
2. The Sponsor reported incorrect meal counts
3. The number of supplements verified exceeded the validated participant days
4. The Sponsor did not monitor feeding sites as required
5. The Sponsor did not discuss with the staff all of the required training topics

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

Measure No. 1: The number of participants reported in the free category was incorrect

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 incorrect meal counts

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 number of supplements verified exceeded the validated participant days

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 monitor feeding sites as required

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 did not discuss with the staff all of the required training topics

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. I also understand that failure to fully and permanently correct the findings in my institution's CACFP or SFSP will result in its termination from the

program, and the placement of the institution and its responsible principals on the National Disqualified List maintained by the U.S. Department of Agriculture.

Printed Name of Authorized Institution Official:

Position:

Signature of Authorized Institution Official: _____

Date: / /

Signature of Authorized TDHS Official: _____

Date: / /

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- (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

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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

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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.