



**STATE OF TENNESSEE
DEPARTMENT OF HUMAN SERVICES**

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BILL LEE
GOVERNOR

DANIELLE W. BARNES
COMMISSIONER

June 18, 2020

Corliss Horton, Executive Director
Future Leaders Learning Center
2341 Frayser Boulevard
Memphis, Tennessee 38127-5860

Dear Ms. Horton,

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 Future Leaders Learning Center (Sponsor), Application Agreement number 00282, during the period of May 5, 2020, through May 14, 2020. Our scope of the review was for February 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 a 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 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.

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

1. The Sponsor served breakfast meal with cereals that did not meet the USDA meal component requirements

Condition

Based on our review of the menus for breakfast meals provided by the Sponsor, the breakfast cereals were not in accordance with the USDA requirements. The following deficiencies were observed:

- Honey Nut Cheerios were served for breakfast on February 5, 2020, and February 28, 2020. This cereal contains 9 grams of sugar per 28 grams of dry cereal. This exceeds the sugar limit established by the USDA.
- Froot Loops were served for breakfast on February 7, 2020. This cereal contains 8 grams of sugar per 28 grams of dry cereal. This exceeds the sugar limit established by the USDA.
- Frosted Flakes were served for breakfast on February 26, 2020. This cereal contains 7 grams of sugar per 28 grams of dry cereal. This exceeds the sugar limit established by the USDA.

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

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)"

Recommendation

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

2. The Sponsor provided infant menus that did not meet the USDA meal pattern requirements

Condition

Based on our review of the infant menus provided by the Sponsor for the test month, the menus did not meet the USDA meal pattern requirements. The deficiencies are as follows:

Infant: KB, 10 Months

Date	Missing Component	Deficient Meal
02/03/20 02/07/20	Fruit or Vegetable	Breakfast
02/26/20	Bread/Cracker/Iron Fortified Infant Cereal (IFIC)	Supplement
02/27/20	Fruit or Vegetable	Supplement

Infant: CH, 10 Months

Date	Missing Component	Deficient Meal
02/07/20	Fruit or Vegetable	Breakfast
02/13/20	Fruit or Vegetable	Supplement
02/26/20	Bread/Cracker/Iron Fortified Infant Cereal (IFIC)	Supplement

Infant: BJ, 10 Months

Date	Missing Component	Deficient Meal
02/03/20	Fruit or Vegetable	Breakfast
02/13/20	Fruit or Vegetable	Supplement
02/26/20	Bread/Cracker/Iron Fortified Infant Cereal (IFIC)	Supplement
02/27/20	Fruit or Vegetable	Supplement

Infant: XJ, 8 Months

Date	Missing Component	Deficient Meal
02/03/20	Fruit or Vegetable	Breakfast
02/13/20	Fruit or Vegetable	Supplement
02/26/20	Bread/Cracker/Iron Fortified Infant Cereal (IFIC)	Supplement
02/27/20	Fruit or Vegetable	Supplement

Infant: JJ, 6 Months

Date	Missing Component	Deficient Meal
02/07/20	Fruit or Vegetable	Breakfast
02/13/20	Fruit or Vegetable	Supplement
02/27/20	Fruit or Vegetable	Supplement

Infant: CJ 7 Months

Date	Missing Component	Deficient Meal
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02/03/20	Fruit or Vegetable	Breakfast
02/13/20	Fruit or Vegetable	Supplement
02/27/20	Fruit or Vegetable	Supplement

Infant: JR, 6 Months

Date	Missing Component	Deficient Meal
02/03/20	Fruit or Vegetable	Breakfast
02/13/20	Fruit or Vegetable	Supplement
02/26/20	Bread/Cracker/Iron Fortified Infant Cereal (IFIC)	Supplement
02/27/20	Fruit or Vegetable	Supplement

Infant: PR, 11 Months

Date	Missing Component	Deficient Meal
02/07/20	Fruit or Vegetable	Breakfast
02/13/20	Fruit or Vegetable	Supplement
02/26/20	Bread/Cracker/Iron Fortified Infant Cereal (IFIC)	Supplement
02/27/20	Fruit or Vegetable	Supplement

Infant: KW, 7 Months

Date	Missing Component	Deficient Meal
02/03/20	Fruit or Vegetable	Breakfast
02/26/20	Bread/Cracker/Iron Fortified Infant Cereal (IFIC)	Supplement
02/27/20	Fruit or Vegetable	Supplement

None of the infant menus provided by the Sponsor listed the specific formula that was served to the individual infant.

No meals were disallowed due to the Sponsor was provided with technical assistance 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 all menus and meals meet the meal patterns established by the USDA.

3. The Sponsor’s compensation policy did not list all required components

Condition

Though the Sponsor provided a compensation policy to support labor costs, the compensation policy did not list the employee’s benefits or payroll withholding information. 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 ensure the compensation policy is completed and contain all required components as required.

Technical Assistance Provided

The Sponsor received technical assistance regarding sugar content in cereal and infant meal pattern requirements.

Disallowed Meals Cost

The disallowed meal 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

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 Program
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: Future Leaders Learning Center

Review Month/Year: February 2020

Total Meal Reimbursement Received: \$12,498.68

Site Meal Service Reconciliation and Monitor Activity	Reported on Claim	Reconciled to Documentation
Total Days of CACFP Food Service	19	19
Total Attendance	2,764	2,764
Percentage of Free or Reduced-price Category	XXXXXXX	90%
Number of Breakfast Meals Served	2,701	2,701
Number of Lunch Meals Served	1,691	1,691
Number of Supplements Served	2,749	2,749
Number of Participants in Free Category	159	159
Number of Participants in Reduced-Price Category	3	3
Number of Participants in Paid Category	18	18
Total Number of Participants	180	180