



**STATE OF TENNESSEE
DEPARTMENT OF HUMAN SERVICES**

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BILL LEE
GOVERNOR

DANIELLE W. BARNES
COMMISSIONER

October 16, 2019

Diane Elder, Superintendent
Pickett County Board of Education
141 Skyline Drive
Byrdstown, Tennessee 38549-2313

Dear Ms. Elder,

The Department of Human Services (DHS) – Division of Audit Services staff conducted an unannounced on-site monitoring review of the Summer Food Service Program (SFSP) at Pickett County Board of Education (Sponsor), Application Agreement 00-060, beginning on September 5, 2019. The purpose of this review was to determine if the Sponsor complied with the *Title 7 of the Code of Federal Regulations* (CFR) applicable parts, provider agreement, and applicable Federal and State regulations.

Based on our review of the Sponsor's records and information provided, the Sponsor had 13 feeding sites operating during the review period. The **Byrdstown Community Center** and **Wolf River Church** feeding sites were selected as the sample. In addition, we reviewed all meal counts for all sites operating during the review period.

Background

SFSP 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 SFSP Sponsor reports the number of meals served through the DHS Tennessee Information Payment System (TIPS) for reimbursement.

We inspected meal counts 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. In addition, we observed meal services on July 2, 2019 during our monitoring visits at the sample sites.

Our review of the Sponsor's records for July 2019 disclosed the following:

1. The Sponsor did not provide documentation to support sufficient quantities of milk were purchased for all meals claimed for reimbursement

Condition

Based on our review of the Sponsor's claimed for reimbursement and receipts of the quantities of milk purchases to support the July 2019 claim for reimbursement, we noted that the number of meals claimed for reimbursement with milk as a required component totaled 9,744 half-pints of milk. However, the Sponsor provided receipts to support the purchase of 7,800 half-pints of milk, which resulted in a shortage of 1,944 half-pints of milk.

As a result, 1,944 breakfast meals served were disallowed. (See Exhibit A)

Criteria

Title 7 of the Code of Federal Regulations, Section 225.16(d) states, Meal patterns. The meal requirements for the Program are designed to provide nutritious and well-balanced meals to each child. Sponsors shall ensure that meals served meet all of the requirements. Except as otherwise provided in this section, the following tables present the minimum requirements for meals served to children in the Program. Children age 12 and up may be served larger portions based on the greater food needs of older boys and girls.

(1) *Breakfast.* The minimum amount of food components to be served as breakfast are as follows:

Food components	Minimum amount
Milk, fluid	1 cup (½ pint, 8 fluid ounces).

The USDA SFSP Administration Guide, page 70, states "It is important that sponsors serve nutritious meals that meet meal pattern requirements and that are appealing to children. The meal pattern establishes the minimum portions of each component that must be served to each child for the meal to be reimbursable. Breakfast must contain one serving of milk, one serving of a vegetable or fruit or full-strength juice and one serving of a grain. A meat or meat alternate is optional. A lunch or a supper must contain one serving of milk, two or more servings of vegetables and/or fruits, one serving of a grain and one serving of meat or meat alternate."

Recommendation

The Sponsor should ensure that enough milk is purchased and served with milk as a required component for all meals claimed for reimbursement.

2. The Sponsor provided a meal count form without supervisory signature

Condition

During our monitoring visit on September 5, 2019, we requested meal count forms that supported the claim for reimbursement for the feeding sites operating during the review period. The meal count form provided for the lunch meal served at **Pickett Co. Care & Rehab** for July 26, 2019 was not signed or dated by the feeding site supervisor.

The site supervisor was responsible for completing the daily meal count forms and the weekly consolidated meal count sheet. We accepted the signed consolidated meal count sheet as evidence that this meal count form was completed by the site supervisor; therefore, no meals were disallowed

Criteria

Title 7 of the Code of Federal Regulations, Section 225.9 (d)(5) states, "... In submitting a claim for reimbursement, each sponsor shall certify that the claim is correct and that records are available to support this claim...."

Title 7 of the Code of Federal Regulations, Section 225.15 (c)(1) states, "Sponsors shall maintain accurate records justifying all meals claimed and documenting that all Program funds were spent only on allowable Child Nutrition Program costs. Failure to maintain such records may be grounds for denial of reimbursement for meals served and/or administrative costs claimed during the period covered by the records in question..."

The USDA SFSP Administration Guide, page 139, states, "All sponsors must use daily site records in order to document the number of Program meals they have served to children. The sponsor must provide all necessary record sheets to the sites. Site supervisors are then responsible for keeping the records each day. The site personnel must complete the records based on actual counts taken at each site for each meal service on each day of operation. Site personnel must be sure that they record all required counts."

The USDA SFSP Sponsor Monitor's Guide, page 16, states, "... The only basis for reporting the number of meals served is accurate daily records. These records account for all categories of meals served and are signed by the site supervisors...."

Recommendation

The Sponsor should ensure that all meal count sheets are signed and dated by the feeding site supervisors at each site.

3. The Sponsor allowed meals to be taken off-site

We conducted an on-site monitoring visit at **Byrdstown Community Center** on July 2, 2019, to observe a breakfast meal service. During our visit, we observed five (5) breakfast meals were taken off-site. Since the meals were not consumed on-site, those five (5) breakfast meals are ineligible for reimbursement.

During our review of the claim for reimbursement and supporting documentation, we noted that the Sponsor did not claim the five (5) meals for reimbursement; therefore, there were no meals disallowed.

Criteria

Title 7 of the Code of Federal Regulations, Section 225.6 (e) states, "A sponsor approved for participation in the Program must enter into a permanent written agreement with the State agency. All sponsors must agree in writing to: (15) maintain children on site while meals are consumed."

The USDA SFSP Administration Guide, page 60, states, "Meals must be consumed on site in order to be eligible for reimbursement, unless the State agency has been notified prior to meal service for a field trip or FNS has approved other off-site meal consumption. Failure to meet this "congregate feeding" requirement results in the disallowance of meals and may lead to a determination of serious deficiency of the sponsor's operation of the Program. In extenuating circumstances, sponsors may allow meals to be consumed off-site as long as the meals consumed off-site are not claimed for reimbursement."

Recommendation

The Sponsor should ensure meals are consumed on-site and only allowed components are taken to consume off-site.

Note: Our observation of the lunch meal service at **Wolf River Creek** on July 2, 2019 revealed no deficiencies.

Technical Assistance Provided

During our monitoring visit to the Sponsor on September 5, 2019, technical assistance was provided to the Sponsor in regards to purchasing enough milk for all meals that have milk as a component.

Disallowed Meals Cost

Based on the review, we determined that the Sponsor's noncompliance with the applicable Federal and State regulations that govern the SFSP resulted in a total disallowed cost of \$4,466.34.

Corrective Action

The Sponsor must complete the following actions within 30 days from the date of this report:

- Log into the Tennessee Information Payment System (TIPS) and revise the claim submitted for July 2019, which contains the verified claim data from the enclosed exhibits.
- Remit a check payable to the **Tennessee Department of Human Services** in the amount noted in the report for recovery of the amounts disallowed in this report. **Please return the attached billing notice with your check;** and
- 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
Summer Food Service Program
James K. Polk Building 15th Floor
505 Deaderick Street

Nashville, Tennessee 37243
Allette.Vayda@tn.gov
(615) 313-3769

Please mail your check and the billing notice to:

Summer Food Service Program
Fiscal Services
James K. Polk Building, 16th Floor
505 Deaderick Street
Nashville, Tennessee 37243

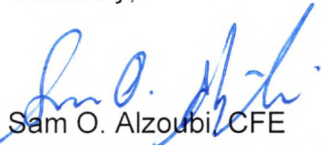
In accordance with the federal regulation found at *7 CFR Part 225.13*, your institution may appeal the amount of disallowed cost identified in this monitoring report. The procedures for submitting an appeal are enclosed. The appeal must be submitted to:

Tennessee Department of Human Services
Appeals and Hearings Division, Clerk's Office
P.O. Box 198996
Nashville, TN 37219

If the Institution decides to appeal the amount of disallowed administrative and meals cost, all appeal procedures must be followed as failure to do so may result in the denial of your request for an appeal.

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: Lisa Cummings, Nutrition Supervisor, Pickett County Board of Education
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 A

SFSP Sponsor Program Data

Sponsor: Pickett County Board of Education

Review Month/Year: July 2019

Claim Reimbursement Total: \$30,899.17

Site Meal Service Reconciliation and Monitor Activity	Reported on Claim	Reconciled to Documentation
Number of Participating Sites for Breakfast	13	13
Number of Participating Sites for Lunch	13	13
Number of Breakfasts Served	4,861	2,917 ¹
Number of Lunches Served	4,893	4,893

¹Meals were disallowed to satisfy the milk shortage in Finding 1. The milk shortage applied across all sites. In order to revise the Claim for Reimbursement to satisfy this disallowance breakfasts have been disallowed at the sites named in the Exhibits below.

Exhibit B

Sample Site: Byrdstown Community Center

Site Meal Service Reconciliation and Monitor Activity	Reported on Claim	Reconciled to Documentation
Total Number of Days Food Served	18	18
Number of Breakfasts Served	426	0 ¹
Number of Lunches Served	442	442

¹Breakfasts disallowed per Finding 1

Exhibit C

Non-Sample Site: Pickett Co. Care & Rehab

Site Meal Service Reconciliation and Monitor Activity	Reported on Claim	Reconciled to Documentation
Total Number of Days Food Served	17	17
Number of Breakfasts Served	170	0 ¹
Number of Lunches Served	170	170

¹Breakfasts disallowed per Finding 1

Exhibit D

Sample Site: Wolf River Creek

Site Meal Service Reconciliation and Monitor Activity	Reported on Claim	Reconciled to Documentation
Total Number of Days Food Served	18	18
Number of Breakfasts Served	450	0 ¹
Number of Lunches Served	442	442

¹Breakfasts disallowed per Finding 1

Exhibit E

Non-Sample Site: Pickett Co. K-8 School

Site Meal Service Reconciliation and Monitor Activity	Reported on Claim	Reconciled to Documentation
Total Number of Days Food Served	18	18
Number of Breakfasts Served	1,426	528 ¹
Number of Lunches Served	442	442

¹Breakfasts disallowed per Finding 1

Note: There were no reporting errors noted for the non-samples sites and the breakfasts disallowed due to the milk shortage are noted in Exhibits B - E. Therefore, there are no exhibits included for these sites.



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October 16, 2019

Diane Elder, Superintendent
Pickett County Board of Education
141 Skyline Drive
Byrdstown, Tennessee 38549-2313

Notice of payment due to findings disclosed in the monitoring report for Summer Food Service Program (SFSP).

Institution Name:	Pickett County Board of Education
Institution Address:	141 Skyline Drive Byrdstown, Tennessee 38549-2313
Agreement Numbers:	00-060
Amount Due:	\$4,466.34
Due Date:	November 18, 2019

Please remit a check or money order payable to the **Tennessee Department of Human Services** in the amount noted above by the due date to:

**Fiscal Services
James K. Polk Building, 16th Floor
505 Deaderick Street
Nashville, Tennessee 37243
Tennessee Department of Human Services**

If you have any questions regarding this notice, please feel free to contact Allette Vayda, Director of Operations at (615) 313-3769 or Allette.Vayda@tn.gov.

Thank you for your attention



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: Pickett County Board of Education	Agreement No. 00060	<input checked="" type="checkbox"/> SFSP <input type="checkbox"/> CACFP
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Mailing Address: 141 Skyline Drive Byrdstown, Tennessee 38549-2313

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

Name and Title: Diane Elder, Superintendent	Date of Birth: / /
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Section C. Dates of Issuance of Monitoring Report/Corrective Action Plan

Monitoring Report: 10/16/2019	Corrective Action Plan: 10/16/2019
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Section D. Findings

Findings:

1. The Sponsor did not provide documentation to support sufficient quantities of milk were purchased for all meals claimed for reimbursement
2. The Sponsor provided a meal count form without supervisory signature
3. The Sponsor allowed meals to be taken off-site

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

Measure No. 1: The Sponsor did not provide documentation to support sufficient quantities of milk were purchased for all meals claimed for reimbursement

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 provided a meal count form without supervisory signature

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 Sponsor allowed meals to be taken off-site

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: / /

SUMMER FOOD SERVICE PROGRAM SPONSOR APPEAL PROCEDURES

7 C.F.R. § 225.13 governs appeals in the Summer Food Service Program and the maximum time limit for processing appeals is nineteen (19) calendar days for the Summer Food Service Program as follows:

1. The Department shall notify the appellant (Sponsor) in writing of the grounds upon which the Department has based the action. The Department's notice of action shall be sent by certified mail, return receipt requested, and shall also state that the sponsor or food service management company has the right to appeal the Department's action.
2. Appealable actions are outlined in 7 C.F.R. § 225.13(a) and are: A denial of an application for participation; a denial of a sponsor's request for an advance payment; a denial of a sponsor's claim for reimbursement (except for late submission under 7 CFR § 225.9(d)(6)); the Department's refusal to forward to FNS an exception request by the sponsor for payment of a late claim or a request for an upward adjustment to a claim, a claim against a sponsor for remittance of a payment, the termination of the sponsor or a site, a denial of a sponsor's application for a site, a denial of a food service management company's application for a site; of a food service management company's registration, if applicable.
3. The time period allowed for filing the appeal where actions are appealable as specified in 7 C.F.R. § 225.13(a) is ten (10) calendar days from the date on which the notice of action sent by certified mail return receipt requested is received.
4. The appeal must be in writing and must conform to the requirements outlined in 7 C.F.R. § 225.13(b) (4), which are set forth in number (6) below.
5. The address to file an appeal is as follows:

**Tennessee Department of Human Services
Appeals and Hearings Division, Clerk's Office
P.O. Box 198996
Nashville, TN 37219-8996
Toll Free. (866) 757-8209
Local (615) 744-3900
Fax. (866) 355-6136
AppealsClerksOffice.DHS@tn.gov**

6. The appellant is allowed to refute the charges in the notice of action in person, or by filing written documentation with the review official. If the appeal letter does not specifically request a hearing, a review of written documentation in lieu of a hearing will occur. To be considered, written documentation must be submitted by the appellant within seven (7) calendar days of submitting the appeal. An appellant is allowed the

opportunity to review information upon which the action described in the notice of action was based.

7. If the appellant requested a hearing in the appeal letter, the appellant shall be given at least five (5) calendar days advance written notice by certified mail, return receipt requested, of the date, time, and place of hearing.
8. If the appellant requested a hearing in the appeal letter, the hearing will be conducted within fourteen (14) calendar days of the receipt of the appeal. However, the hearing will not be held before the appellant's written documentation is received where the appellant has requested to submit the written documentation. The appellant may retain legal counsel or may be represented by another person. If the appellant institution or sponsoring agency is a corporation, partnership or other legally created entity, then the sponsoring institution or agency must be represented by an attorney. Otherwise, the individual representing the agency will have limited participation in the hearing. If the appellant institution or sponsoring agency is a natural person (not a corporation, partnership or other artificial entity), he/she may retain an attorney, represent themselves or be represented by another person. Failure of the appellant's representative to appear at a scheduled hearing shall constitute the appellant's waiver of the right to a personal appearance before the review official, unless the review official agrees to reschedule the hearing. A representative of the State agency shall be allowed to attend the hearing to respond to the appellant's testimony and written information and to answer questions from the review official. The review officer shall be independent of the original decision-making process.
9. Within five (5) working days after receiving the written documentation, and where a hearing was not requested in the appeal letter, the administrative review official, based on a full review of the administrative record, will inform the appellant, by certified mail, return receipt requested, of the official's determination.
10. Within five (5) working days after the hearing has been held, when a hearing was requested in the appeal letter, the hearing official, based on a full review of the administrative record, will inform the appellant, by certified mail, return receipt requested, of the official's determination.
11. 7 CFR. § 225.13(11) requires the Program's administrative action to remain in effect during the appeal process.
12. Participating sponsors and sites may continue to operate during an appeal of a termination.
13. Reimbursement shall be paid for meals served during the appeal process if the administrative review determination overturns the Program's administrative action that was appealed.

14. If the sponsor or site has been terminated for the reason of imminent dangers to the health or welfare of children, the operation shall not be allowed to continue during the appeal process and this reason shall be specified in the notice of action.
15. The review official will make a determination based on information provided by the State agency and the appellant, and on Program regulations.
16. The determination made by the hearing official is the final administrative determination provided under 7 225.13(12), and will become the Final Order and set forth the time limits for seeking judicial review.