



**STATE OF TENNESSEE  
DEPARTMENT OF HUMAN SERVICES**

CITIZENS PLAZA BUILDING  
400 DEADERICK STREET  
NASHVILLE, TENNESSEE 37243-1403

TELEPHONE: 615-313-4700 FAX: 615-741-4165  
TTY: 1-800-270-1349  
[www.tn.gov/humanservices](http://www.tn.gov/humanservices)

**BILL HASLAM**  
GOVERNOR

**DANIELLE W. BARNES**  
COMMISSIONER

October 10, 2017

Jesse Worney, Sr., Board Chair  
New Beginnings International Ministry  
3670 Central Pike, Suite G  
Hermitage, Tennessee 37076-3417

Dear Mr. Worney:

The Department of Human Services (DHS) Audit Services staff conducted an on-site unannounced review of the Summer Food Service Program (SFSP) at New Beginnings International Ministry (Sponsor), Application Agreement number 00-054, starting on July 18, 2017. Additional information was requested and received on August 7, 2017 to complete the review. We reviewed the Sponsor's records of reimbursements and expenditures for June 2017.

The Sponsor was approved for 19 feeding sites, of which 19 were in operation during our unannounced visits in June 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**

SFSP sponsors utilize meal count sheets to record the number of meals served at feeding sites for breakfast, lunch, supper and supplements (snacks). Second meals are offered once all eligible children have been served first meals. The SFSP sponsor will report the number of meals served through the DHS Tennessee Information Payment System (TIPS) to seek reimbursement. We inspected meal counts sheets for each site for our test period and reconciled the meals claimed to the meals reported as served for each meal service. In addition, we also observed select meal services at various feeding sites during this period.

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

## **1. The Sponsor's meal count documentation did not agree with reported meals served**

### Condition

The Claim for Reimbursement for June 2016 had 1,006 breakfast, 14,308 lunch, 13,842 supplement, and 300 supper meals served. However, based on our review of the Sponsor's records we found that there were 1,006 breakfast, 14,361 lunch, 13,762 supplement, and 300 supper meals were served.

As a result, the Sponsor underreported 53 lunch meals served, and over reported 80 supplements served. (See Exhibit A)

### Criteria

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

### Recommendation

The Sponsor should ensure that meals reported agree to the feeding site meal count sheets.

## **2. The Sponsor did not complete monitoring as required**

### Condition

The Sponsor did not complete monitoring for James Cayce Homes and Cheatham Place during the first four weeks of operation. Monitoring is necessary to evaluate the ability of the staff and facilities to provide the meal service planned for the number of children anticipated to be served.

### Criteria

*7 CFR*, Section 225.15 (d)(3) states, "Sponsors shall review food service operations at each site at least once during the first four weeks of Program operations, and thereafter shall maintain a reasonable level of site monitoring, Sponsors shall complete a monitoring form developed by the State agency during the conduct of these reviews."

### Recommendation

The Sponsor should implement the following internal controls for each feeding site:

- Communicate to all Sponsor monitors that their work must be properly documented;
- Maintain monitoring support documentation for each of the feeding site;
- Additionally, allow site directors to request additional monitoring for compliance.

### **3. Meals were consumed off-site**

#### Condition

We observed meals being taken off-site during our site visit at Pine Brook Apartments on June 29, 2016.

As a result, 45 snacks were disallowed. (See Exhibit M)

#### Criteria

7 CFR, Section 225.6 (e)(15) states the Sponsor shall "maintain children on site while meals are consumed."

#### Recommendation

The Sponsor should ensure that all meals are served and consumed on site.

### **4. One site did not have a trained site supervisor present**

#### Condition

There was no site supervisor that had received SFSP training at the River Retreat Apartments site on June 30, 2016. Staff onsite stated they had not received SFSP training. The lunches and snacks served are ineligible for reimbursement. As a result, six lunches and six snacks were disallowed. There were an additional 24 lunches and 24 snacks over claimed for this site. (See Exhibit G)

#### Criteria

7 CFR, Section 225.15 (d) (1) states, "Each sponsor shall hold Program training sessions for its administrative and site personnel and shall allow no site to operate until personnel have attended at least one of these training sessions. Training of site personnel shall, at a minimum, include: the purpose of the Program; site eligibility; recordkeeping; site operations; meal pattern requirements; and the duties of a monitor. Each site shall have present at each meal service at least one person who has received this training."

#### Recommendation

The Sponsor should ensure that trained personnel are present during approved meal service times at all sites.

### **Technical Assistance Provided**

While onsite at the Sponsor's office, we explained the SFSP and the CACFP revised regulations for 2018. We also provided the Sponsor with handouts related to the new guidelines and sent an e-mail referencing the upcoming revisions. In addition, we referred the Sponsor to DHS Program Management for more in-depth technical assistance.

## Disallowed Meals Cost

No costs will be disallowed because the amount to be disallowed falls below the TDHS threshold.

## Corrective Action

New Beginnings International Ministry 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 related 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](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 Jackie Yokley, Audit Director 2, at 615-837-5035 or [Jackie.D.Yokley@tn.gov](mailto:Jackie.D.Yokley@tn.gov).

Sincerely,



Sam O. Alzoubi, CFE  
Director of Audit Services

## Exhibits

cc: Pastor Brandon Williams, Executive Director, New Beginnings International Ministry  
Allette Vayda, Director, 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:**

**Summary of Total of Claimed and Reconciled Meals**

**Sponsor: New Beginnings**

**Review Month/Year: June/2017**

**Claim Reimbursement Total: \$31,972.56**

| <b>Meal Type Service</b>                      | <b>Reported on Claim</b> | <b>Reconciled Meals to Meal Counts Sheets<sup>1</sup></b> |
|---|--------------------------|---|
| Number of Participating Sites for Breakfast   | 1                        | 1   |
| Number of Participating Sites for Lunch       | 18                       | 18  |
| Number of Participating Sites for Supplements | 18                       | 18  |
| Number of Participating Sites for Supper      | 1                        | 1   |
| Number of 1 <sup>st</sup> Breakfasts Served   | 1,006                    | 1,006   |
| Number of 2 <sup>nd</sup> Breakfast Served    | 20                       | 20  |
| Number of 1 <sup>st</sup> Lunches Served      | 14,308                   | 14,341  |
| Number of 2 <sup>nd</sup> Lunches Served      | 286                      | 286   |
| Number of 1 <sup>st</sup> Supplements Served  | 13,842                   | 13,762  |
| Number of 2 <sup>nd</sup> Supplements Served  | 94                       | 94  |
| Number of 1 <sup>st</sup> Suppers Served      | 300                      | 300   |
| Number of 2 <sup>nd</sup> Suppers Served      | 0                        | 0   |

<sup>1</sup>Total allowable meals after any disallowance of meals as noted in all findings

**Sites Monitored:**

Terrace Park Apts., Oasis Ctr., Burning Tree Apts., Universal Gymnastics, New Beginnings International Ministry, Margaret Robertson Homes, Meadow Brook Apts., Pine Brook Apts., Cedars of Elm Hill, Millersville Public Library, Biltmore Apts., River Retreat Apts., Swiss Ridge /View Apts., Whispering Oaks Apts., James Cayce Homes, Cheatham Place, Hermitage Manor Apts., Lakeside Apts. and Antioch Jets youth football team.

**Exhibit B:**

Site: Cedars of Elm Hill

Review Month/Year: June 2017

| Site Meal Service Activity and Monitor Reconciliation | Reported on Claim | Reconciled Meals to Meal Counts Sheets |
|---|-------------------|--|
| Total Number of Days Food Served                      | 10                | 10                                     |
| Number of 1 <sup>st</sup> Lunches Served              | 470               | 520                                    |
| Number of 2 <sup>nd</sup> Lunches Served              | 5                 | 5                                      |
| Number of 1 <sup>st</sup> Snacks Served               | 481               | 531                                    |

**Exhibit C:**

Site: Terrace Park

Review Month/Year: June 2017

| Site Meal Service Activity and Monitor Reconciliation | Reported on Claim | Reconciled Meals to Meal Counts Sheets |
|---|-------------------|--|
| Total Number of Days Food Served                      | 18                | 18                                     |
| Number of 1 <sup>st</sup> Lunches Served              | 859               | 859                                    |
| Number of 2 <sup>nd</sup> Lunches Served              | 17                | 17                                     |
| Number of 1 <sup>st</sup> Snacks Served               | 878               | 869                                    |

**Exhibit D:**

Site: Burning Tree

Review Month/Year: June 2017

| Site Meal Service Activity and Monitor Reconciliation | Reported on Claim | Reconciled Meals to Meal Counts Sheets |
|---|-------------------|--|
| Total Number of Days Food Served                      | 22                | 22                                     |
| Number of 1 <sup>st</sup> Lunches Served              | 1,010             | 1,008                                  |
| Number of 2 <sup>nd</sup> Lunches Served              | 17                | 17                                     |
| Number of 1 <sup>st</sup> Snacks Served               | 988               | 985                                    |
| Number of 2 <sup>nd</sup> Snacks Served               | 18                | 18                                     |

**Exhibit E:**

Site: Margaret Robertson

Review Month/Year: June 2017

| Site Meal Service Activity and Monitor Reconciliation | Reported on Claim | Reconciled Meals to Meal Counts Sheets |
|---|-------------------|--|
| Total Number of Days Food Served                      | 22                | 22                                     |
| Number of 1 <sup>st</sup> Lunches Served              | 643               | 643                                    |
| Number of 2 <sup>nd</sup> Lunches Served              | 13                | 13                                     |
| Number of 1 <sup>st</sup> Snacks Served               | 652               | 653                                    |
| Number of 2 <sup>nd</sup> Snacks Served               | 6                 | 6                                      |

**Exhibit F:**

Site: Antioch Jets

Review Month/Year: June 2017

| Site Meal Service Activity and Monitor Reconciliation | Reported on Claim | Reconciled Meals to Meal Counts Sheets |
|---|-------------------|--|
| Total Number of Days Food Served                      | 4                 | 4                                      |
| Number of 1 <sup>st</sup> Snacks Served               | 300               | 300                                    |
| Number of 1 <sup>st</sup> Suppers Served              | 300               | 300                                    |

**Exhibit G:**

Site: River Retreat

Review Month/Year: June 2017

| Site Meal Service Activity and Monitor Reconciliation | Reported on Claim | Reconciled Meals to Meal Counts Sheets |
|---|-------------------|--|
| Total Number of Days Food Served                      | 19                | 19                                     |
| Number of 1 <sup>st</sup> Lunches Served              | 550               | 520                                    |
| Number of 2 <sup>nd</sup> Lunches Served              | 9                 | 9                                      |
| Number of 1 <sup>st</sup> Snacks Served               | 555               | 525                                    |

**Exhibit H:**

Site: James Cayce

Review Month/Year: June 2017

| Site Meal Service Activity and Monitor Reconciliation | Reported on Claim | Reconciled Meals to Meal Counts Sheets |
|---|-------------------|--|
| Total Number of Days Food Served                      | 12                | 12                                     |
| Number of 1 <sup>st</sup> Lunches Served              | 886               | 886                                    |
| Number of 1 <sup>st</sup> Snacks Served               | 886               | 889                                    |



**Exhibit I:**

Site: Biltmore Place

Review Month/Year: June 2017

| Site Meal Service Activity and Monitor Reconciliation | Reported on Claim | Reconciled Meals to Meal Counts Sheets |
|---|-------------------|--|
| Total Number of Days Food Served                      | 22                | 22                                     |
| Number of 1 <sup>st</sup> Lunches Served              | 924               | 926                                    |
| Number of 2 <sup>nd</sup> Lunches Served              | 18                | 18                                     |
| Number of 1 <sup>st</sup> Snacks Served               | 962               | 965                                    |
| Number of 2 <sup>nd</sup> Snacks Served               | 18                | 18                                     |

**Exhibit J:**

Site: Whispering Oaks

Review Month/Year: June 2017

| Site Meal Service Activity and Monitor Reconciliation | Reported on Claim | Reconciled Meals to Meal Counts Sheets |
|---|-------------------|--|
| Total Number of Days Food Served                      | 22                | 22                                     |
| Number of 1 <sup>st</sup> Lunches Served              | 945               | 969                                    |
| Number of 2 <sup>nd</sup> Lunches Served              | 7                 | 7                                      |
| Number of 1 <sup>st</sup> Snacks Served               | 966               | 974                                    |
| Number of 2 <sup>nd</sup> Snacks Served               | 3                 | 3                                      |

**Exhibit K:**

Site: New Beginnings

Review Month/Year: June 2017

| Site Meal Service Activity and Monitor Reconciliation | Reported on Claim | Reconciled Meals to Meal Counts Sheets |
|---|-------------------|--|
| Total Number of Days Food Served                      | 22                | 22                                     |
| Number of 1 <sup>st</sup> Breakfasts Served           | 1,006             | 1,006                                  |
| Number of 2 <sup>nd</sup> Breakfasts Served           | 20                | 20                                     |
| Number of 1 <sup>st</sup> Lunches Served              | 913               | 961                                    |
| Number of 2 <sup>nd</sup> Lunches Served              | 18                | 18                                     |

**Exhibit L:**

Site: Oasis Center

Review Month/Year: June 2017

| Site Meal Service Activity and Monitor Reconciliation | Reported on Claim | Reconciled Meals to Meal Counts Sheets |
|---|-------------------|--|
| Total Number of Days Food Served                      | 14                | 14                                     |
| Number of 1 <sup>st</sup> Lunches Served              | 371               | 371                                    |
| Number of 2 <sup>nd</sup> Lunches Served              | 7                 | 7                                      |
| Number of 1 <sup>st</sup> Snacks Served               | 371               | 371                                    |
| Number of 2 <sup>nd</sup> Snacks Served               | 7                 | 7                                      |

**Exhibit M:**

Site: Pine Brook

Review Month/Year: June 2017

| Site Meal Service Activity and Monitor Reconciliation | Reported on Claim | Reconciled Meals to Meal Counts Sheets |
|---|-------------------|--|
| Total Number of Days Food Served                      | 22                | 22                                     |
| Number of 1 <sup>st</sup> Lunches Served              | 959               | 959                                    |
| Number of 2 <sup>nd</sup> Lunches Served              | 19                | 19                                     |
| Number of 1 <sup>st</sup> Snacks Served               | 967               | 922                                    |
| Number of 2 <sup>nd</sup> Snacks Served               | 10                | 10                                     |

**Exhibit N:**

Site: Universal Gymnastics

Review Month/Year: June 2017

| Site Meal Service Activity and Monitor Reconciliation | Reported on Claim | Reconciled Meals to Meal Counts Sheets |
|---|-------------------|--|
| Total Number of Days Food Served                      | 22                | 22                                     |
| Number of 1 <sup>st</sup> Lunches Served              | 1,053             | 1,053                                  |
| Number of 2 <sup>nd</sup> Lunches Served              | 21                | 21                                     |
| Number of 1 <sup>st</sup> Snacks Served               | 1,067             | 1,067                                  |

**Exhibit O:**

Site: Meadow Brook

Review Month/Year: June 2017

| Site Meal Service Activity and Monitor Reconciliation | Reported on Claim | Reconciled Meals to Meal Counts Sheets |
|---|-------------------|--|
| Total Number of Days Food Served                      | 19                | 19                                     |
| Number of 1 <sup>st</sup> Lunches Served              | 910               | 914                                    |
| Number of 2 <sup>nd</sup> Lunches Served              | 18                | 18                                     |
| Number of 1 <sup>st</sup> Snacks Served               | 923               | 926                                    |
| Number of 2 <sup>nd</sup> Snacks Served               | 9                 | 9                                      |

**Exhibit P:**

Site: Millersville Public Library

Review Month/Year: June 2017

| Site Meal Service Activity and Monitor Reconciliation | Reported on Claim | Reconciled Meals to Meal Counts Sheets |
|---|-------------------|--|
| Total Number of Days Food Served                      | 22                | 22                                     |
| Number of 1 <sup>st</sup> Lunches Served              | 798               | 796                                    |
| Number of 2 <sup>nd</sup> Lunches Served              | 16                | 16                                     |
| Number of 1 <sup>st</sup> Snacks Served               | 814               | 814                                    |
| Number of 2 <sup>nd</sup> Snacks Served               | 11                | 11                                     |

**Exhibit Q:**

Site: Swiss Ridge / Swiss View  
Review Month/Year: Month 2017

| Site Meal Service Activity and Monitor Reconciliation | Reported on Claim | Reconciled Meals to Meal Counts Sheets |
|---|-------------------|--|
| Total Number of Days Food Served                      | 22                | 22                                     |
| Number of 1 <sup>st</sup> Lunches Served              | 1,105             | 1,105                                  |
| Number of 1 <sup>st</sup> Snacks Served               | 1,105             | 1,105                                  |

**Exhibit R:**

Site: Hermitage Manor  
Review Month/Year: June 2017

| Site Meal Service Activity and Monitor Reconciliation | Reported on Claim | Reconciled Meals to Meal Counts Sheets |
|---|-------------------|--|
| Total Number of Days Food Served                      | 19                | 19                                     |
| Number of 1 <sup>st</sup> Lunches Served              | 719               | 658                                    |
| Number of 2 <sup>nd</sup> Lunches Served              | 14                | 14                                     |
| Number of 1 <sup>st</sup> Snacks Served               | 721               | 660                                    |
| Number of 2 <sup>nd</sup> Snacks Served               | 10                | 10                                     |

**Exhibit S:**

Site: Lakeside  
Review Month/Year: June 2017

| Site Meal Service Activity and Monitor Reconciliation | Reported on Claim | Reconciled Meals to Meal Counts Sheets |
|---|-------------------|--|
| Total Number of Days Food Served                      | 19                | 19                                     |
| Number of 1 <sup>st</sup> Lunches Served              | 883               | 883                                    |
| Number of 2 <sup>nd</sup> Lunches Served              | 9                 | 9                                      |
| Number of 1 <sup>st</sup> Snacks Served               | 896               | 896                                    |

**Exhibit T:**

Site: Cheatham Place

Review Month/Year: June 2017

| Site Meal Service Activity and<br>Monitor Reconciliation | Reported on<br>Claim | Reconciled Meals to<br>Meal Counts Sheets |
|--|----------------------|---|
| Total Number of Days Food<br>Served                      | 9                    | 9   |
| Number of 1 <sup>st</sup> Lunches Served                 | 310                  | 310                                       |
| Number of 1 <sup>st</sup> Snacks Served                  | 310                  | 310                                       |

**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: New Beginnings International Ministry              | Agreement No.<br>00-054            | <input checked="" type="checkbox"/> SFSP<br><input type="checkbox"/> CACFP |
| Mailing Address: 3670 Central Pike, Suite G Hermitage, Tennessee 37076-3417     |                                    |  |
| <b>Section B. Responsible Principal(s) and/or Individual(s)</b>                 |                                    |  |
| Name and Title: Jesse Worney, Sr., Board Chair                                  | Date of Birth:    /    /           |  |
| <b>Section C. Dates of Issuance of Monitoring Report/Corrective Action Plan</b> |                                    |  |
| Monitoring Report: 10/10/2017   | Corrective Action Plan: 10/10/2017 |  |

**Section D. Findings**

## Findings:

1. The Sponsor's meal count documentation did not agree with reported meals served
2. The Sponsor did not complete monitoring as required
3. Meals were consumed off site
4. One site did not have a trained site supervisor present

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's meal count documentation did not agree with reported meals served**

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 did not complete monitoring 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. 3: Meals were consumed 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:

---

---

---

---

**Measure No. 4: One site did not have a trained site supervisor present**

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:    /    /

- (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 16<sup>th</sup> 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

**Appeal Procedures for Child and Adult Care Food Program-Institutions**

**Revised March 2017**

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

**Appeal Procedures for Child and Adult Care Food Program-Institutions**  
**Revised March 2017**

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](mailto: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.