

Seriously Deficient Process for Sponsored of Unaffiliated Centers:
Unlicensed Registered Day Care Ministries, Outside-School-Hours Programs, At-Risk After School
Snack Programs, Emergency/Homeless Shelters, and Adult Day Care Centers

PURPOSE:

To set forth the Indiana policy regarding the seriously deficient process for sponsored center-type facilities. If any part of this policy conflicts with the regulations or memoranda issued by the U. S. Department of Agriculture, the federal regulations and memoranda shall take precedence.

SCOPE:

Sponsors of unaffiliated centers, and licensed centers, unlicensed registered day care ministries, outside-school-hours-programs, at-risk after school snack programs, emergency/homeless shelters, and adult day care centers participating in the CACFP under the auspices of a Sponsoring Organization. For purposes of this policy instruction, the word “center” shall include licensed centers, unlicensed registered day care ministries, outside-school-hours-programs, at-risk after school snack programs, emergency/homeless shelters, and adult day care centers. “Unaffiliated” means the center is not part of the legal organization of the sponsor.

DESCRIPTION:

Notice of Serious Deficiency

The Sponsoring Organization (SO) will issue a Notice of Serious Deficiency when serious deficiencies are identified in a sponsored center. Serious deficiencies which are grounds for disapproval of applications and for termination include, but are not limited to, any of the following:

1. Submission of false information on the application;
2. Submission of false claims for reimbursement;
3. Simultaneous participation under more than one sponsoring organization;
4. Non-compliance with the CACFP meal pattern;
5. Failure to keep required records;
6. Conduct or conditions that threaten the health or safety of the child(ren) in care, or the public health and safety;
7. A determination that the principals have been convicted of any activity that occurred during the past seven years that indicated a lack of business integrity, including fraud, antitrust violations, embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements; receiving stolen property; making false claims; obstruction of justice; or any other activity indicating a lack of business integrity as defined by the State Agency, or the concealment of such a conviction;
8. Failure to participate in annual training; and
9. Any other circumstance related to non-performance under the Sponsor/Center/Ministry agreement.

Corrective Action

Whenever the SO observes a violation(s) during the course of a site review, it will require the facility to take corrective action. The Seriously Deficient Notice will specify the serious deficiency(ies), the

required corrective action, and the time allotted to correct the serious deficiency(ies) (as soon as possible, but not to exceed 30 days). A copy of this notice must be provided to the State Agency.

The declaration of serious deficiency is not subject to appeal or administrative review.

If the center corrects the serious deficiency(ies) to the satisfaction of the SO, the sponsor will notify the center that the seriously deficient determination has been rescinded. A copy of this notification must be provided to the State Agency.

Termination Notice

If the center fails to fully and permanently correct the serious deficiency(ies) within the allotted time, the SO will propose to terminate the center's agreement. This warning must include notice that the center may appeal its proposed termination. The center may continue to participate and receive CACFP benefits during the course of the appeal process. However, should the center voluntarily terminate the agreement after receipt of this notice, the SO will continue with the termination process. A copy of this notice must be provided to the State Agency.

If the center does not appeal in the required time, the SO will send the Notice of Termination. A copy must be sent to the State Agency.

The State Agency will maintain a list of terminated centers, which will be shared with all sponsors of unaffiliated centers. Terminated centers will not be able to participate in CACFP for seven years. In order to be eligible to be reinstated in CACFP, the center must submit a corrective action plan regarding the initial serious deficiency(ies) to the State Agency and repay any outstanding overclaim.

This policy shall be effective October 1, 2008.

SOURCE:

Indiana Department of Education, Office of School and Community Nutrition, Child and Adult Care Food Program