



CHILD AND ADULT CARE FOOD PROGRAM
(CACFP)

FY2021 OPTIONAL TRAINING

1ST TRIMESTER HANDOUT
SERIOUSLY DEFICIENT PROCESS

10/01/2020 – 01/31/2021

WITH SELF-STUDY UNIT



Upon correct completion, 1/2 hour of CACFP credit will be issued for each provider/assistant (submit a separate, completed quiz for each individual).

The quiz is due back into the 4-C office by 03/31/2021.

The Child and Adult Care Food Program (CACFP) is a United States Department of Agriculture (USDA) funded program administered by the Illinois State Board of Education (ISBE), which provides reimbursement for meals served to children ages birth through 12 years enrolled in a day care home.

Serious Deficiency Process

To participate in the Child and Adult Care Food Program, family child care providers are required to operate under the program guidelines and enter into a written agreement with an approved sponsoring organization. This agreement specifies the rights and responsibilities of both parties which include, but are not limited to, the right of the sponsoring organization to terminate the agreement for cause and the requirement that the day care home complies with the federal regulations governing the program.

If we, as a sponsor, identify conduct that is the basis for declaring a provider seriously deficient in CACFP operation, which may result in termination for cause of any agreement to operate a CACFP home (as outlined below), the following actions will be taken. (See the list of items that may cause a provider to become Seriously Deficient on page 5.) If however, the serious deficiency(ies) constitutes an imminent threat to the health and safety of the children in care, or the provider has engaged in activities that threaten the public's health or safety, we'll follow the procedures outlines in *Suspension of Participation for Day Care Homes* section.

Serious Deficiency Notification Procedures

1. The sponsor will thoroughly investigate and document the serious deficiency(ies). This process may include, but is not limited to, household contacts for the verification of enrollment and attendance information.
2. The sponsor will notify the provider, in writing that she/he has been found to be seriously deficient.

The notice will include:

- Serious deficiency(ies)
- Actions to be taken by the provider to correct the deficiency(ies).
- Allotted time to correct the serious deficiency(ies). (This must be as soon as possible, but must not exceed 30 days.)
- Notification that the serious deficiency determination is not subject to an Administrative Review (Appeal).
- Notification that failure to **fully and permanently** correct the serious deficiency(ies) within the allotted timeframe will result in the sponsor's proposed termination of the provider's agreement and disqualification of the provider.
- Notification that the provider's voluntary termination of your agreement with the sponsor after having been notified that the provider is seriously deficient will still result in the provider's formal termination by the sponsor and placement on the National Disqualified List.

3. The sponsor will provide technical assistance as appropriate in the areas identified as serious deficiency(ies).

Successful Corrective Action

If the provider correct the serious deficiency(ies) to the sponsor's satisfaction within the allotted time

frame, the sponsor will notify the provider that the determination of serious deficiency has been rescinded.

Unsuccessful Corrective Action – Proposed Termination and Proposed Disqualification

If the provider fails to implement timely corrective action to fully and permanently correct the serious deficiency(ies) cited, the sponsor will issue a notice proposing to terminate the provider’s agreement for cause.

The notice will:

- Provide an explanation of the provider’s opportunity for an Administration Review (Appeal) of the proposed termination and the procedures to follow to request the appeal.

Corrective Action Procedures

As your sponsoring organization, we provide sufficient training and technical assistance during the pre-approval and 4 week follow-up visits to assure successful participation for providers. We’ll provide technical assistance during the early stages of program participation.

Corrective action procedures may take into consideration the following special, extenuating circumstances: new participants on the program, language barriers, literacy barriers, or other documented special circumstances. These circumstances may require extra technical assistance. Once a problem is identified, extra technical assistance must be provided and documented. Technical assistance may continue as long as providers are showing improvement. Documentation must indicate when the provider has completed corrective action or, if no improvement is made, the provider must be declared seriously deficient.

If during a review the sponsor’s monitor identifies that corrective action is required, a corrective action statement must be written on the review form and the provider must sign the review to show that she/he agrees to the corrective action. If the sponsor, through an office review of provider documents identifies the provider needs a Corrective Action Plan, the sponsor must notify the provider, in writing, that she/he has some deficiencies in the operation of the CACFP. The provider must then submit a Corrective Action Plan to the sponsor by the due date.

The Administrative Review (Appeal) Procedures can be found at the end of this document. The deficiencies listed under each regulation are common examples. **This should not be interpreted as an exhaustive list.** Other actions could also be considered deficiencies.

Suspension of Participation for Day Care Homes

Suspension of provider’s participation in CACFP will occur if the serious deficiency(ies) constitutes an imminent threat to the health and safety of participants, or the provider has engaged in activities that threaten the public’s health or safety. Imminent threats to health or safety constitute serious deficiencies; however, the sponsor will use the procedures in this section to provide notice of suspension and proposed termination to the provider.

If the state or local health or licensing officials have cited a provider for serious health or safety violations,

the sponsor will immediately suspend the provider's CACFP participation prior to any formal action by the Department of Children and Family Services to revoke the home's license.

If the state or local health or licensing officials have cited a provider for serious health or safety violations, the sponsor will immediately suspend the provider's CACFP participation **prior** to any formal action by the Department of Children and Family Services to revoke the home's license.

If the sponsor determines there is an imminent threat to the health or safety of participants at the day care home, or the provider has engaged in activities that threaten the public's health or safety, the sponsor must **immediately** notify the Department of Children and Family Services and take action consistent with their recommendations and requirements.

Notice of Suspension, Serious Deficiency, and Proposed Termination Procedures

The sponsor will notify the provider that her/his participation has been suspended, that the provider has been determined seriously deficient, and that the sponsor proposes to terminate the provider's agreement for cause.

The notice will:

- ❖ Specify the serious deficiency(ies) found and the provider's opportunity for an Administrative Appeal (Review) of the proposed termination, and the procedures to follow to request such appeal.
- ❖ State participation (including all program payments) will remain suspended until the Administrative Review (Appeal) concludes.
- ❖ Inform the provider if the Administrative Review (Appeal) Official overturns the suspension, the provider may claim reimbursement for eligible meals served during the suspension.
- ❖ Inform the provider that termination of the home's agreement will result in placement of the home on the National Disqualified List.
- ❖ State that if the provider seeks to voluntarily terminate the agreement after receiving the Notice of Proposed Termination, the home will still be terminated for cause and placed on the National Disqualified List.

If an Administrative Review (Appeal) is requested, the sponsor will follow the Administrative Review (Appeal) Procedures for Family Day Care Homes detailed in this document. If the Administrative Review (Appeal) Official overturns the sponsor's proposed actions, formal notification will be used to rescind the serious deficiency.

Termination of Agreement for Cause

A sponsoring organization (sponsor) must initiate action to terminate the agreement of a day care home (provider) for **cause** in the operation of the Child and Adult Care Food Program if the sponsor determines the provider committed one or more serious deficiency(ies) listed below. Whether a problem rises to the level of a serious deficiency is taken into considerations. Upon making a serious deficiency determination, if the provider does not take action to fully and permanently correct the serious deficiency within the allotted time, the provider's agreement must be terminated.

List of Serious Deficiencies

1. Submission of false information on the application (sponsor/provider agreement). 7 CFR Part 226.16(l)(2)(i).
2. Submission of false claims for reimbursement. 7 CFR Part 226.16(l)(2)(ii).
3. Simultaneous participation under more than one sponsoring organization. 7 CFR Part 226.16 (l)(2)(iii).
4. Serving meals that do not meet the meal pattern. 7 CFR Part 226.16(l)(2)(iv).
5. Failure to keep required records (meals, attendance, etc). 7 CFR Part 226.16(l)(2)(v).
6. Conduct or conditions that threaten the health or safety of the children in care, or the public health or safety. 7 CFR Part 226.16(l)(2)(vi).
7. A determination that the provider has been convicted of any activity that occurred during the past seven years and indicated a lack of business integrity. A lack of business integrity includes 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 agency, or the concealment of such a conviction. 7 CFR Part 226.16(l)(2)(vii).
8. Failure to participate in training. 7 CFR Part 226.16(l)(2)(viii).
9. Any other circumstance related to non-performance under the sponsor/provider agreement as specified by the sponsor or the State agency. 7 CFR Part 226.16(l)(2)(ix).

Agreement Termination and Disqualification

The sponsor will immediately terminate the day care home's agreement and disqualify the home when the Administrative Review (Appeal) Official upholds the sponsor's Proposed Termination and Proposed Disqualification and issues the Notice of Termination and Disqualification to the home.

If the provider does not request an Administrative Review (Appeal), the sponsor will immediately terminate the provider's agreement and disqualify the home when the opportunity to request the Administrative Review (Appeal) expires. At the same time, the Notice of Termination and Disqualification is issued to the home.

The state agency will report the name of the terminated and disqualified provider to the federal government placing her/his name on the National Disqualified List.

Program Payments During Suspension

A sponsor is prohibited from making program payments to a provider who has been suspended until an Administrative Review (Appeal) of the proposed termination is completed. If a suspended provider prevails in the appeal, the sponsor will reimburse her/him for eligible meals served during the suspension period.

Placement on the National Disqualified List and Conditions of Reinstatement

Providers terminated and disqualified through the *Serious Deficiency and Suspension of Participation* processes will be placed on the National Disqualified List. While on the list, the provider will not be able to participate in the CACFP as a day care home provider. In addition, she/he will not be able to serve as a principal (hold a management position or be an officer) in any CACFP institution or facility.

The provider will remain on the list until such time as ISBE determines that:

- 1). The conduct that was the basis for the serious deficiency(ies) has been permanently corrected.
or
- 2). It has been seven (7) years from the date of termination and disqualification,
and
- 3). The provider has repaid all funds received for which she/he was not eligible. If any debt relating to the serious deficiency(ies) has not been repaid, the provider will remain on the list until the debt has been repaid.

The state agency and sponsor will be able to access the data base to ensure provider terminated from the program are not approved for participation in the CACFP. Sponsors are prohibited from entering into an agreement with any provider who has been terminated and disqualified and is currently on the National Disqualified List.

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, sex, disability, age, or reprisal or retaliation for prior civil rights activity in any program or activity conducted or funded by USDA. Persons with disabilities who require alternative means of communication for program information (e.g. Braille, large print, audiotape, American Sign Language, etc.), should contact the Agency (State or local) where they applied for benefits. Individuals who are deaf, hard of hearing or have speech disabilities may contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English. To file a program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, (AD-3027) found online at: http://www.ascr.usda.gov/complaint_filing_cust.html, and at any USDA office, or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1)mail: U.S. Department of Agriculture Office of the Assistant Secretary for Civil Rights 1400 Independence Avenue, SW Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: program.intake@usda.gov. This institution is an equal opportunity provider. Effective 11-20-15



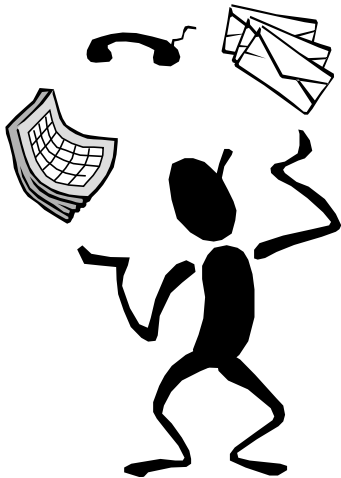


Seriously Deficient Process Quiz
1st Trimester Handout FY2020

_____ Date

Individual's Name: _____
(please print)

Provider's Name (if you are an assistant): _____
(please print)



If you would like to complete this training for 1/2 hour credit (assistants may also choose to complete this training – a separate quiz if required for each individual), please return the quiz (that's pages 7 – 8) to 4-C by March 31, 2021. Read the materials carefully!

The quiz will be reviewed for accuracy and, if necessary, corrections made. After processing, a certificate for 1/2 hour training will be sent to you.

Be sure to include your name and date on the quiz!

1. List the nine items which might cause you to become Seriously Deficient in your family child care home.

2. If a serious deficient item is found at a home visit, who writes the Corrective Action Plan?

3. If a serious deficient item is found at another time (through an office review, etc.), who writes the Corrective Action Plan?

4. If a provider does not request an Administrative Review (Appeal), when is the provider terminated from the program?

5. If a provider is terminated and disqualified from the CACFP, they can still participate until the end of the calendar year.

True False

6. If a provider does not fully and permanently correct the serious deficiency within the time frame given, the agreement between the provider and the sponsor is terminated.

True False

7. Provide two examples of special, extenuating circumstances that sponsors may take into consideration when reviewing a potential serious deficiency.

8. A Corrective Action Plan should always be in writing. True False

9. If monies are due to be paid, and the time for disqualification has expired, a provider can rejoin the CACFP without paying the funds back to the sponsor.

True False

10. If a provider is terminated and disqualified from the CACFP, what is the time period before they can typically rejoin the program?

11. The finding of a Serious Deficiency status cannot be appealed.

True False

You're all done! Turn the quiz
in right away for credit!