**[Sponsoring Organization Letterhead]**

**Notice of Serious Deficiency, Suspension, and Proposed Termination and Disqualification for Providers - Combined Notice for Imminent Threat to Health and Safety**

VIA U.S. MAIL, & EMAIL

Date:

Provider’s Name – Title

Institution

Street Address

Provider City, State 00000

EMAIL:

Dear [Provider]:

This letter is to inform you that you have been declared seriously deficient of your operation of the Child and Adult Care Food Program (CACFP). The following serious deficiency is identified as being an imminent threat to the health and safety of CACFP participants.

**SERIOUS DEFICIENCY DETERMINATION**

Based on the [review/audit/etc.], completed (date) [sponsoring organization] have determined that you are seriously deficient in your operation of the CACFP.

**SUSPENSION**

The serious deficiency identified is the imminent threat to the health or safety of CACFP participants or the public (for details, see the description of the serious deficiencies later in this letter). Because of this imminent risk, the sponsoring organization is suspending your CACFP participation (including all program payments). The suspension will take effect on the date of this letter. This action is being taken because of the following:

**7 CFR 226.16(l)(4)** (i)- (ii)*General. If State or local health or licensing officials have cited a day care home for serious health or safety violations, the sponsoring organization must immediately suspend the home's CACFP participation prior to any formal action to revoke the home's licensure or approval. If the sponsoring organization determines that there is an imminent threat to the health or safety of participants at a day care home, or that the day care home has engaged in activities that threaten the public health or safety, and the licensing agency cannot make an immediate onsite visit, the sponsoring organization must immediately notify the appropriate State or local licensing and health authorities and take action that is consistent with the recommendations and requirements of those authorities. An imminent threat to the health or safety of participants and engaging in activities that threaten the public health or safety constitute serious deficiencies; however, the sponsoring organization must use the procedures in this paragraph (l)(4) (and not the procedures in paragraph (l)(3) of this section) to provide the day care home notice of the suspension of participation, serious deficiency, and proposed termination of the day care home's agreement.* ***(ii)*** *Notice of suspension, serious deficiency, and proposed termination. The sponsoring organization must notify the day care home that its participation has been suspended, that the day care home has been determined seriously deficient, and that the sponsoring organization proposes to terminate the day care home's agreement for cause and must provide a copy of the notice to the State agency. The notice must:*

**PROPOSED TERMINATION AND PROPOSED DISQUALIFICATION**

As a result, effective [date], we propose to:

* Terminate your agreement to participate in the CACFP for cause and
* Disqualify you from future CACFP participation effective [date].

*[The effective date for the termination and disqualification must be* ***after*** *the deadline for requesting an appeal*.]

If you voluntarily terminate your agreement after receiving this letter, we will propose to disqualify you from future CACFP participation. If disqualified, you will be placed on the National Disqualified List (NDL). While on the list, you will not be able to participate in the CACFP as a day care home provider. In addition, you will not be able to serve as a principal in any CACFP institution or facility.

You will remain on the list until the USDA’s Food and Nutrition Service, in consultation with Arkansas Department of Human Services determines that the serious deficiencies have been corrected or until seven years. However, if any debt relating to the serious deficiencies has not been repaid, you will remain on the list until the debt is repaid.

**7 CFR 226.16(l).** *Termination of agreements for cause- (1) General. The sponsoring organization must initiate action to terminate the agreement of a day care home for cause if the sponsoring organization determines the day care home has committed one or more serious deficiency listed in paragraph (l)(2) of this section. (2) List of serious deficiencies for day care homes. Serious deficiencies for day care homes are:*

*(i) Submission of false information on the application;*

*(ii) Submission of false claims for reimbursement;*

*(iii) Simultaneous participation under more than one sponsoring organization;*

*(iv) Non-compliance with the Program meal pattern;*

*(v) Failure to keep required records;*

*(vi) Conduct or conditions that threaten the health or safety of a child(ren) in care, or the public health or safety;*

*(vii) A determination that the day care home has been convicted of any activity that occurred during the past seven years and that 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 State agency, or the concealment of such a conviction;*

*(viii) Failure to participate in training; or*

*(ix) Any other circumstance related to non-performance under the sponsoring organization-day care home agreement, as specified by the sponsoring organization or the State agency.*

**SERIOUS DEFICIENCIES**

The following paragraphs detail each serious deficiency. [Insert discussion of serious deficiencies. Each serious deficiency discussed must include a citation for the relevant serious deficiency in the regulations at 7 CFR 226.16(l)(2). If the serious deficiency is not specifically listed, cite: 7 CFR 226.16(l)(2)(ix), any other circumstance related to non-performance under the sponsoring organization-day care home agreement.]

**APPEAL OF SUSPENSION, PROPOSED TERMINATION AND DISQUALIFICATION**

You may appeal the suspension, the proposed termination of your Program agreement for cause, and your proposed disqualification. A copy of the appeal procedures is enclosed. If you choose to appeal the proposed actions, follow the appeal procedures exactly as failure to do so may result in the denial of your request for an appeal.

**SUMMARY**

[Name of sponsoring organization] is suspending your CACFP participation (including all Program payments). Additionally, they are proposing to terminate your agreement for cause and to disqualify you from further participation in CACFP.

The suspension will remain in effect during the period of any appeal. However, if you request an appeal and the hearing official overturns the suspension all valid claims for reimbursement submitted by you for the period of the suspension will be paid. As always, the sponsoring organization will deny any portion of a claim that is determined to be invalid.

If you appeal the proposed termination and disqualification, these actions will not take effect until the hearing official issues a decision. If you do not make a timely request for an appeal, your agreement will be terminated for cause on [date]. You will be disqualified from future CACFP participation, and your name placed on the NDL.

Sincerely,

Sponsoring Organization Employee Name and Title

Enclosure: Appeal Procedures

cc: State Agency