**Prototype Letter 18: Notice of Proposed Termination and Disqualification for Providers - Required Corrective Action Not Acceptable**

[*Note: Send this letter by certified mail/return receipt, an equivalent private delivery service (such as FedEx), fax, or e-mail as required by 7 CFR 226.2, definition of “notice” in the regulations.*]

**To be placed on Sponsoring Agency Letter Head**

Date

Provider Name

Provider Street Address

Provider City, State 00000

Dear [Provider]:

This letter concerns the [*date*] Notice that you are seriously deficient in your operation of the Child and Adult Care Food Program (CACFP).

On [*date*], we received the documentation detailing the actions taken to correct the serious deficiency(ies). Based on our review of the documentation, we have determined that you have not fully and permanently corrected the serious deficiency(ies) stated in the Notice.

**PROPOSED TERMINATION AND DISQUALIFICATION**

As a result, 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/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 NDL, 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 NDL until USDA’s Food and Nutrition Service, in consultation with the Montana DPHHS Child and Adult Food Program, determines that the serious deficiencies have been corrected, or until seven years after your disqualification. However, if any debt relating to the serious deficiencies has not been repaid, you will remain on the list until the debt is repaid. These actions are being taken pursuant to 7 CFR 226.16(l).

**STATUS OF SERIOUS DEFICIENCY(IES)**

The following paragraphs detail each serious deficiency and its status based on our review of the corrective action documentation.

*Insert discussion of each serious deficiency and the reasons why corrective action was inadequate (the corrective action may be adequate for some items and not for others; make sure you specify the status of the corrective action for each serious deficiency). 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 PROPOSED TERMINATION AND DISQUALIFICATION**

The proposed termination of your agreement for cause and your disqualification may be appealed. 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**

You have not fully and permanently corrected the serious deficiencies identified in the Serious Deficiency Notice. For this reason, the [*sponsoring organization*] is proposing to terminate your CACFP agreement for cause and to disqualify you from future Program participation.

If you appeal the proposed termination and disqualification, the 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. You will be disqualified from future CACFP participation effective [*date*] and placed on the NDL.

You may continue to participate in the CACFP until [*termination/disqualification effective date*] or, if you appeal the proposed actions, until the hearing official issues a decision on the appeal. We will pay any valid claims for reimbursement submitted by you for this period. You must submit the claims by the normal deadline.

Sincerely,

Sponsoring Organization Employee Name and Title

Address

Phone

Fax if available

Enclosure: Appeal Procedures

cc: Montana DPHHS Child and Adult Food Program