

	MISSOURI DEPARTMENT OF HEALTH AND SENIOR SERVICES CHILD AND ADULT CARE FOOD PROGRAM	ISSUED	REVISED	CHAPTER	SECTION
	EMERGENCY/HOMELESS SHELTERS POLICY & PROCEDURE MANUAL	3/91	4/09	9	9.9
CHAPTER Chapter 9. The Monitoring Visit		SUBJECT Deficiencies/Disallowances			

Meals will be disallowed if the records reviewed do not support the claim for reimbursement. If the institution does not agree with the findings of the CACFP reviewer, an appeal may be filed. See Chapter 12 for how to file an appeal.

Under certain conditions, an institution may be determined to be seriously deficient. If an institution is seriously deficient and fails to correct the deficiencies, the institution will be terminated from the CACFP. Conditions under which an institution may be classified as seriously deficient include, but are not limited to:

- Submission of false information on the institution’s application, including but not limited to a determination that the institution has concealed a conviction for any activity that occurred during the past seven years and that indicates 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 MDHSS-BCFNA.
- Permitting an individual who is on the National Disqualified List to serve in a principal capacity with the institution or, if a sponsoring organization, permitting such an individual to serve as a principal in a sponsored shelter.
- Failure to operate the Program in conformance with the performance standards set forth in federal regulations.
- Failure to comply with the bid procedures and contract requirements of applicable federal procurement regulations.
- Failure to maintain adequate records.
- Failure to adjust meal orders to conform to variation in the number of participants.
- Claiming reimbursement for meals not served to participants.
- Claiming reimbursement for a significant number of meals that do not meet Program requirements.
- Failure of a sponsoring organization to disburse payments to its facilities in accordance with federal regulations and with the sponsor’s management plan.
- Institutions may not claim reimbursement for a meal under more than one federal program.

- Failure of a sponsoring organization to properly train or monitor sponsored facilities in accordance with federal requirements.
- Failure to perform any of the other financial and administrative responsibilities required by the regulations.
- The fact that the institution or any of the institution's principals have been declared ineligible for any other publicly funded program by reason of violation of that program's requirements. However, this prohibition does not apply if the institution or the principal has been fully reinstated in, or is now eligible to participate in that program, including the payment of any debts owed.
- Any other action affecting the institution's ability to administer the Program in accordance with Program requirements.

If MDHSS-BCFNA determines that a shelter or a sponsor of shelters has committed one or more of the serious deficiencies listed in this policy, MDHSS-BCFNA will initiate action to terminate the contract of the shelter or sponsor and any responsible principals or responsible individuals. Responsible principals and responsible individuals are defined in Section 1.5.

The MDHSS-BCFNA will notify the shelter's executive director and chairman of the board of directors that the shelter has been determined to be seriously deficient. The notice will identify the basis for the serious deficiency(ies), the responsible principals and the responsible individuals, and will identify the timeframe for corrective action. The serious deficiency determination is not subject to appeal.

If a shelter fails to fully and permanently correct the serious deficiency, MDHSS-BCFNA will take actions to terminate the contract with the shelter or sponsor, and to place the shelter and its responsible principals and responsible individuals on the National Disqualified List. See policy 9.10 for procedures regarding terminations.

If corrective action has been taken to fully and permanently correct the serious deficiencies within the timeframes specified in the notice of serious deficiency, MDHSS-BCFNA will notify the shelter's and sponsor's executive director and chairman of the board, and the responsible principals and responsible individuals, that MDHSS-BCFNA has rescinded the serious deficiency determination. If, however, it is found at any future review that the shelter or sponsor has failed to fully and permanently correct the serious deficiency(ies) noted in the initial serious deficiency notification, MDHSS-BCFNA will propose to terminate the shelter's or sponsor's contract without further opportunities for corrective action.

Reference: 7CFR226.6(c)(3)