This notice clarifies CACFP DCH Policy Alert 2003-13, Serious Deficiency Process for Participating Contractors, concerning contractor and responsible principals placement on the National Disqualified List.

When SNP determines that a contractor is seriously deficient; we must also:

- determine who is responsible for the serious deficiency,
- include the names of those individuals in the Serious Deficiency Notice, and
- send them a copy of the notice.

We will disqualify not just your organization, but also those individuals responsible for your organization’s serious deficiency if the serious deficiency is not fully and permanently corrected within the specified timeframe.

The notice that SNP sends to a contractor that is determined to be seriously deficient will always be sent to the contractor’s:

- Executive Director, and
- Chairman of the Board of Directors.

The Executive Director is responsible for the organization’s day-to-day operations. The Board Chair or equivalent is responsible for the contractor’s overall operation. They may not always be directly responsible for a specific serious deficiency; however, by virtue of their positions, they have overall responsibility and accountability for the contractor.

SNP may also identify other individuals who are responsible for the serious deficiencies. Each individual in the organization is separate and apart from other individuals within that same organization. Only the sponsoring organization and those individuals specifically cited as responsible for the serious deficiencies will be named in the Notice of Serious Deficiency and then potentially disqualified.

A serious deficiency determination is only Step 1 in the serious deficiency “process”. Being declared seriously deficient does not prevent a sponsor or individuals from participating in the CACFP, since sponsors and individuals may continue to participate in the program while they are given an opportunity to correct the deficiency. For a sponsor or individual to be ineligible to participate as an organization, facility, principal or day care home provider in the CACFP, they must be “disqualified”. SNP will disqualify sponsoring organizations, principals and individuals responsible for a contractor’s serious deficiencies if the serious deficiencies are not corrected. (See Step 5 in Policy Alert CACFP DCH 2003-13).