

**IOWA DEPARTMENT
OF EDUCATION
(Cite as 23 D.o.E. App. Dec. 78)**

In re Termination from CACFP

Rhonda Riggs, Appellant,	:	FINAL
	:	DECISION
vs.	:	
West Central Development Corporation, Appellee.	:	[Admin. Doc. 4594]

This matter was heard on November 1, 2004, in the State Board Room of the Grimes State Office Building in Des Moines, Iowa, before Carol J. Greta, J.D., designated administrative law judge, presiding on behalf of Judy A. Jeffrey, Director of the Iowa Department of Education. Appellant Rhonda Riggs took part in the hearing telephonically on her own behalf, without representation by counsel. The Appellee, West Central Development Corporation, was represented in person by its executive director, Joel Dirks.

The Iowa Department of Education has jurisdiction over the hearing pursuant to the federal regulation found at 7 C.F.R. 226.6(k). Hearing was held pursuant to this agency's administrative rules in 281 Iowa Administrative Code 6. At the conclusion of the November 1 hearing, the evidentiary record was held open until November 19 to give both parties an opportunity to submit additional evidence as to the truth of the matter at issue; that is, whether Ms. Riggs sought reimbursement for meals that she did not actually serve.

**I.
FINDINGS OF FACT**

Rhonda Riggs runs a child daycare home out of her residence in Missouri Valley, Harrison County, Iowa. She has participated in the Child and Adult Care Food Program (CACFP), which is administered by the United States Department of Agriculture through the Iowa Department of Education's Bureau of Food and Nutrition, for a little less than one year. The CACFP is a federal program that provides reimbursement for meals and snacks provided to children (and adults, though such is not the case here) in day care homes and centers. Daycare homes must be supervised by a sponsoring organization. The sponsor in this case is the Appellee, West Central Development Corporation ["West Central"].

A CACFP daycare home provider must sign an agreement that provides for most of the terms and conditions of program participation. The agreement between Ms. Riggs and West Central, dated December 15, 2003, provides in part as follows:

- The sponsor verifies a child's enrollment/participation in CACFP.
- The sponsor pays CACFP reimbursement to each child care home provider for up to three meals and three supplements, up to seven days a week, for meals actually served by the provider.
- The home provider records attendance and meal participation daily. Daily attendance is kept by child's name, date and arrival-departure times. Meal participation is recorded by date, meal type, and child's name.

At issue is whether Ms. Riggs unlawfully sought reimbursement for meals and snacks she claims to have served to two children – Andrea and Troy – on five specific days in August, the 16th, 17th, 18th, 26th, and 27th.

Andrea and Troy are the minor children of Barbara G. There is no dispute that Barbara G. liberally used two childcare providers, both of whom are sponsored by West Central. There is also no dispute that Barbara G. left her children with the providers for extended periods of time. The other childcare provider is Penny Allen.

In the course of a routine parent survey, West Central discovered that both Ms. Riggs and Ms. Allen requested reimbursement for some of the same meals and snacks served to Andrea and Troy on the above five days in August. The records show that both Ms. Riggs and Ms. Allen claimed reimbursement for the following meals:

- 8/16: lunch, afternoon snack, supper (both children)
- 8/17: all meals and snacks (both children)
- 8/18: breakfast (both children); morning snack, lunch (Troy)
- 8/26: supper (both children)
- 8/27: supper (both children)

The reimbursement claim forms submitted by Ms. Riggs also state that Andrea and Troy were in her care for 72 hours straight on August 16, 17, and 18, as well as overnight on August 26. Ms. Allen's records show that she had the children in her care for several hours on August 16 – 18 (Andrea for 20 hours, Troy for 25 hours), and the entirety of the time on the 26th claimed by Ms. Riggs. There was no overlap of time on August 27.

Barbara G. provided a written statement to West Central that her children were in the care of Ms. Allen at the times Ms. Allen claimed for August 16, 17, 18, 26, and 27. Based on the written statement of Barbara G. and based on its survey of all parents with children under the care of Ms. Allen, West Central concluded that Ms. Allen kept “very accurate” records of attendance of the children at her daycare. Therefore, West Central determined that Ms. Riggs had filed the false claims for reimbursement. On or about October 18, 2004, West Central notified Ms. Riggs of its intention to terminate her CACFP participation.

II. CONCLUSIONS OF LAW

CACFP is a program created by the Agricultural Risk Protection Act, 42 U.S.C. § 1766. That Act and its regulations require that daycare homes operate under the auspices of a sponsoring organization. 7 C.F.R. 226.18(b). Congress specifically authorized the sponsors to determine whether daycare homes should be terminated for cause and to act accordingly. 7 C.F.R. 226.16(l)(1). Thus, because the sponsor has statutory authorization to terminate daycare homes for cause, we review for abuse of discretion. Iowa Code section 17A.19(11)(c); *ABC Disposal Systems, Inc. v. Iowa Department of Natural Resources*, 681 N.W.2d 569 (Iowa 2004).

The regulations at 7 C.F.R. 226.6 enumerate reasons why a daycare home may be terminated from CACFP. Being cited as “seriously deficient” is one cause for termination. Submission of false claims for meal reimbursement is a “serious deficiency,” and a reason for termination from CACFP. 7 C.F.R. 226.16(l)(2)(ii).

The issue here is not whether Andrea and Troy were in Ms. Riggs’ care *at all* on the days in question. They may very well have been at her daycare for part of the time during the 16th, 17th, 18th, and/or 26th of August. However, they were not present the entirety of the times Ms. Riggs reported, including for meals on those four dates for which she claimed reimbursement. Notwithstanding Ms. Riggs’ attempts to cast doubt on the credibility of Barbara G., she has presented no evidence that she served the disputed meals to Andrea and Troy. Viewing her evidence in a light most favorable to Ms. Riggs, it shows only that the children were in her care at some point during the disputed days. It also shows that it is possible that both Ms. Riggs and Ms. Allen could have served supper to the children on the 27th.¹ We find no violation on that date.

¹ Andrea and Troy were in the care of Ms. Riggs until 4:15 p.m. on the 27th, and then in the care of Ms. Allen beginning at 7:00 p.m. that night. It is possible that both women served an evening meal to the children.

On the other hand, the record shows that the children were not in the care of Ms. Riggs for the following meals for which Ms. Riggs requested reimbursement:

- 8/16: lunch, afternoon snack, supper (both children)
- 8/17: all meals and snacks (both children)
- 8/18: breakfast (both children); morning snack, lunch (Troy)
- 8/26: supper (both children)

The regulations state that “[e]ach sponsoring organization shall accept final administration and financial responsibility for food service operations in all child ... day care facilities under its jurisdiction.” 7 C.F.R. 226.16(c). The rationale for the rule is simple. CACFP is funded by public monies; that is, by taxpayers. A home provider is required to be fiscally accountable to the public for the funds s/he receives through the program. Ms. Riggs’ statements to this agency that she “must have” served the disputed meals to Andrea and Troy because the children “were always” at her daycare is not indicative of the kind of fiscal management demanded by the CACFP laws and regulations. West Central determined, as a result of its investigation into this matter, that Ms. Riggs was not fiscally accountable for the public’s funds. She submitted false claims for reimbursement. Neither her sponsor nor this agency has any discretion to permit her to continue to participate in the program.

III. DECISION

For the foregoing reasons, the termination of Ms. Riggs from CACFP is hereby **affirmed**.

Date

Carol J. Greta, J.D.
Administrative Law Judge

It is so ordered.

Date

Judy A. Jeffrey, Director
Iowa Department of Education