

**Policy: Termination of Provider Contracts**

**Policy #: PS01**

**Approved: January 24, 2017**

These guidelines aim to promote fairness in the termination of provider contracts and to prescribe contract conditions and measures to enable the Early Learning Coalition of Flagler & Volusia Counties (ELCFV) to take action against provider contracts when necessary. For this purpose, policies relating to the termination of School Readiness or Voluntary Prekindergarten contracts are herein established.

**I. Termination**

**1. Termination for Cause-**

- a. The ELCFV has the right to terminate a provider contract for cause at any time. The coalition must send written notice to the provider at least five (5) business days before termination. The notice must state the date of, and the specific basis for termination.
- b. The following actions are grounds for termination of the contract:
  - i. Any action or lack of action that threatens the health, safety, or welfare of the children in care.
  - ii. Failure to comply with the terms of the contract or failure to implement corrective action
  - iii. Refusal to accept any notices sent by the coalition to the provider
  - iv. Refusal to allow coalition staff access to the premises
  - v. Reasonable or probable cause to suspect fraud has been committed by the provider
  - vi. Repeated violations of the terms of the contract
  - vii. Repeated violations of DCF child care regulations
  - viii. Any lapse in insurance coverage

**2. Emergency Termination**

- a. The ELCFV has the right to immediately terminate the contract of any provider that fails to maintain a safe and healthy environment for the children in care. The coalition must send the provider written notice of the emergency termination at least 24 hours prior to termination. The written notice must include the specific date of the incident or notification of incident and the reason the contract is being terminated.
- b. The following are reasons a contract will be immediately terminated:
  - i. ELCFV Complaint Investigations- If during the investigation of a complaint, ELCFV determines the provider has committed an act or failed to prevent an act that threatens the health, safety, and well-being of the children in care, the coalition will terminate the contract.
  - ii. Department of Children & Families (DCF)- If coalition receives notification from DCF that the action or inaction of a provider threatened the health, safety or well-being of the children in care, the coalition will terminate the contract. These would be actions or inactions that result in Class I violations, as described in DCF licensing

- regulations. This applies to both licensed providers receiving a licensing inspection and license exempt providers receiving a health and safety inspection.
3. Ineligibility-Any provider subject to contract termination will be ineligible for contracting for up to five years.
    - a. The following criteria will be taken into consideration when determining the period of ineligibility:
      - i. Severity of the provider's actions leading to the termination of the contract
      - ii. The health, safety and welfare of the children enrolled at the provider
      - iii. The financial impact of the provider's actions
      - iv. The impact that the revocation would have upon the local community
      - v. Consistency with coalition's actions against other provider's for similar violations of the contract or program requirements
      - vi. The length of time the provider provided services under contract with the coalition
      - vii. Whether the provider had previously violated the terms of the contract and prior contracts with the coalition
  4. Due Process-Any provider subject to contract termination will be afforded the right to due process proceedings as described in the contract

## II. Basis for Termination

1. Complaints- All complaints received by the ELCFV will be investigated by a Provider Services Representative. The information gathered will be used to make a determination about the status of the contract. The following actions may result in termination of the provider contract:
  - a. A child leaves the facility unattended
  - b. The facility fails to call 911 in an emergency
  - c. Administration of incorrect medication or failure to administer medication according to directions
  - d. Children left in the care of a disqualified or unscreened individual
  - e. Any act of abuse or neglect by a staff member of the child care program
  - f. Failure to report suspected abuse or neglect
  - g. Any other action or inaction that poses a threat to the health and safety of the children in care
2. Contract Non-Compliance- If a provider is cited for non-compliance with a contract requirement, corrective action may be required.
  - a. Three non-compliance findings of the same contract component during the contract year will result in termination of the contract
  - b. Six non-compliance findings of any combination of contract components during the contract year will result in termination of the contract
  - c. Previous violations of the terms of this contract or a previous contract may result in the revocation of eligibility

3. DCF violations- Non-compliance with DCF child care regulations can result in the termination of a contract. This applies to both licensed providers receiving a licensing inspection and license exempt providers receiving a health and safety inspection.
  - a. Any Class I non-compliance will result in the termination of the contract
  - b. Six Class II non-compliances, of any standard, in a two-year period may result in the termination of the contract
  - c. Change of license status to probationary will result in the termination of the contract