



March 13, 2017

Luv N Hugs Learning Center  
Attn: Desiree Everett  
1350 County Road 228  
Wildwood, FL 34785

Dear Ms. Everett:

Please allow this letter to serve as notification of the Early Learning Coalition of the Nature Coast's intention to terminate your School Readiness agreement as it relates to Luv N Hugs Learning Center and Luv N Hugs Learning Center Building 2, effective close of business on March 31, 2017. In addition, your eligibility to provide the School Readiness program has been revoked for a period of five (5) years.

The termination of your contract is due to suspected fraudulent activity. Your School Readiness Agreement, Paragraph 57 states the following:

- a. **Basis of Termination for Cause:** Provider agrees that COALITION has the right to terminate this Contract for cause at any time. Item (d) Reasonable or probable cause for COALITION to suspect that fraud has been committed by PROVIDER as described in paragraph 63.

Paragraph 63 states the following:

- c. **Suspension for Suspected Fraud.** In accordance with s. 1002.91(4), F.S., COALITION may suspend or terminate PROVIDER from participation in the School Readiness program when it has reasonable cause to believe that PROVIDER has committed fraud.

The Coalition has provided you technical assistance via a letter dated December 13, 2016 as it relates to proper documentation for sign-in/out sheets, to avoid the appearance of fraudulent activity. The letter from Director of Eligibility, Tonya Hiers, stated the following: "there were questionable costs associated with the parent sign-in/out sheets for Luv N Hugs. Children that attend public school MUST have a documented time out when departing from your center to the public school and a documented time in when arriving to your center after school. Also, it appears that parents are completing the sign-in/out sheets at the end of the attendance month which has raised a serious red flag for a potential act of fraudulent activity." Additionally, you received technical assistance as it relates to proper completion of sign-in/out procedures while in attendance at the January 24, 2017 provider meeting.

On February 27, 2017, Coalition staff members visited your center and observed five (5) sign-in/out sheets that were fully completed through February 28, 2017. Of these five (5) children, one (1) was not present at center during the time of the visit; however, the child was signed in at 3:00pm and signed out at 5:00pm.

You may request a review of the ELCNC's decision to terminate the School Readiness agreement. Detailed below is are the Due Process Procedures detailed in Exhibit 5 of your School Readiness Agreement.

1. **Purpose of Exhibit.** Early Learning Coalitions are responsible for the local implementation of early learning programs funded with state and federal funds, such as the School Readiness Program and Voluntary Prekindergarten Education Program. Providers of such early learning programs may request a review of

determinations made by and Early Learning Coalition in accordance with the due process procedures described below.

2. **Request for Review Hearing.** If a provider disputes any action taken by the Coalition pursuant to the terms of the Statewide School Readiness Provider Contract, the provider may request a review hearing in writing by sending it to the contact person listed in the Coalition's action. A review hearing is a "meeting" for the purposes of the Sunshine Law which is subject to public notice. During a review hearing, the provider will have a reasonable opportunity to address Coalition staff-persons or sub-contractor staff regarding the Coalition's action and to present supporting evidence before a Review Hearing Committee. Provider may have an attorney present at the review hearing to represent or advise the provider.
  - a. **Content of Request for Review Hearing:** The request for review hearing must state: the name and contact information of an individual authorized to provide information and binding responses on behalf of provider; the specific action by the Coalition that the provider disputes, the specific reasons for the provider's belief; and whether the provider will be represented by an attorney or another individual during the review hearing.
  - b. **Request Time:** The provider's request for a review hearing must be submitted in writing to the Coalition within five (5) business days of receipt of notice of the determination which the provider believes to be incorrect.
  - c. **Supporting Documentation:** The provider must send copies of any written documentation supporting the claims of the provider. Examples of relevant documentation may include, but are not limited to, attendance documentation, notarized attestations from parents, documentation from licensing or accrediting bodies, documents demonstrating dates of information submission, and a proposed corrective action plan.
3. **Implementation of Review.** If the Coalition receives a request for review hearing from the provider, the Coalition must address the request by taking the following steps.
  - a. **Assignment of Review Hearing Committee.** Within three (3) business days of receipt of a request for review hearing, the Coalition must assign a Review Hearing Committee to complete the review. The Review Hearing Committee must be composed of at least three but no more than five members of the coalition Board. The Chair of the ELC shall appoint the Review Hearing Committee and shall name the chair of the committee. Three of the members must be a mandatory member as set forth in section 1002.83(4) with at least one provider representative member.
  - b. **Response to Request for Review Hearing.** Within five (5) business days of receipt of the request for review hearing, the Coalition must respond to the provider in writing, return receipt requested. The notice must include at least three (3) proposed dates and times for the review hearing which must be within forty-five (45) days of the date of receipt of the request for review hearing. The notice must also state that the review hearing may be conducted in person at a location designated by the Coalition or via any method of telecommunications, as long as the public is given reasonable access to observe and, when appropriate, participate. Finally, the notice must state whether or not all of the Coalition staff persons or sub-contractor staff whom the provider wishes to have present during the hearing will be made available. If any individual who the provider requested to have present is not available, the Coalition must make available an individual who is qualified to address the subjects the provider wished the individual to address.
  - c. **Date and Location Selection.** Within five (5) business days of receipt of the response to a request for review hearing, the provider must inform the Coalition of the date and time which it selects for the review hearing and whether the provider will attend the meeting in person or via a method of telecommunication. Within five (5) business days of receipt of the response to a request for review hearing, if the provider is unable to attend any of the proposed dates and times for the review hearing, the provider must submit written notice which states the specific reasons that provider is unable to attend and must contact the Coalition to select a mutually agreed upon date for the review hearing. If the provider does not inform the Coalition of the date and time within the required time period, then the process is considered complete and the request is denied.
  - d. **Conducting the Review Hearing.** The Review Hearing Committee shall assess the claim(s) the provider made in its request for review by examining all information and documentation submitted by the provider. The provider must be given a reasonable opportunity to question Coalition staff-persons or sub-contractor staff regarding the determinations of the Coalition and to present evidence before the Review Hearing Committee. The Coalition will also be provided a reasonable opportunity to submit evidence to rebut any claims made by the provider.

- e. **Notice of Review Hearing Conclusion.** Following completion of the presentation by the provider and the Coalition, the Review Hearing Committee will vote regarding each of the provider's claims. The Review Hearing Committee must also appoint a Review Hearing Committee member or a Coalition staff person to prepare a written notice of the review hearing conclusion. (if the notice is developed by a Coalition staff person, the notice must be reviewed by the Review Hearing Committee in a subsequent public meeting and approved before being sent to the provider.) The written notice must state the outcome of the Review Hearing Committee's vote regarding each of the provider's claims. In addition, the notice must specifically state the reasons supporting the Review Hearing Committee's conclusions. Finally, if the majority of the Review Hearing Committee determines:
- i. That no part of the determination made by the Coalition was correct, the notice must state the provider is not required to take further action.
  - ii. That any part of the determination made by the Coalition is correct, the notice must identify the portion(s) determined to be correct. As applicable, the notice must also state:
    - A. If corrective action is necessary, that the provider must take corrective action in regard to the part(s) which the Review Hearing Committee determines to be correct; and the revised deadlines for completion of the corrective action (s)
    - B. If the provider's School Readiness Contract or eligibility to offer the School Readiness Program will be terminated, the date of the termination.

**THE DECISION OF THE REVIEW HEARING COMMITTEE IS FINAL.**

It is important to understand that when an agreement termination occurs, the Early Learning Coalition of the Nature Coast implements a formal contract close out procedure in accordance with the School Readiness contract requirements and the ELCNC's School Readiness Plan.

**All School Readiness records which have been maintained for the last five years of the operation of Luv N Hugs Learning Center and Luv N Hugs Learning Center 2, in accordance with the School Readiness contract (Form OEL-SR 20, Section VI, 37 & 38) must be submitted to the Sumterville ELCNC office no later than close of business on March 31, 2017, the day the agreement is terminated. Please understand that failure to submit these required documents will result in your final payment being held until all documents are received.**

The Coalition will conduct a final attendance monitor as soon as possible on all attendance records and sign-in/out sheets for funded children who have attended your facility for the current fiscal year through the termination date.

Any payment due under the terms of this Agreement will be withheld until all documentation has been logged and reviewed, and any necessary payment adjustments have been completed by the Coalition.

If you have questions regarding the contract close out procedure, please do not hesitate to contact the Coalition's Contract office at (352) 563-9939 ext. 223 and ext. 252.

Sincerely,



Sonya Bosanko  
Executive Director  
Early Learning Coalition of the Nature Coast  
382 N Suncoast Blvd  
Crystal River, FL 34429  
(352) 563-9939 ext. 260