

Department of Health and Human Services

**OFFICE OF
INSPECTOR GENERAL**

**PUERTO RICO CHILD DAY CARE
CENTERS DID NOT ALWAYS
COMPLY WITH COMMONWEALTH
HEALTH AND SAFETY REQUIREMENTS**

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A-02-14-02001

Office of Inspector General

<http://oig.hhs.gov>

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The designation of financial or management practices as questionable, a recommendation for the disallowance of costs incurred or claimed, and any other conclusions and recommendations in this report represent the findings and opinions of OAS. Authorized officials of the HHS operating divisions will make final determination on these matters.

EXECUTIVE SUMMARY

The three child day care centers that we reviewed in Puerto Rico did not always comply with applicable State plan requirements to ensure the health and safety of children.

WHY WE DID THIS REVIEW

The Administration for Children and Families (ACF) provides Federal grants through several programs, including Head Start and the Child Care and Development Fund (CCDF). In a December 2011 report summarizing the results of 24 audits of Head Start grantees, we described multiple health and safety issues that put children at risk. To determine whether similar health and safety risks exist at childcare providers that received CCDF funding, we reviewed three licensed child day care centers (providers) in Puerto Rico that received CCDF funding. We conducted this review of the Puerto Rico Department of the Family's (State agency's) designated lead agency, the Administration for Integral Child Care and Development (lead agency), in conjunction with our review of 20 family day care homes (report number A-02-14-02016).

The objective of this review was to determine whether the State agency ensured that providers that received CCDF funds complied with State plan requirements related to the health and safety of children.

BACKGROUND

The CCDF (authorized by the Child Care and Development Block Grant Act and the Social Security Act § 418) assists low-income families, families receiving temporary public assistance, and families transitioning from public assistance to obtain child care so that they may work or obtain training or education. Combined funding for the CCDF program for fiscal year 2014, including the block grant's discretionary fund and the CCDF mandatory and matching funds, was approximately \$5.2 billion. On November 19, 2014, after our fieldwork, the Child Care and Development Block Grant Act of 2014 (P.L. No. 113-186) reauthorized the CCDF program and improved childcare health, safety, and quality requirements. Among other things, the law requires that States' lead agencies perform an initial onsite monitoring visit and at least one annual unannounced onsite visit of providers that have received CCDF subsidies. Lead agencies must maintain a ratio of inspectors to providers sufficient to ensure timely inspections.

The lead agency designated to administer the CCDF program in Puerto Rico is the Administration for Integral Child Care and Development, a division of the State agency. The CCDF program helps low- to moderate-income families in Puerto Rico pay for child care. Parents may select a childcare provider that satisfies the applicable Commonwealth and local requirements, including basic health and safety requirements.

As the lead agency, the Administration for Integral Child Care and Development must monitor providers. According to *the Child Care and Development Fund Plan for Puerto Rico* (CCDF State Plan), the lead agency is required to conduct annual announced and/or unannounced onsite inspections to ensure that providers meet basic health and safety requirements.

WHAT WE FOUND

The State agency did not ensure that providers that received CCDF funds complied with State plan requirements related to the health and safety of children. Although the lead agency conducted the required inspections at all three providers that we reviewed, we found potentially hazardous conditions at the three providers, and two of the providers did not comply with requirements to obtain background checks on workers.

WHAT WE RECOMMEND

To improve its health and safety monitoring, we recommend that the State agency:

- establish binding health and safety requirements for all CCDF providers in Puerto Rico law or regulation, in accordance with the State plan;
- have procedures in place to ensure that providers receive adequate training on health and safety requirements;
- develop a single comprehensive and specific checklist to aid in its monitoring of providers for compliance with health and safety requirements, and provide all centers with the checklist;
- correct the specific health and safety issues with the three providers noted in this report; and
- ensure that providers employ only individuals with proper background certification.

STATE AGENCY COMMENTS

In written comments on our draft report, the State agency concurred with our findings and described actions it had taken and planned to take to address our recommendations.

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INTRODUCTION

WHY WE DID THIS REVIEW

The Administration for Children and Families (ACF) provides Federal grants through several programs, including Head Start and the Child Care and Development Fund (CCDF). In a December 2011 report summarizing the results of 24 audits of Head Start grantees,¹ we described multiple health and safety issues that put children at risk. To determine whether similar health and safety risks exist at childcare providers that received CCDF funding, we reviewed three licensed child day care centers² (providers) in Puerto Rico that received CCDF funding. We conducted this review of the Puerto Rico Department of the Family's (State agency's) designated lead agency, the Administration for Integral Child Care and Development (lead agency), in conjunction with our review of 20 family day care homes (report number A-02-14-02016).³

OBJECTIVE

Our objective was to determine whether the State agency ensured that providers that received CCDF funds complied with State plan requirements related to the health and safety of children.

BACKGROUND

Child Care and Development Fund

Authorized by the Child Care and Development Block Grant (CCDBG) Act (42 U.S.C. 9858 et seq.) and section 418 of the Social Security Act (42 U.S.C. 618), the CCDF assists low-income families, families receiving temporary public assistance, and families transitioning from public assistance to obtain child care so that they may work or obtain training or education. Combined funding for the CCDF program for fiscal year 2014, including the block grant's discretionary fund and the CCDF mandatory and matching funds, was approximately \$5.2 billion.

The CCDBG Act and implementing Federal regulations require the State to maintain a plan that certifies that the State has requirements in State or local law to protect the health and safety of children. The plan must also certify that procedures are in effect to ensure that childcare providers comply with these requirements (42 U.S.C. §§ 9858c(c)(2)(F) through (G) and 45 CFR §§ 98.15(b)(5) and (6)).⁴

¹ *Review of 24 Head Start Grantees' Compliance With Health and Safety Requirements* (A-01-11-02503, issued December 12, 2011).

² Childcare centers are authorized to provide childcare services for fewer than 24 hours per day per child in a nonresidential setting (CCDF State Plan for Puerto Rico FFY 2014-2015, § 3.1.1 (d)).

³ The lead agency is a programmatic component of the State agency.

⁴ The statutory provisions cited were those in effect during our audit period.

Federal regulations require States to designate a lead agency to administer the CCDF program (45 CFR § 98.10). In retaining overall responsibility for the administration of the program, the lead agency must ensure that the program complies with the approved Plan and all Federal requirements and must monitor programs and services (45 CFR §§ 98.11(b)(4) and (6)).

Puerto Rico's Childcare Services

In Puerto Rico, the lead agency administers the CCDF program, which helps low- to moderate-income families pay for child care. Parents may select a childcare provider that satisfies the applicable Commonwealth and local requirements, including basic health and safety requirements.

The lead agency must monitor providers. According to *the Child Care and Development Fund Plan for Puerto Rico* (CCDF State Plan), the lead agency is required to conduct annual announced and/or unannounced onsite inspections using a checklist to verify that providers comply with health and safety requirements. The lead agency certifies that procedures are in effect to ensure that CCDF-funded childcare providers comply with all applicable State or local health and safety requirements.

Related Office of Inspector General Work

On July 11, 2013, the Office of Inspector General issued to ACF an Early Alert Memorandum Report entitled *License-Exempt Child Care Providers in the Child Care and Development Fund Program* (OEI-07-10-00231). The report concluded that States may and do exempt many types of providers from licensing and that these providers are still required to adhere to Federal health and safety requirements to be eligible for CCDF payments.

Child Care Aware of America

Child Care Aware of America (CCAA)⁵ published a 2013 update, *We Can Do Better*, that reviewed and ranked State childcare center regulations and oversight.⁶ CCAA stated that effective monitoring policies are important for child safety and provider accountability for compliance with State licensing requirements. CCAA added that making inspection reports public is an important form of consumer education because parents cannot make informed selections among childcare settings unless they have access to compliance information. Otherwise, they assume that a State license is a seal of approval. CCAA also suggested that, because of the important role effective monitoring plays in promoting child safety and program compliance with licensing, the number of programs that each licensing inspector monitors needs

⁵ In 2012, the National Association of Child Care Resource & Referral Agencies changed its name to Child Care Aware of America.

⁶ CCAA works with more than 600 State and local childcare resource and referral agencies nationwide. CCAA leads projects that increase the quality and availability of childcare professionals, undertakes research, and advocates childcare policies that positively affect the lives of children and families.

to be reduced, not increased. CCAA recommended that States reduce the caseload for licensing inspectors to a ratio of 1:50 (1 inspector for 50 cases).

Child Care and Development Block Grant Act of 2014

On November 19, 2014, the Child Care and Development Block Grant Act of 2014⁷ reauthorized the CCDF program and improved childcare health, safety, and quality requirements. The law includes a requirement that States' lead agencies perform an initial onsite monitoring visit and at least one annual unannounced onsite visit of providers that have received CCDF subsidies. State lead agencies must maintain a ratio of inspectors to providers sufficient to ensure timely inspections. The law also requires training and professional development of the childcare workforce to meet the needs of the children and improve the quality and stability of the workforce. Specifically, it requires lead agencies to establish ongoing provider training.

HOW WE CONDUCTED THIS REVIEW

Of the 95 providers that received CCDF funding from October through December 2013, we selected 3 providers for our review. We based this selection on the consideration of certain risk factors, including number of children being served by the provider and the type of entity operating the provider.⁸

We conducted unannounced site visits from February 24 through 27, 2014, at the three providers located in Juncos, Río Piedras, and Luquillo, Puerto Rico.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Appendix A contains details of our audit scope and methodology, Appendix B contains details on the Federal regulations and Commonwealth licensing health and safety requirements that pertain to providers, and Appendix C contains photographic examples of potentially hazardous conditions.

FINDINGS

The State agency did not ensure that providers that received CCDF funds complied with State plan requirements related to the health and safety of children. Although the lead agency conducted the required inspections at all three providers that we reviewed, we found potentially

⁷ P.L. No. 113-186 (Nov. 19, 2014).

⁸ The 95 providers included providers operated by municipalities, private entities, or the lead agency. We selected one of each provider type.

hazardous conditions at the three providers, and two of the providers did not comply with requirements to obtain background checks on workers.

Appendix D contains the number of instances and categories of potentially hazardous conditions and noncompliance at each provider.

POTENTIALLY HAZARDOUS CONDITIONS OBSERVED

Federal Requirements

Federal regulations require lead agencies to certify that there are in effect, within the area served by the lead agency, requirements designed to protect the health and safety of children that are applicable to childcare providers (45 CFR § 98.41). These requirements must include building and physical premises safety.

Commonwealth Requirements

Childcare centers operated by the lead agency as well as contracted childcare providers are required to be licensed by the State agency's licensing division (CCDF State Plan for Puerto Rico FFY 2014-2015, § 3.1.1(d)). Puerto Rico law requires that regulations to determine the granting of childcare licenses shall specify, among others, the requirements to be met with regard to physical facilities of equipment and materials, sanitary conditions of the premises and surroundings, space, light, ventilation, firefighting safety devices, and other measures to protect the health and welfare of children (Title 8 § 76 of the Laws of Puerto Rico Annotated (P.R. Laws Ann.)). Puerto Rico regulations require childcare providers to have the necessary equipment and materials for the care of the number of children that receive services, including the necessary articles for their personal use and hygiene (Puerto Rico Regulation 4758)⁹.

The lead agency certifies that procedures are in effect to ensure that CCDF-funded childcare providers comply with all applicable State or local health and safety requirements (CCDF State Plan for Puerto Rico FFY 2014–2015, § 3.1.4(d)). In addition, the CCDF State Plan states that the lead agency performs announced and unannounced visits to childcare centers using a checklist designed to measure compliance with health and safety requirements (CCDF State Plan for Puerto Rico FFY 2014–2015, § 3.1.6(b)). These inspections and the contents of the checklist are separate from visits from the licensing division and the licensing requirements it enforces.

Potentially Hazardous Conditions

We determined that all three providers we reviewed had potentially hazardous conditions that could affect the health and safety of children.

⁹ We did not review compliance with Commonwealth licensing requirements because the lead agency did not use these requirements for inspections of providers.

Potentially Hazardous Conditions

We identified 45 instances of potentially hazardous conditions at the 3 providers reviewed. Specifically, we found 42 instances in which the facility or its equipment were not in good repair and/or reasonably free from danger to children. Examples included:

- knives and kitchen utensils accessible to children in the kitchen where they ate (Appendix C, photographs 1 and 2), a sharp metallic piece exposed on a classroom wall, broken window handles, and a cart in a classroom without a protective cover over its wheels;
- a rusted metal cabinet in the playground area (Appendix C, photograph 3) and a piece of rotted wood on the ground;
- furniture and other items not stable or secured to prevent tipping onto a child (e.g., computer hardware on the edge of a table close to a child's sleeping mat (Appendix C, photograph 4));
- unstable furniture items with plants and large boxes stacked on them (Appendix C, photograph 5);
- an empty mop bucket with a strainer without safety wheel locks, and other cleaning utensils such as brooms, dustpans, and mops accessible from children's play areas (Appendix C, photograph 6);
- flooring not in good repair or presenting a tripping hazard (e.g., a rug in a stairwell not properly secured to the floor (Appendix C, photograph 7)), loose and broken tiles in a playground area, floors needing repair with loose tape on entrance to classrooms, a tall staircase needing repair, and an unlevelled floor needing repair;
- chipped paint on walls (Appendix C, photograph 8);
- ceilings with loose, missing, or damaged tiles because of water leaks (Appendix C, photograph 9) and floors with dripping water (Appendix C, photograph 10);
- an exposed rusty water pipe and a cracked concrete wall above a toilet in a children's bathroom (Appendix C, photograph 11); and
- a tall unsecured helium tank located near the entrance to a childcare center (Appendix C, photograph 12).

The remaining three instances of potentially hazardous conditions were related to indoor and outdoor spaces that were not sufficiently safeguarded to ensure the safety of the children. Specifically:

- one provider had an unlocked gate that led from the outdoor playground to the street (Appendix C, photograph 13) and

- two providers had 4- to 8-inch gaps beneath their fences that children could crawl through to access the street and other areas of the centers not intended for children (Appendix C, photograph 14).

Fire and Electrical Safety

Two of the three providers we reviewed had one or more instances of potentially hazardous fire and electrical safety conditions. Examples included:

- electrical outlets on a surge protector in the children’s indoor play area were exposed and not “child-proofed” (Appendix C, photograph 15),
- a switch plate covering live electrical wires was missing in a children’s bathroom (Appendix C, photograph 16), and
- a fire extinguisher was on a wall within reach of children (Appendix C, photograph 17).

PROVIDERS DID NOT ALWAYS COMPLY WITH REQUIREMENTS TO OBTAIN BACKGROUND CHECK CERTIFICATIONS

In Puerto Rico, childcare center workers are required to present a Certificate of No Penal Record at least every 6 months (P.R. Laws Ann. Title 8 § 69). In addition, childcare providers may not contract or employ anyone unless they have presented a certification indicating that they are not registered in the Puerto Rico registry of persons convicted of sex crimes and child abuse (P.R. Laws Ann. Title 8 § 483).

We reviewed the personnel files for background check documents for all 75 employees at the 3 providers and determined that 2 of the providers did not have documentation showing that a total of 18 employees met background check requirements. Specifically:

- Nine employees did not have a Certificate of No Penal Record.
- Four employees did not have a certification indicating that they were not in Puerto Rico’s registry of persons convicted of sex crimes and child abuse.
- Five employees did not have a Certificate of No Penal Record or certification that they were not in Puerto Rico’s registry of persons convicted of sex crimes and child abuse.

CAUSE OF NONCOMPLIANCE WITH HEALTH AND SAFETY REQUIREMENTS

The noncompliance with State plan requirements occurred because the State agency did not have procedures in place to ensure that providers received adequate training on CCDF health and safety requirements. Although the lead agency performed inspections as required, we still found potentially hazardous conditions at the three providers. The lead agency did not develop a single health and safety checklist and did not provide specific guidance on elements of the inspections to the centers. Failure to develop a single checklist to the centers and not discussing the specific

health and safety measures in advance resulted in potentially hazardous conditions. These instances of potentially hazardous conditions indicate that additional measures need to be taken to ensure that providers clearly understand what is required to safeguard and protect the children in their care. In accordance with the new statutory requirements, the lead agency must establish requirements for ongoing training. Implementation of training related to health and safety regulations will also reduce noncompliance.

RECOMMENDATIONS

To improve its health and safety monitoring, we recommend that the State agency:

- establish binding health and safety requirements for all CCDF providers in Puerto Rico law or regulation, in accordance with the State plan;
- have procedures in place to ensure that providers receive adequate training on health and safety requirements;
- develop a single comprehensive and specific checklist to aid in its monitoring of providers for compliance with health and safety requirements, and provide all centers with the checklist;
- correct the specific health and safety issues with the three providers noted in this report; and
- ensure that providers employ only individuals with proper background certification.

STATE AGENCY COMMENTS

In written comments on our draft report, the State agency concurred with our findings and described actions it had taken and planned to take to address our recommendations. The State agency's comments are included in their entirety as Appendix E.

APPENDIX A: AUDIT SCOPE AND METHODOLOGY

SCOPE

Of the 95 providers that received CCDF funding during the months of October through December 2013, we selected 3 providers for our review. We based this selection on the consideration of certain risk factors, including number of children being served by the provider and type of entity operating the provider.¹⁰

We conducted a review of the providers' records and facilities as of February 2014. To gain an understanding of the State agency's operations as they related to childcare providers, we limited our review to the State agency's internal controls as they related to our objective.

We conducted unannounced site visits from February 24 through 27, 2014, at the three providers located in Juncos, Río Piedras, and Luquillo, Puerto Rico.

METHODOLOGY

To accomplish our objective, we:

- reviewed applicable Federal laws and Commonwealth requirements related to the licensing and inspection of child day care centers and the Puerto Rico CCDF State plan approved by ACF;
- interviewed the CCDF program officials to determine how the lead agency monitored its child day care center providers;
- reviewed lead agency documentation used for the monitoring of child day care centers;
- obtained a letter from the lead agency that explained our audit, which we gave to the providers being reviewed;
- conducted unannounced site visits at the three providers to identify potentially hazardous conditions;
- interviewed provider staff and obtained a listing of the center's employees to determine whether all required criminal history records checks were conducted; and
- discussed the results of our review with provider and lead agency officials.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain

¹⁰ The 95 providers included providers operated by municipalities, private entities, or the lead agency. We selected one of each provider type.

sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

APPENDIX B: FEDERAL AND COMMONWEALTH CRITERIA RELATED TO CHILD CARE AND DEVELOPMENT FUND HEALTH AND SAFETY

FEDERAL REGULATIONS

One of the goals of CCDF is to assist States in implementing the health, safety, licensing, and registration standards established in State regulations (45 CFR § 98.1(a)(5)).

The State agency must certify that there are in effect within the State (or other area served by the lead agency) under State or local (or tribal) law, requirements designed to protect the health and safety of children that are applicable to childcare providers that provide services for which assistance is made available under the CCDF (45 CFR § 98.15(b)(5)).

The State agency must certify that it has put in effect provider health and safety requirements that are designed to protect the health and safety of children receiving childcare services. Such requirements shall address the building and physical premises safety (45 CFR § 98.41).

COMMONWEALTH REGULATIONS AND CCDF STATE PLAN

Commonwealth regulations (Title 8 § 69 of the Laws of Puerto Rico Annotated (P.R. Laws Ann.)) establish that the State agency requires every owner, administrator, operator, manager, and custodian, and every candidate, employee or volunteer who is interested in rendering or who renders services in said establishments, to present a certificate of no penal record, at least every 6 months.

Commonwealth regulations (P.R. Laws Ann. Title 8 § 73) require those candidates for employment, employees or volunteers interested in rendering or who render services in these establishments to be persons who enjoy good repute in the community, and that have not been convicted of a crime. In order to comply with this obligation, the establishments shall request that they present a [non-criminal record certification] at least every six months.

Commonwealth regulations (P.R. Laws Ann. Title 8 § 76) establish that the regulations to determine the granting of licenses to establishments for the care of children shall specify, among others, the requirements to be met with regard to the following: c) physical facilities of equipment and materials, sanitary conditions of the premises and surroundings, space, light, ventilation, firefighting safety devices, and other measures for health protection and welfare of the children.

Commonwealth regulations (P.R. Laws Ann. Title 8 § 483) require that care services entities may not contract, employ, or use in any capacity, through remuneration or for free, any provider of such services unless he or she has previously presented a certification indicating that the person is not registered in the Puerto Rico registry of persons convicted of sex crimes and child abuse. The State agency must incorporate the verification of compliance with this requirement in its respective regulations related to the certification, authorization, or issue of licenses or operating permits for entities that provide care services.

Commonwealth regulations (Puerto Rico Regulation 4758) establish that in childcare centers, all facility personnel must comply with submission of a certificate of no penal record every 6 months. The establishment will have the basic equipment necessary for the care of number of children that receive the services. Each participant will have the necessary articles for his personal use and hygiene. The establishment will have the necessary equipment and materials to provide childcare services based on children's age and physical and emotional conditions.

The CCDF State Plan for Puerto Rico for Federal fiscal year (FFY) 2014–2015, § 3.1, requires lead agencies to certify that they have in effect licensing requirements applicable to childcare services provided within the area served by the lead agency (§ 98.40(a)(1)). Lead agencies must describe those licensing requirements and how they are effectively enforced.

The CCDF State Plan for Puerto Rico FFY 2014–2015, §§ 3.1.1(a), (b), and (d), states that the Puerto Rico Department of Family, Licensing Division, is responsible for childcare licensing. Providers subject to licensing are contracted childcare providers, childcare centers administered by the lead agency, and private childcare centers.

The CCDF State Plan for Puerto Rico FFY 2014–2015, §§ 3.1.1(b) and (c), states that the lead agency requires childcare services to meet licensing requirements. The lead agency has established additional criteria and standards in the area of health and safety for CCDF contracted providers and childcare centers administered by the agency to improve quality of service. The licensing requirements do not serve as the CCDF health and safety requirements.

The CCDF State Plan for Puerto Rico FFY 2014–2015, § 3.1.2(c), requires that all personnel at childcare centers are subject to the following background checks: Child Abuse Registry (annually), State/Territory Criminal Background (every 6 months), and Sex Offender Registry (annually).

The CCDF State Plan for Puerto Rico FFY 2014–2015, § 3.1.4(a), states that the lead agency uses onsite visits and background checks to comply with the CCDF Health and safety enforcement requirements. The lead agency performs announced and/or unannounced onsite visits to verify that providers comply with health and safety requirements. Health and safety requirement compliance expires every year.

The CCDF State Plan for Puerto Rico FFY 2014–2015, § 3.1.4(d), states that the lead agency uses a checklist to verify that the provider complies with health and safety requirements. Lead agency certifies that procedures are in effect to ensure that childcare providers of services for which assistance is provided under the Child Care and Development Fund comply with all applicable State or local health and safety requirements.

The CCDF State Plan for Puerto Rico FFY 2014–2015, § 3.1.6(b), states that the lead agency performs announced and unannounced visits to licensed childcare centers using a checklist designed to measure compliance with health and safety requirements.

**APPENDIX C: PHOTOGRAPHIC EXAMPLES OF
POTENTIALLY HAZARDOUS CONDITIONS**



Photograph 1: Knives and other sharp utensils on bottom shelf of stand in a kitchen area accessible to children.



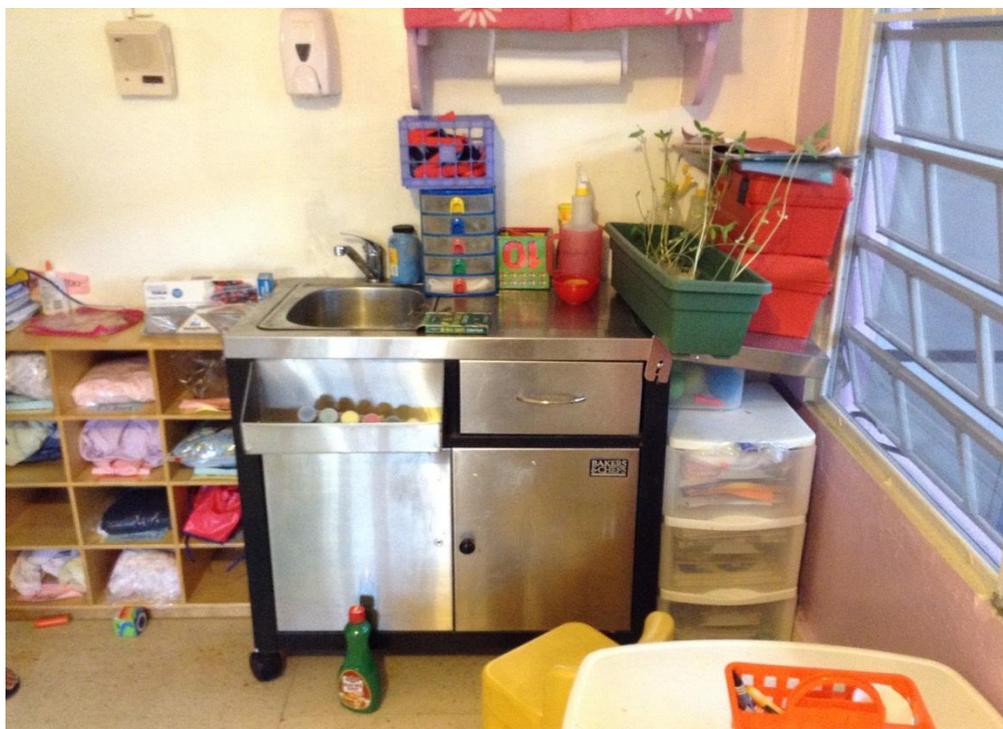
Photograph 2: Wide view of kitchen area where knives and other sharp utensils seen in Photograph 1 were found. The bucket with knives and utensils is located in the rear of the room, to the right of the refrigerator.



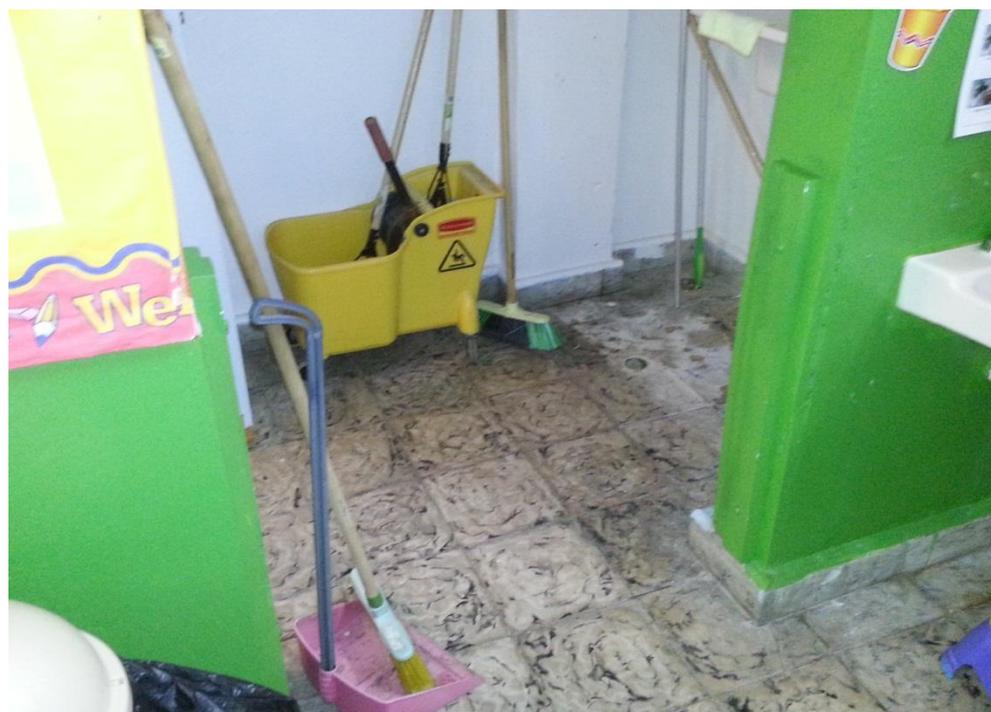
Photograph 3: A rusted metal cabinet in outdoor playground area.



Photograph 4: Computer hardware on edge of table close to a child's sleeping mat.



Photograph 5: Unstable furniture with plants and large boxes on it.



Photograph 6: An empty wheeled mop bucket with a strainer without safety wheel locks, and other cleaning utensils such as brooms, dustpans, and mops accessible from children's play areas.



Photograph 7: Rug in stairwell not properly secured to floor.



Photograph 8: Chipped paint on walls in areas occupied by children.



Photograph 9: Damaged ceiling tile caused by water leak above the children's classroom.



Photograph 10: Buckets and newspaper used to collect water dripping from ceiling leaks. (See prior photograph.)



Photograph 11: An exposed rusty water pipe and cracked concrete wall above toilet in children’s bathroom.



Photograph 12: A tall unsecured heavy helium tank located near entrance to the childcare center.



Photograph 13: An unlocked gate that led from the outdoor playground to the street.



Photograph 14: An 8-inch gap beneath the fence that children could crawl through to access the street and other areas of the center not intended for children.



Photograph 15: Electrical outlets on surge protector in children's indoor play area exposed and not "child-proofed."



Photograph 16: A switch plate covering live electrical wires in the children's bathroom was missing.



Photograph 17: Fire extinguisher on the right within reach of children.

**APPENDIX D: INSTANCES OF POTENTIALLY HAZARDOUS CONDITIONS
AND NONCOMPLIANCE AT EACH CHILD DAY CARE CENTER**

Provider Number	Date of Last Inspection	Potentially Hazardous Conditions	Fire and Electrical Safety	Background Checks Certifications	Total
1	4/4/2013	20	2	5	27
2	6/10/2013	8	0	0	8
3	7/23/2013	17	7	13	37
Total		45	9	18	72

Notice: We provided to the lead agency under a separate cover the specific names of the providers we reviewed.

APPENDIX E: STATE AGENCY COMMENTS



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Departamento de la Familia

September 4, 2015

Mr. James P. Edert
Regional Inspector General for Audit Services
Department of Health and Human Services
Office of the Inspector General
Office of Audit Services, Region II
Jacob K. Javits Federal Building
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Dear Mr. Edert,

Please find enclosed the written comments to the draft report entitled *Puerto Rico Child Day Care Centers Did not Always Comply with Commonwealth Health and Safety Requirements*, Report Number A-02-14-02001. For each finding, a statement of concurrence or nonoccurrence is included, as directed on the cover letter of the draft report.

The Department of the Family broadly concurs with the findings stated in the draft report, although there are several observations that need to be noted, and are included in the written comments. The Administration for Integral Child Care and Development (ACUDEN, for its Spanish acronym) of the Puerto Rico Department of the Family is responsible for the management and supervision of the *Child Care Development Fund Grant* awarded to the Commonwealth.

To address the findings noted in the draft report, as well as implement new strategies to comply with federal and state regulations, ACUDEN began last year with a reorganization plan in the Child Care Program. The plan includes the appointment of a Director and Deputy Director, posts that were vacant for almost a decade. The organizational chart was reviewed and changed according to programmatic and monitoring requirements, creating an area that will work exclusively with the inspection and certification of facilities, among other mayor changes that are reflected in our concurrence statements.

Our Department is committed with improving the quality of services to the children and their families. We are implementing a stronger administrative structure to ensure the adequate use of federal funds awarded for the development of the Child Care Program in Puerto Rico.

We appreciate the opportunity to submit written comments on the preliminary findings, as well as your availability to assess the amended reports and supporting documents.

Cordially,



Roxana Varela Fernós, Esq.
Acting Secretary

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COMMENTS TO DRAFT REPORT OIG NUMBER A-02-14-02001

Finding:

"The State agency did not ensure that providers that received CCDF funds complied with State plan requirements related to the health and safety of children. Although the lead agency conducted the required inspections at all three providers that we reviewed, we found potentially hazardous conditions at the three providers, and two of the providers did not comply with requirements to obtain background checks on workers."

Comments:

Since January 2015, ACUDEN initiated a reorganization process of the Child Care Program to comply with federal and state regulations. As part of the process, most of the recommendations stated in the draft report, have been implemented and others are in an advance stage of implementation. The organizational chart was reviewed to maximize the allocation of human resources. The following positions were recruited and/or reassigned to strengthen the programmatic areas:

1. Director of Child Care Program: Sidnia J. Vélez González
2. Deputy Director of Child Care Program: Christian Beltré Tavarez
3. Administrative Assistant: Vanessa Ramis
4. Health and Safety Area:
 - a. Supervisors: Rebecca Román Pérez and Argie Díaz
 - b. Inspectors: Angelymarie Hernández Elias, Annette Hernández Polanco, José Oscar Pérez Millán, Ismael Canet
5. Eligibility Area: María T. Pérez Rodríguez and Luis Rodríguez
6. Family and Community Area: Elsa M. López
7. Children Development Area: Luris Betancourt
8. Health: Lourdes Avilés

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Mr. James P. Edert
 Written comments on
 OIG Report No. A-02-14-02001
 September 4, 2015

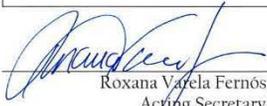
OIG's Recommendations	ACUDEN's Position		Status	Effective date
	Concurrence	Non-concurrence		
1. Establish binding health and safety requirements for all CCDF providers in Puerto Rico law or regulation, in accordance with State plan.	✓		A State regulation applicable to the Child Care Program has been drafted.	1.1 Public hearings: September 2015 1.2 Final review: October 2015 1.3 Submission to PR Department of State: October-November 2015 1.4 Effective date: 30 days after submission to the Department of State
2. Have procedures in place to ensure that providers receive adequate training on health and safety requirements.	✓		Under development.	<u>Phase 1:</u> 2.1 Initial general meeting: October 2015 2.2 Distribution of checklist to providers under delegation of funds: October 2015 <u>Phase 2:</u> 2.3 On-site visits for assessment and orientation of pre-service certification requirements: during FY 2016.
3. Develop a single comprehensive and specific checklist to aid in its monitoring of providers for compliance with health and safety requirements, and provide all centers with the checklist.	✓		A draft of the single comprehensive checklist for health and safety requirements applicable to all providers has been made.	3.1 Design of the Checklist: July-August 2015 3.2 Validation of Checklist: August-September 2015 3.3 Training and Use: October 2015
4. Correct the specific health and safety issues with the three providers noted in this report.	✓		A Corrective Action Plan (CAP) was requested to providers to address specific areas of concern.	4.1 Visit and meeting with the three providers noted in the report to request a CAP: September 2015 4.2 Approval of CAP: September 2015

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OIG's Recommendations	ACUDEN's Position		Status	Effective date
	Concurrence	Non-concurrence		
5. Ensure that providers employ only individuals with proper background certifications.	✓		Implementation process.	5.1 Communication with providers that operate centers with delegation of funds to: emphasize compliance with State plan requirements and provide orientation of requirements stated on the reauthorization law: October 2015 5.2 Inclusion of revision of background requirement in checklist: July-August 2015 5.3 Internal procedures to conduct and review background checks: drafted, under review. 5.4 New background process and certification: March 2016 5.5 Assessment of providers under delegation of funds: FY 2016.


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 Acting Secretary
 PR Department of the Family


 Laura I. Santa Sánchez, Esq.
 Administrator
 ACUDEN


 Héctor R. Cruz Torres
 Program Auxiliary Administrator
 ACUDEN

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