DEPARTMENT OF HEALTH & HUMAN SERVICES

Office of Inspector General

Memorandum

Date DEC 19 1994

From June Gibbs Brown
Inspector General

Subject Nationwide Review of Health and Safety Standards at Child Care Facilities (CIN: A-04-94-00071)

To Mary Jo Bane
Assistant Secretary for
Children and Families

Attached are two copies of the U.S. Department of Health and Human Services, Office of Inspector General's report entitled, "*Nationwide Review of Health and Safety Standards at Child Care Facilities.*" One of the identified goals of welfare reform is to assure that children are cared for in healthy and safe environments. The attached report identifies actions the Administration for Children and Families (ACF) could take to improve the health and safety of children in federally-funded child care programs. Additionally, this report summarizes the results of our reviews of five States' health and safety standards.

Our review showed that, in addition to improvements needed at the State level, greater Federal oversight was needed to improve the health and safety conditions of the Nation's child care programs.

Our audits in five States expanded on prior studies by the General Accounting Office (GAO) and the Office of Inspector General/Office of Evaluation and Inspections (OIG/OEI). We selected and made unannounced site visits to 169 child care facilities including 113 child day care, 50 foster care, and 6 Head Start. We identified numerous instances where child care facilities did not comply with States' health and safety standards. The affected areas and the number of identified deficiencies respectively are: fire code violations (94), toxic chemicals (84), playground hazards (134), unsanitary conditions (394), employee records (236), children's records (191), and other facility hazards (499).

We believe that the body of work to date demonstrates that ACF needs to be more involved in providing directions to improve practices and coordination between the States. In our view, inherent weaknesses of States' practices such as announced inspections, infrequent use of sanctions, ineffective coordination among State agencies, lack of inspectors, and the exemption from inspection for certain type of facilities contributed to the identified violations. Because of these violations, we believe that children were in environments that could be hazardous to their health and safety.

The studies by the GAO and the OIG/OEI identified effective practices States have taken to improve the health and safety of children in child care facilities. In addition to these effective practices, this report identifies some options that we believe could help address the difficulties the States are experiencing in providing oversight of child care facilities. We believe that in its leadership role, the ACF could be more involved with the States to improve the States' practices and standards. The ACF is in the process of initiating actions to enhance the health and safety of children.

We are recommending that ACF consider:

- Providing to State agencies identified best practices. These practices could include:
  - parental involvement,
  - provider self-appraisals, and
  - private/public partnerships, e.g. accreditation boards or commercial inspectors.
- Assigning child care health and safety responsibilities to a single unit within ACF.
- Sharing the results of this report with the State agencies responsible for the administration and oversight of child care facilities.

Your reply to our draft report indicated general concurrence with our recommendations for improvement in the health and safety aspects of child care programs.

We would appreciate the status of any further action taken or contemplated on our recommendations within the next 60 days. If you have any questions, please call me or have your staff contact John A. Ferris, Assistant Inspector General for Administrations of Children, Family, and Aging Audits, at (202) 619-1175.

To facilitate identification, please refer to Common Identification Number (CIN) A-04-94-00071.

Attachment

Department of Health and Human Services

OFFICE OF INSPECTOR GENERAL

NATIONWIDE REVIEW OF HEALTH AND SAFETY STANDARDS AT CHILD CARE FACILITIES

JUNE GIBBS BROWN
Inspector General

DECEMBER 1994
CIN: A-04-94-00071

EXECUTIVE SUMMARY

BACKGROUND

The Administration for Children and Families (ACF) was created in 1991 to place greater emphasis and focus on the needs of America's children and families. According to their mission statement, ACF "...provides national leadership and direction to plan, manage and coordinate the nationwide administration of comprehensive and supportive programs for vulnerable children and families." The ACF oversees and finances a broad range of programs for children and families. These programs, carried out by State, county, city and tribal governments, and public and private local agencies, are designed to promote stability, economic security, responsibility and self-sufficiency. One aspect of the ACF programs involves providing child care services.

The ACF administers a variety of child care programs. Child care assistance is available through the States in the following programs: the Child Care and Development Block Grant (CCDBG); At-Risk Child Care; Aid to Families with Dependent Children; Transitional Child Care; Head Start; Foster Care; and the Social Services Block Grant (SSBG). We focused on three of the major sources: the SSBG, Foster Care, and Head Start programs.

Federal regulations governing these ACF programs generally require States to provide assurances that they will enforce State and local health and safety standards for day care facilities. The only exception to this is the Head Start program, which does impose particularized health and safety standards for Head Start facilities. Head Start, however, may also accept State or local licensing as prima facie evidence of compliance with the program's performance standards.

Child care is viewed by the Administration as critical to the success of welfare reform. One of the identified goals of welfare reform is to assure that children are cared for in healthy and safe environments.

OBJECTIVE

Our objective was to determine the level of compliance by child care providers with States' health and safety standards and identify actions ACF could take to improve the health and safety of children in federally-funded child care programs.

This report is based on audits we performed in five States (Missouri, Nevada, North Carolina, South Carolina and Wisconsin), two prior Office of Inspector General (OIG) studies of State enforcement of child care standards, and on one report issued by the General Accounting Office (GAO).

RESULTS OF AUDIT

Our review showed that, in addition to improvements needed at the State level, greater Federal oversight is needed to improve the health and safety conditions of the Nation's child care programs. Our audits in five States expanded on prior studies by the GAO and the OIG. We selected and made unannounced site visits to 169 child care facilities including 113 child day care, 50 foster care, and 6 Head Start. Due to the judgmental selection of some of these facilities and the fact that the review was limited to five States, the results cannot and should not be used to make any statistical inference about the condition of child care facilities nationwide.

We identified numerous instances where child care facilities did not comply with States' health and safety standards. Because of these violations, we believe that children were in environments that could be hazardous to their health and safety. We believe the reasons for the noncompliance to be multi-faceted: weaknesses in States' practices for administering the health and safety aspects of child care programs; noncompliance by some providers to consistently comply with State and local health and safety standards; an absence of any consistent application of fines and penalties; and limited Federal involvement. We see an opportunity for ACF to be more involved in providing leadership to improve practices and coordination between the States.

The studies by the GAO and the OIG identified actions States have taken to improve the health and safety of children in child care facilities. We believe that in its leadership role, the ACF could be more involved with the States to improve the States' practices and standards. The ACF indicated it was taking actions to enhance the health and safety of children. In addition to these actions, we are recommending other actions for ACF's consideration.

Compliance with Health and Safety Standards

We identified numerous violations of States' health and safety standards in 169 facilities in five States. Examples of the most prevalent violations are:

- Fire Code Violations (94) -- The violations included inoperable smoke detectors.

- Toxic Chemicals (84) -- The violations included cleaning materials and other harmful agents stored within reach of children or with food.

- Playground Hazards (134) -- The violations included broken glass and protruding bolts and nails on equipment.

- Unsanitary Conditions (394) -- The violations included soap, paper towels, and toilet paper missing from restrooms.

- Employee Records (236) -- The violations included documentation missing from the records such as background checks.

- Children's Records (191) -- The violations included missing documentation for persons authorized to take the child from the facility and authorizations for medical treatment.

- Other Facility Hazards (499) -- The violations included uncovered electrical outlets, indoor play equipment with sharp edges, insufficient lighting and poorly ventilated restrooms.

In our view, the inherent weaknesses of the following States' practices may be contributing to the identified violations:

- ✓ States routinely **announced site inspections** to child care facilities,

- ✓ States **seldom imposed sanctions** on child care facilities for violating safety standards, even in facilities with recurring violations,

- ✓ Some States performed inspections on a piece-meal basis by having several different agencies perform inspections. **Coordination** between the agencies making the inspections was **not effective**,

- ✓ States did **not** have **enough inspectors** to effectively monitor child care facilities,

- ✓ Child care facility **operators had too much influence** over regulatory committees that establish the health and safety standards, and;

- ✓ **Some** child care **facilities were exempt** from State inspections.

We have made recommendations to the States for improvements.

ACF Actions to Improve Health and Safety

The earlier OIG studies and the GAO report identified actions and practices States have used to efficiently and effectively enforce child care standards. In addition to the effective practices mentioned above, we have identified in this report some options that we believe could help address the difficulties the States are experiencing in providing oversight of child care facilities. In our five State review, we also noted a noteworthy practice in one State. North Carolina utilized a system to assess the severity of sanitation violations. Distinguishing the seriousness of the standards violated could assist the States in determining follow-up actions. With such distinctions, States could establish consistent measurements for actions, such as sanctions, when a facility does not meet certain standards.

We believe that in its leadership role, ACF could be more involved in these efforts. The ACF has indicated actions it is taking to become more involved. Some of these actions are:

- ★ Analyzing information collected on State licensing and health and safety standards. This information will be provided to the States.

- ★ Developing regulatory proposals designed to improve coordination of child care services and to support States in improving the quality of care.

- ★ Planning technical assistance conferences with States and collaborating with other Federal agencies to focus specifically on the quality and coordination of care for children.

- ★ Looking at ways to ensure the health and safety of children through standards, training and other mechanisms.

We believe these actions are positive steps. Also, we identified other conditions that ACF should address to improve children's health and safety. For example,

- ⇒ The ACF has limited authority to enforce standards.

- ⇒ There was no component or unit within ACF responsible for coordinating the health and safety aspects of the child care programs with the States' child care programs.

- ⇒ There was no consistency of standards among the ACF programs, not all facilities were subject to State inspections and the standards were not classified according to critical nature.

Therefore, we are recommending that ACF consider:

- ↦ Providing to State agencies identified best practices. These practices could include:

  - parental involvement,
  - provider self-appraisals, and
  - private/public partnerships, e.g. accreditation boards or commercial inspectors.

- ↦ Assigning child care health and safety responsibilities to a single unit within ACF.

- ↦ Sharing the results of this report with the State agencies responsible for the administration and oversight of child care facilities.

The ACF generally concurred with our recommendations for improvements. The complete text of ACF's comments are included as Attachment A to this report.

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ACRONYMS USED IN THIS REPORT

ACF	Administration for Children and Families
AFDC	Aid to Families with Dependent Children
CCDBG	Child Care and Development Block Grant
CFR	Code of Federal Regulations
CIN	Common Identification Number
FY	Fiscal Year
GAO	General Accounting Office
HHS	Department of Health and Human Services
NAEYC	National Association for the Education of Young Children
OEI	Office of Evaluation and Inspections
OIG	Office of Inspector General
SSBG	Social Services Block Grant

INTRODUCTION

BACKGROUND

Quality, affordable child care has become a necessity for many American families. During the last 2 decades, the number of women entering the labor force has soared; this has led to a parallel surge in the demand for child care. According to the Department of Labor, Bureau of Labor Statistics, nearly 60 percent of all mothers with children under 6 years of age are in the labor force. Twenty years ago, the rate was 38 percent. This change in the labor force has led to concerns that child care may be in short supply, not of good quality, and too expensive.

During the late 1980s, a national debate ensued over the nature and extent of the Nation's child care problems and what Federal interventions would be appropriate. Many actions and events occurred as a result of this debate. One was the creation of the Administration for Children and Families (ACF) in 1991 by the Secretary of the Department of Health and Human Services (HHS) to place greater emphasis and focus on the needs of America's children and families.

The ACF's role is to provide national leadership and direction involving planning, managing and coordinating the programs for children and families. The ACF oversees and finances a broad range of programs for children and families. These programs, carried out by State, county, city and tribal governments, and public and private local agencies, are designed to promote stability, economic security, responsibility and self-sufficiency.

The ACF has a limited role in health and safety conditions at child care facilities because of the block grant legislation. The legislation places more reliance on States for ensuring the health and safety of children at child care facilities.

One of ACF's many functions is to administer grants to fund child care services to low-income families. In Fiscal Year (FY) 1991, Congress authorized over $10 billion for these grants. State, local and private funding is estimated at an additional $30 billion[1] annually.

Our review was directed toward child care services principally funded by:

- Social Services Block Grant (SSBG)
- Head Start
- Foster Care

Other programs which provide substantial Federal funding for child care assistance are:

- Aid to Families with Dependent Children

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[1]Child Welfare League of America, Building Early Childhood Systems: A Resource Handbook, pp. x-xii.

- At-Risk Child care
- Transitional Child care

In addition, shortly before our review was initiated, the Child Care and Development Block Grant (CCDBG) was established. This block grant provides funds to improve the overall quality of child care. In FY 1994, the CCDBG was the principal source of Federal support to strengthen the quality and enhance the supply of child care. Each grantee receiving CCDBG funds must provide assurances that there are health and safety requirements in place to protect the health and safety of children in child care. The implementation of CCDBG has been instrumental in raising standards for other child care programs.

Although the Federal Government has established specific program performance standards for Head Start and encourages standards for other child care related programs, the responsibility for assuring quality of care rests mainly with State and local governments; the responsibility for delivery of quality care is a shared duty of the States and the providers. States attempt to assure the quality of care by regulating providers, establishing standards that regulated providers must meet, and monitoring for compliance. States generally provide the Federal Government assurance through their State plan process that facilities are in compliance with health and safety standards. Individual Head Start grantees provide assurance that they are in compliance with State health and safety standards or the Head Start program performance standards which are contained in departmental regulations.

The degree of confidence that parents have in the ability of child care centers to provide a safe and nurturing environment for their children is important to the success of welfare reform. To provide this confidence, the Federal Government, State and local government, and child care providers will have to make a stronger commitment to address identified problems. Consequently, one of the identified goals of welfare reform is to assure that children are cared for in healthy and safe environments.

Social Services Block Grant

The SSBG under title XX of the Social Security Act provides funding for a large range of social programs and services including child care. States are required to submit a plan to the ACF showing their intent to use the available funding for social services. The ACF's process for approving the State plan is generally limited to reviewing the State's written presentation of the planned use of the Title XX funds. Concerning health and safety standards, each State must meet its own standards.

Head Start

Head Start was established under general authority of title V of the Economic Opportunity Act of 1964, as amended. Head Start is a national program providing comprehensive developmental services primarily to low-income preschool children and their families, usually

in a center-based setting. Head Start does not require a State plan since grantees are funded directly by the ACF.

Title 45 of the Code of Federal Regulations (CFR) outlines the program functions, activities and facilities requirements that are necessary to meet the objectives and goals of the Head Start program. These program functions, activities and facilities requirements are referred to as performance standards.

The performance standards contained in 45 CFR, section 1304.2-3 entitled, *Education services plan content: facilities* requires that space, light, ventilation, heat and other physical arrangements must be consistent with the health, safety and developmental needs of the children. The performance standards further state that, "Evidence that the center meets or exceeds State or local licensing requirements for similar kinds of facilities for fire, health, and safety shall be accepted as prima facie compliance with the fire, health and safety requirements of this section."

Foster Care

The Social Security Act amended by the Adoption Assistance and Child Welfare Act of 1980 established the title IV-B and Title IV-E Foster Care Program. The ACF funds all States to provide services in homes, group homes, institutions, or other facilities licensed or approved for the purpose of providing foster care. The State must submit a plan detailing their intended use of these funds. The "Act" requires that the approved State plan is to provide for the designation of a State authority to be responsible for establishing and maintaining standards for foster homes and institutions. These standards should be reasonably in accordance with recommended standards of national organizations concerned with standards for such facilities, including standards related to admission policies, safety, sanitation, and protection of civil rights.

SCOPE

The objective of this audit was to determine the level of compliance by States with their health and safety standards and to identify actions ACF could take to improve the health and safety of children in federally-funded child care programs.

We accomplished our objective by analyzing the results of our audits of the operational practices in five States; analyzing results of previously issued reports by the General Accounting Office (GAO) and our own Office of Evaluation and Inspections (OEI); and discussions with ACF officials in Atlanta, Georgia and Washington, D.C. Field work for this audit was performed between December 1993 and March 1994.

Our audit was conducted in accordance with generally accepted government auditing standards. We did not make an assessment of the internal controls in the States or at ACF as such an assessment was not necessary to satisfy the audit objectives. We did obtain an

understanding of some of the operating practices relating to the administration of the health and safety aspects of selected child care programs.

Work at States and Facilities

We performed audits and issued reports in five States. The primary objective of the audits was to determine if child care facilities were in compliance with States' health and safety standards. The field work, which involved visiting 169 facilities, was performed between October 1991 and March 1993.

The report reference numbers and issue dates for the five States we audited are:

- Missouri, (Common Identification Number (CIN): A-07-93-00718, issued April 1994;
- Nevada, CIN A-09-92-00103, issued August 1993;
- North Carolina, CIN A-12-92-00044, issued March 1993;
- South Carolina, CIN A-04-92-00044, issued December 1993; and
- Wisconsin, CIN A-05-92-00103, issued July 1993.

North Carolina was judgmentally selected as a pilot State for this series of audits. In the States audited, we focused on facilities receiving Federal funds under Titles XX SSBG, IV-B and IV-E Foster Care or V Head Start. We selected 169 facilities of which 116 were randomly selected and 53 were judgmentally selected. This selection included 113 child day care, 50 foster care, and 6 Head Start facilities. The facilities judgmentally selected were chosen in cooperation with the States based on information provided us. In some instances, those judgmentally chosen were known to have a history of violating health and safety standards.

Our sampling methodology does not allow for nationwide projections due to the judgmental nature of some of our selections. The conditions reported cannot and should not be extrapolated to the entire universe of facilities nationwide providing services to children because a statistically valued sample of facilities was not taken.

However, as described more fully on pages 7 and 8, we compared the violations in the randomly selected sites with those judgmentally selected. We found no apparent differences in the extent and nature of violations. This leads us to believe that the problems we found in our sample might well be widespread.

We made unannounced site visits to the 169 facilities. An inspector from the appropriate licensing authority usually accompanied us. To evaluate the facilities, we used check lists

for each of the three types of facilities. The check lists were based on those normally used by the State inspectors in each State.

Analysis of Reports

We also reviewed and included in this report pertinent information from a report issued by the GAO and two reports on enforcement of State child care standards issued by the HHS, Office of Inspector General (OIG). These reports were the most recently issued reports that pertained to the issues in our audit. The reports were:

- Enforcing Standards and Promoting Quality Child care, GAO/HRD-93-13, issued November 1992;
- Enforcing Child care Regulations, OEI-03-89-00700, issued February 1990; and
- Effective Practices in Enforcing Child care Regulations, OEI-03-89-00701, issued February 1990.

Discussions with ACF

We discussed certain aspects of the program operations with ACF program officials and staff in the Atlanta Regional Office and in Washington, D.C. These discussions included the regional and headquarters' roles and responsibilities in administering the health and safety aspects of the child care programs. We also determined the general procedures followed in the approval process of State plans and whether coordination existed within the ACF program units.

FINDINGS AND RECOMMENDATIONS

The conditions noted during our audits and the information obtained in the GAO and OIG studies show the need for improvements in health and safety aspects of the child care programs. The GAO and the OIG identified actions the States have taken to improve the health and safety of children in child care programs. The States used different practices and standards in administering the programs. However, there was little coordination between the States. Under the circumstances, we see an opportunity for ACF to become more involved by providing more leadership, direction and coordination in improving child care programs. The ACF has indicated it was taking steps to become more involved. In addition to these steps, we are recommending other actions for ACF's consideration.

The prior GAO and OIG studies cited numerous weaknesses in States' enforcement of their own child care standards. Our audits in five States expanded on those studies. We noted violations of the States' health and safety standards as well as continuing inconsistencies and weaknesses in States' practices related to notification of site visits, failure to impose sanctions and fragmented oversight responsibilities. Our reports to the States recommended specific improvements. We believe that the body of work to date demonstrates that ACF needs to be more involved in providing directions to improve practices and coordination between the States. Although State representatives considered on-site monitoring as one of the most effective methods to insure compliance, increasing the number of inspectors may not be a realistic goal. States may not have the human resources to provide additional oversight; new innovative approaches must be identified and developed for sharing among the States.

The ACF has indicated that it is taking steps to increase its involvement. In addition to these measures, we are recommending that ACF consider:

- Providing to State agencies identified best practices. These practices could include:
  - parental involvement,
  - provider self-appraisals, and
  - private/public partnerships, e.g. accreditation boards or commercial inspectors.
- Assigning child care health and safety responsibilities to a single unit within ACF.
- Sharing the results of this report with the State agencies responsible for the administration and oversight of child care facilities.

STATES' COMPLIANCE WITH HEALTH AND SAFETY STANDARDS

We identified 1,632 violations of the applicable health and safety standards in 169 child care facilities in 5 States. Of the 1,632 violations, 1,229 occurred at child day care facilities; 359 occurred at foster care facilities, and 44 occurred at Head Start facilities.

The table below summarizes the violations by category, program and method of selection. In addition, each category contains more than one standard; thus, it was possible for facilities to have multiple violations in the same category.

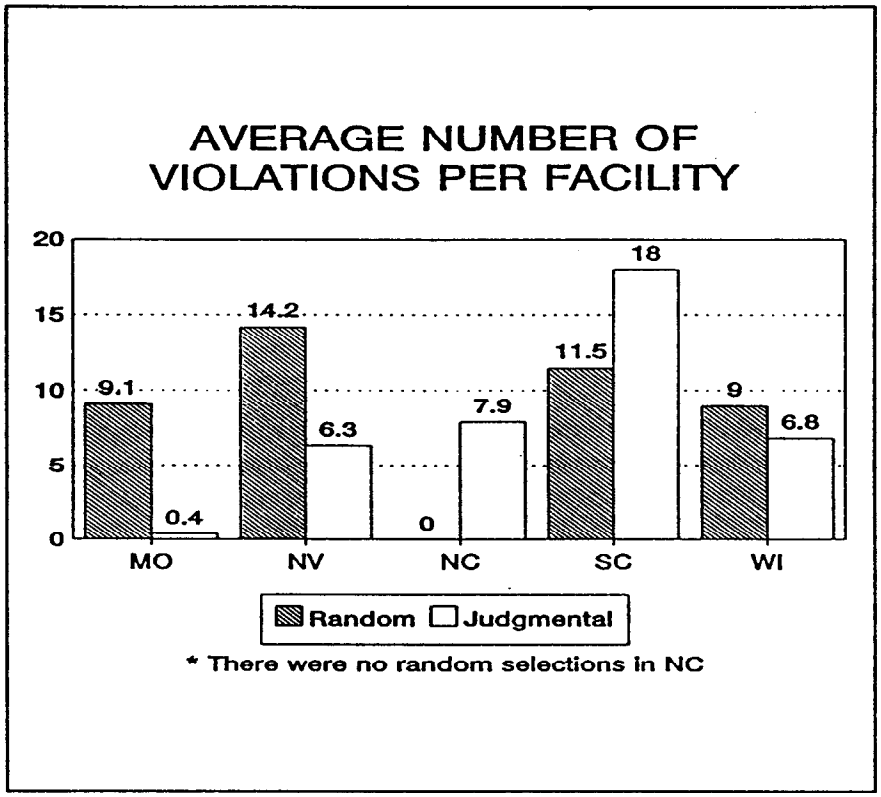
Table 1

	RANDOM SELECTION (116 Facilities)		JUDGMENTAL SELECTION (53 Facilities)			
CATEGORY	DAY CARE	FOSTER CARE	DAY CARE	FOSTER CARE	HEAD START	TOTAL
FIRE CODE	34	17	25	17	1	94
TOXIC CHEMICALS	55	1	25	3	0	84
PLAYGROUND HAZARD	95	0	29	7	3	134
UNSANITARY CONDITIONS	260	29	54	34	17	394
EMPLOYEE RECORDS	94	127	5	4	6	236
CHILDREN RECORDS	167	5	12	6	1	191
OTHER FACILITY HAZARDS	297	74	77	35	16	499
TOTAL	1,002	253	227	106	44	1,632

Regardless of the selection method, there was no correlation between the average number of violations at facilities randomly or judgmentally selected. In three States, the randomly selected facilities had a higher average number of violations. On the other hand, in one State, the judgmental facilities had a higher average number of violations. (In one State, we did not make random selections.)

The table below provides an illustration of the selection method and results.

Table 2



Specific examples of the violations in each category are described as follows.

- Fire Code Violations -- 94 violations were identified. These violations included locked or obstructed fire exits, bars on windows, exposed electrical wires, fire extinguisher needing servicing, inoperable smoke detectors, presence of flammable material, lack of monthly fire drills and lack of street numbers on the buildings.

- Toxic Chemicals -- 84 violations were identified. The violations included cleaning materials (ammoniated wax stripper), an alcoholic beverage, potentially poisonous materials (turpentine, bug spray, antifreeze) stored within reach of children, cleaning material stored with food, medication containers improperly labeled or improperly stored.

- Playground Hazards -- 134 violations were identified. The violations included broken glass, fences needing repair, unanchored playground equipment,

protruding bolts and nails on equipment, open fence gates and play areas that were poorly maintained.

- Unsanitary Conditions -- 394 violations were identified. The violations included soap, paper towels and toilet paper missing from restrooms, hands of children not washed after toileting, uncovered trash cans, dirty or torn floors, improperly stored food, mildew in shower stalls and bathroom enclosures, unchanged bed linens, diapering areas not disinfected after each diaper change, raw sewage in play areas and insects in the facility.

- Employee Records -- 236 violations were identified. The violations included documentation missing from the records such as medical statements, tuberculosis tests, first aid training and background checks.

- Children's Records -- 191 violations were identified. The violations included documentation missing from the records such as immunization records and medical histories, physician/hospital information, emergency contacts, persons authorized to take the child from the facility and authorizations for medical treatment.

- Other Facility Hazards -- 499 violations were identified. The violations included uncovered electrical outlets, indoor play equipment with sharp edges, insufficient lighting, poorly ventilated restrooms, dirty or torn walls and ceilings, a broken glass pane in a kitchen cupboard, screens missing from windows, hot water temperatures set too high or no hot water, poorly anchored television and an inadequate number of child care providers present for the supervision of children.

The table below shows the number of violations by category in each State.

Table 3

CATEGORY (# of FACILITIES)	MISSOURI (35)	NEVADA (36)	NORTH CAROLINA (27)	SOUTH CAROLINA (32)	WISCONSIN (39)	TOTAL (169)
Fire Codes	7	31	26	3	27	94
Toxic Chemicals	16	13	21	29	5	84
Playground Hazards	56	23	25	23	7	134
Unsanitary Conditions	50	129	60	113	42	394
Employee Records	26	38	7	43	122	236
Children Records	16	55	7	73	40	191
Other Facility Hazards	103	143	68	98	87	499
TOTAL VIOLATIONS	274	432	214	382	330	1632

The 1,632 violations included 193 violations which had been identified in previous State inspections: 21 in Missouri, 110 in South Carolina and 62 in Wisconsin. These violations included material under playground equipment not properly maintained, exposed bolts on playground equipment, records on staff and children not up-to-date, uncovered food stored in the refrigerator, leaking ceiling in storage room and restroom not having soap, hand towels and toilet tissue accessible to the children. Recurring violations were noted in Nevada and North Carolina; however, the number of violations were not counted.

It is obvious that some of the 1,632 violations that we identified are more serious than others. However, of the five States we reviewed, North Carolina had, in our opinion, a good system to evaluate the severity of violations for sanitation inspections. The inspector issued demerits when an exception to the sanitation standards was observed. The demerits were weighted on a predetermined scale by the seriousness of the violation. The demerits were summed to determine if the child care facility passed or failed the sanitation inspection. However, we are not aware of the State using the results of its demerit system to assist in the imposing of sanctions or scheduling workload.

State and local governments are experiencing the same resource limitations as the Federal Government, and some private businesses. Such limitations not only make it more difficult to accomplish agency goals and objectives, but they also mandate the need for innovative and imaginative actions to accomplish the stated mission. If properly implemented, we believe that a system that evaluates the severity of violations would enable a State to prioritize its inspection workload to give greater assistance to those facilities in most need. This system would also allow a State to impose sanctions commensurate with identified violations.

State representatives have commented that on-site monitoring is a preferred and effective method for maintaining compliance with standards. However, increasing the number of inspections may not be a feasible solution for solving the problems we identified during our reviews because the States don't have enough inspectors. The correction of the problem would be aided by a holistic approach that includes: the identification of best practices, development of rating systems which would assist in the imposing of sanctions and the scheduling of workload, greater use of unannounced visits, better coordination and oversight between State agencies, greater monitoring of regulatory commissions, and assessing the degree of compliance by exempt facilities with health and safety standards. The next section discusses the inconsistencies, by States, we found in the above areas.

STATE PRACTICES FOR ENSURING HEALTH AND SAFETY OF CHILDREN

Our reports to the States recommended improvements in the practices for administering the health and safety aspects of child care programs. The following practices are illustrations of the inconsistencies between States that ACF should consider addressing during training and technical assistance sessions with the States.

The practices needing improvements in the States are indicated by a check mark in the following table and are discussed in the same order in the following narratives.

Table 4

CATEGORY	MISSOURI	NEVADA	NORTH CAROLINA	SOUTH CAROLINA	WISCONSIN
Announced Site Visits		✓	✓	✓	✓
Sanctions	✓	✓		✓	✓
Coordination and Oversight	✓	✓		✓	✓
Inspector Workload	✓		✓	✓	✓
Regulatory Committee			✓	✓	
Exempt Facilities	✓	✓		✓	

Announced Site Visits

Some States notified the facilities prior to making a site visit. The States' practice in five States are indicated below.

- ✓ Missouri announced the first initial visit to day care and foster care facilities before issuance of a license.
- ✓ Nevada announced visits to foster care facilities and made unannounced visits to day care and Head Start facilities.
- ✓ North Carolina announced inspections for license renewal and made unannounced inspections to ensure compliance and in response to complaints.
- ✓ Prior to April 1993, South Carolina announced visits to day care facilities and made unannounced visits in cases of alleged child abuse or neglect. After April 1993, the State could make unannounced visits or inspections of child care centers. Regulatory staff can make an unannounced visits to a registered family day care home of a complaint or a concern is made.
- ✓ Wisconsin announced visits to facilities for relicensing purposes and made at least one annual unannounced visit to facilities.

The GAO also noted in its report that improvements were needed concerning inspectors' visits. The GAO compared States' practices with monitoring standards for child care centers established by the National Association for the Education of Young Children (NAEYC). The

comparison showed that 20 States did not meet NAEYC minimum standards that States conduct at least 1 unannounced visit to each center every year. Moreover, NAEYC recommended a higher standard of at least two visits each year with one being unannounced. The GAO found that 39 States did not meet this standard.

Sanctions

States can use a range of sanctions to address noncompliance with health and safety standards. The policies in four of the five States we visited are described below. The State of North Carolina attempted to impose fines or penalties.

- ✓ Missouri could deny or revoke licenses in all types of child care facilities. For day care facilities with findings of imminent danger, the State may order the suspension of the license and the closing of the facility. For noncompliance findings of a lessor degree, the State could give written reprimands and warnings. The State did not impose punitive sanctions such as fines and penalties.

- ✓ Two counties in Nevada that license child care facilities could impose fines or penalties for noncompliance with health and safety standards.

- ✓ South Carolina provides a corrective action plan for violations and sends a correction notice to the child care providers containing a time frame for correction. The majority of child care providers comply with standards after these actions are taken, it rarely imposes the cited sanctions.

- ✓ Wisconsin could not impose fines or penalties.

We believe States may need to take punitive actions to sanction child care facilities that continually do not comply with their health and safety standards. We were not aware of States routinely using sanctions as a tool to enforce health and safety compliance. The lack of punitive sanctions for failure to comply with standards may contribute to the violations we found, especially the 193 violations which recurred.

The GAO reported that some State licensing directors listed imposing sanctions as a principle tool for ensuring compliance. Sanctions range from requiring corrective action plans to closing the facility.

The OIG reported the following regarding sanctions.

- ♦ All States use corrective action plans. These are written, or verbal plans with providers, to achieve regulatory compliance. A plan sets out the timetable and actions required of the provider.

- Twenty-four States can levy fines; however, fines are rarely used by some of these states.

- Half of the States have intermediate sanctions, such as provisional, conditional and temporary licenses.

- Several State licensing agencies found administrative closure to be an effective tool. Administrative closure permits immediate closure of a facility due to serious safety or child abuse citations.

Coordination & Oversight

The licensing agency, in some States, delegated a portion of the inspection to another agency (other State, county or local agency). For example, the fire marshall performed fire safety inspections and the health department performed sanitation inspections. However, some States' licensing agencies did not routinely monitor inspections performed by another agency. In addition, the licensing agency did not always provide the inspecting agency with standardized check lists. Improvements needed by four States included in our audit are described below. We did not find a problem with the coordination and oversight in the State of North Carolina.

- ✓ Missouri did not use a standardized check list for foster care licensing.

- ✓ Nevada divided the inspection and licensing of child day care and Head Start facilities among five governmental units. We noted inconsistencies with inspections as some licensing inspectors routinely checked for compliance with health standards, others did not.

- ✓ South Carolina's oversight of county offices was criticized. A report issued by the South Carolina State Reorganization Committee[2] stated that the licensing agency "...does not have an adequate internal control system to monitor county offices' delivery of human services programs."

- ✓ Wisconsin delegated the licensing of approximately 2,500 family foster care facilities to the counties. However, the State did not provide any oversight and, thus, the State did not have assurance that the counties adequately and consistently enforced the State rules.

Standardized check lists are a valuable tool for ensuring consistent inspections. States can provide improved oversight in the licensing process by using standardized check lists. Better

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[2]State Reorganization Commission, Compliance Review Committee for Department of Social Services, The Compliance Review Committee for the Department of Social Services, March 1993, p. 33.

State coordination and oversight of the agencies delegated the function of monitoring and licensing child care facilities could have reduced violations at the facilities we visited.

Inspector Workload

State representatives either told us the inspectors' workload was too heavy to do adequate inspections or that they would like to increase the number of inspections. Only in one of the five States did State representatives not express concerns with the inspectors' workload or frequency of visits.

- ✓ Representatives in Missouri believed that the number of inspections for each facility should be increased. They also told us that their workload was too heavy for adequate evaluations.

- ✓ North Carolina inspectors were responsible for performing an average of four inspections per day which does not appear to be a feasible workload.

- ✓ South Carolina representatives indicated that the inspectors' workload was so heavy that they had time to perform only a cursory review for licensing and relicensing of the day care facilities.

- ✓ A Wisconsin representative believed that the number of inspections for each facility should be increased.

The OIG reported that it had not found any national recommendations for child care inspection caseloads. In its report, the OIG cited data from a study by a midwest State administrator. The administrator suggested that the caseload per inspector, per year for centers should be no greater than 55 and a family home caseload be no greater than 104.

We believe that the heavy workload of the inspectors was a contributing factor to the deficiencies at the facilities. Our opinion is supported by information contained in the GAO and OIG reports.

Over two-thirds of the licensing directors GAO surveyed ranked on-site monitoring of centers and group homes as their most effective activity for ensuring compliance. The State licensing directors believed that an on-site presence can deter noncompliance and can provide an opportunity to educate or consult with providers to help them find reasonable ways to comply. The GAO survey also showed that the capacity of several States to conduct on-site monitoring has eroded. In most cases, budget cutbacks and the resulting lack of staff, in addition to increased numbers of providers, were the major reasons States cited for difficulties in conducting on-site monitoring.

In order to better utilize the inspectors, GAO reported that States were trying to stretch their scarce monitoring resources in several ways:

- prioritizing inspections so that resources are concentrated on providers who have a poor compliance history;

- streamlining visits by focusing on a limited number of standards which, when not met, are indicators of more widespread noncompliance;

- providing specialized training for inspectors in areas such as investigation of sexual or physical abuse complaints; and

- automating administrative data collection tasks to process paperwork more quickly.

The OIG survey stated that frequent visits were a preferred way to maintain regulatory compliance. However, there were not enough inspectors. The OIG reported that the inspectors' workload for day care centers was almost twice the workload recommended by one inspector and only one-third of the inspectors felt that they had time to properly prepare and perform inspections.

Regulatory Committees

Regulatory committees can be beneficial to the children's health and safety at child care facilities. The regulatory committee provides an opportunity for parents and providers to work together for better regulatory controls to help ensure a safe environment for the children. However, in some circumstances, the organizational structure of regulatory committees could be biased toward the provider's interests. We found this to be a possibility in two of the five States as indicated below.

- ✓ North Carolina day care regulations, according to law, were established by the Day Care Commission. Concern about the Day Care Commission was expressed as a result of research by the media. The media was concerned about the practice of operators establishing rules which govern their operation. The Commission membership was made up of seven operators and eight consumers. The media noted that absences from meetings by consumer members could give operators a majority vote in rule making.

- ✓ South Carolina law established an "Advisory Committee" for reviewing and suggesting changes to the day care regulations. Our concerns in South Carolina were that: (1) the providers could have a majority influence and (2) the committee had final approval rather than an advisory role.

If the providers are in the majority on the regulatory committees that establish standards, doubt is cast on the independence of the group.

Exempt Facilities

Exempt facilities are not licensed and thus, are not subject to State or local inspections. Facilities are exempted based on type, size and hours of operation. Three of the States (Missouri, Nevada and South Carolina) exempted some child care facilities. We did not note exemptions in the other two States.

- ✓ Missouri exempted child care facilities that were religious organizations, nursery schools, school systems, summer camps and at business locations. According to a report published in April 1992 by the Citizens for Missouri's Children, there were 1,200 exempt facilities.

- ✓ Nevada did not license day care facilities with four or fewer children.

- ✓ South Carolina exempted family day care homes, registered church facilities, programs operating less than 4 hours per day or less than 2 days per week, Bible schools, summer resident or day camps, kindergarten programs operated by public school systems, facilities for children whose parents are on the premises, facilities for mentally retarded and mentally ill children and church-related foster care facilities.

Table 5

TYPE OF PROVIDER	NUMBER OF STATES
Religious-based	12
School-based (before and after school)	31
School-based (pre-school)	32
Work-site based	8
Family day care (nonrelative)	28
Family day care (relative)	49

The GAO reported the number of States that exempted some child care providers. These are shown in the adjacent table.

The OIG also reported that family homes are often exempt from regulations and that many States exempt large numbers of child care facilities from licensing. According to OIG, center and family home providers generally endorse State regulation and inspection. One provider stated, "Unless someone visits, there's not much point to having rules." A family home provider said, "Family child care is a safer environment due to inspections."

We only reviewed three child care facilities that were not licensed. Because of our limited review of unlicensed facilities, we cannot draw any conclusions about the conditions in these facilities. Likewise, the States did not review or inspect unlicensed facilities. Thus, we question how the States can enforce the standards and provide assurances in their State plans regarding the health and safety of children cared for in facilities exempted from licensing.

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In summary, the conditions stated in the preceding pages were reported to the five States we audited. Our recommendations to the States included:

- ⇒ Discontinue announcing inspections.
- ⇒ Sanction child care facilities for noncompliance with State health and safety requirements.
- ⇒ Coordinate inspection activities with all inspection groups and share information with other State agencies performing inspections.
- ⇒ Make more site visits to facilities. We recognized that additional inspectors may be needed.
- ⇒ Prevent the exemption of any facilities from health and safety standards.

Generally, the States concurred with our recommendations. Subsequent to our review of the State of Missouri, the State enacted a new child care law requiring certain previously license-exempt child care facilities to meet various health and safety standards. The State is in the process of promulgating the health and safety standards. The State believes the new law and new standards will enhance the health and safety of an additional 100,000 children in Missouri.

EFFECTIVE PRACTICES REPORTED IN PRIOR STUDIES

The GAO and OIG reports cited effective practices some States were using to ensure health and safety in their child care programs. The States were devising ways to utilize their resources more efficiently to bring more providers into compliance with State standards and raise the quality of care.

The GAO reported methods the States were using to ensure health and safety in child care settings. To supplement screening, monitoring and sanctioning efforts, States were educating consumers, training providers, maintaining and publicizing complaint hotlines and requiring liability insurance.

The OIG report contained several effective practices States were utilizing. The effective practices were included in the following categories:

- Legal Sanctions and Procedures
  - Administrative Closures - permitted licensing agencies to act administratively to close facilities when children's safety is threatened.
  - Consent Agreements - negotiated agreements that produce either corrective action or voluntary closure.
  - Investigative Protocol - trained safety inspectors to collect evidence that is supportable in legal actions.
- Inspection Review Techniques
  - Prioritizing Inspections Based on Previous Performance - used to direct inspection resources to the facilities most in need.
  - Inspector Training - used instructional aids to assist inspectors in their training and decision making process.
- Monetary Incentives and Penalties
  - Financial Incentives to Encourage Provider Registration - used financial incentives in the recruitment and retention of licensed or registered providers.
  - Fines as Enforcement Procedures - permitted inspectors to take limited punitive measures against providers found to be out of compliance.

- Parental Involvement
  - Communication Between State and Parent - surveyed parents as part of facility.
  - Communication between Provider and Parent - developed regulations that encourage parental involvement.
- Training and Technical Assistance for Providers
  - State Agency Practices - educated providers.
  - Cooperative Efforts with Universities - developed university based programs which offered training in early childhood education.

These effective practices cited by the GAO and the OIG represent activities within some of the States. Other States could benefit from these or other practices found to be effective. We believe that there should be a coordinated effort to inform States and share experiences. We see these circumstances as an opportunity for ACF to become more involved to provide a greater leadership role in the health and safety aspects of the child care programs.

In addition to the effective practices cited above, we have identified some options that we believe could help address the difficulties the States are experiencing in providing oversight of child care facilities.

ADDITIONAL OPTIONS FOR CONSIDERATION

While there may be several contributory reasons or factors for the deficiencies we identified, we believe that one of the prime reasons is due to the States not prioritizing their caseloads. If we are correct in this belief, then the situation will only worsen as new child care facilities are opened to address the increasing demand for services. Consequently, we have identified several options on ways to improve this condition that we feel are worthy of discussion and consideration. These options could either be done independently by the States or with assistance from ACF. We have classified the options into three broad areas that:

- help supplement limited personnel resources,
- improve training of employees, and
- result in improved State operations.

The specific options are:

Options that Could Help Supplement Limited Resources

- Maximize the use of parents to ensure past deficiencies have been corrected by not only posting the results of inspections, but also the corrective action plan submitted by the facility in response to the inspection.

- Develop an evaluation and ranking system to: 1) measure the degree of compliance with health and safety standards; and 2) determine which home, center, or facility to more closely monitor.

- Create an active data network for States to share procedures/practices that have proven to be very useful in coping with shrinking resources and the demands to provide the necessary health and safety assurances for child care programs.

- Use co-operative education students on a rotational basis to allow States the ability to recruit fresh talent into State government as trainees.

- Provide for the establishment of a provider self-appraisal as a supplement to the formal certification process.

Options to Improve Training of Employees

- Improve technical assistance and training for child care providers.

- Use public education channels to train staff and parents. This "outreach training" could allow States more flexibility in training. Employees with overwhelming workloads would not be forced to decide between receiving valuable training or falling farther behind in work output. Additionally, parents could be trained on the applicable standards that a child care provider should be evaluated against.

Options that Could Improve State Operations

- Designate a lead agency in the State to coordinate the child care activities with other Federal programs, including Head Start. This approach builds standardization and uniformity in the process used to determine the adequacy of a facility and weigh the types of deficiencies noted and the corrective actions needed.

- Develop a methodology and approach for inspecting providers as used for nursing homes by the Health Care Financing Administration. Under this approach, State inspectors are centrally trained by Federal staff on performing inspections based on standardized nationwide criteria which

includes a rating system for determining the degree of compliance. If the inspection results in a negative rating, inspectors have the authority to close facilities or issue temporary certifications depending on the severity of the deficiencies found.

- Examine financial incentives for States. The concept that awards States for placing more effort in a critical area such as child support collections may be used as a means of improving conditions of child care facilities. We believe that the financial incentives award could be worked together with the quality enhancement part of the CCDBG program.

- Develop a partnership between the business community and the State government for the betterment of child care delivery. Under the partnership, employers could provide additional supportive services to families. Also, the employers could provide resource and referral services for their employees to help locate needed child care, operate on-site child care centers, provide flexible work hours, establish good parental leave policies and assist with the cost of care. With the help of private businesses, a tremendous amount of additional funds and resources would become available to help ensure that children were being cared for in safe and healthy environments. Additionally, accreditation boards or commercial inspectors could also be used.

- Re-examine the type of assurances States are providing as to health and safety conditions of its exempt child care facilities.

- Use the National Background Check system for all employees working in child care facilities that receive Federal monies.

- Seek additional statutory authority to permit establishment of health and safety requirements (such as the standards for child care centers developed by the NAEYC) applicable to all child care facilities receiving Federal funds. These requirements could either be mandatory or suggested, provide for greater sanctions and fines, provide greater oversight to the health and safety aspects of child care programs and designate those standards considered most critical to the children's health and safety.

The cost benefit for some of the options far outweigh others. Moreover, they are not intended to be mutually exclusive. Several combinations may be necessary to obtain the objective of providing safe and affordable child care for all families in need of child care services. Additionally, we believe use of these options by States would help ACF improve its oversight of the numerous child care programs now being funded by the Federal Government.

ACF ACTIONS TO IMPROVE HEALTH AND SAFETY OF CHILDREN

In February 1994, concerns over the health and safety aspects of child care programs were highlighted during a congressional hearing of the U.S. House of Representatives Committee on Small Business, Subcommittee on Regulation, Business Opportunities, and Technology. Following the hearing, the Secretary of HHS responded to the congressional subcommittee by citing actions ACF was taking to improve child care. Some of the actions that ACF indicated it was taking are:

- ★ Analyzing information collected on State licensing and health and safety standards. This information will be provided to the States.
- ★ Developing regulatory proposals designed to improve coordination of child care services and to support States in improving the quality of care.
- ★ Planning technical assistance conferences with States and collaborating with other Federal agencies to focus specifically on the quality and coordination of care for children.
- ★ Looking at ways to ensure the health and safety of children through standards, training and other mechanisms.

We believe these actions by ACF are positive steps toward improving the health and safety of children in child care facilities. However, more actions by ACF may be necessary to assist States in improving some of the conditions noted in our audits in the five States. The ACF may be limited in the changes it can make without additional statutory authority.

The block grant legislation limited ACF's involvement. The major child care programs, with the exception of Head Start, are block grants. Since their creation in the early 1980s, the operating philosophy for block grant programs has been one of minimum Federal involvement. For example, the HHS Final Rules for Implementation of the Block Grant programs, states "A basic purpose of the Block grant legislation is to simplify State grant administration and minimize Federal involvement by placing far greater reliance on State government. Accordingly, the block grants will be exempt from the usual Departmental grant administration requirements...."

We have identified and discussed conditions that the States should address. The ACF can assist the States in improving their operations. Before the ACF can assist the States, it may need to obtain legislative changes to gain authority for a more active leadership role.

Moreover, we see the need for ACF to consolidate its child care responsibilities, to achieve consistency and to establish the significance of child care standards.

Changes in ACF Operations

The responsibilities for child care were dispersed among several components within ACF. Recognizing this fragmentation, ACF moved to consolidate child care services by establishing the Child Care Working Group. This working group consists of representatives from all ACF child care programs including the Child Care and Development Block Grant, Aid to Families with Dependent Children, Transitional Child Care, At-Risk Child Care, Head Start, Social Services Block Grant and Foster Care programs. The objective of the working group is to provide greater consistency and quality in the ACF child care programs.

In addition, we believe that a coordinated effort between the child care functions within ACF could bring about improved communications between the States and providers. For example, there was no requirement for sharing the results of inspections performed by the State licensing agency and the ACF Head Start office. When the State agency performs a licensing visit at a Head Start facility and notes violations of the standards, it is not required to communicate the violations to ACF. On the other hand, ACF does not notify the State licensing agency of violations noted during its reviews at a Head Start facility.

We believe that ACF should consider functional changes rather than limit the consolidation of functions to a working group. By assigning the health and safety aspects of child care to a single unit, ACF would ensure continuity as well as convey a united ACF voice on child care issues to the outside community.

Consistency in Standards

The requirements for Federal involvement in child care health and safety vary by program. Head Start performance standards, which contain minimum health and safety requirements, were the only standards specified in the programs included in our audit. In other child care programs, the ACF relies on the States to ensure the health and safety of children in child care facilities.

The law implementing the SSBG states that child care day services are only reimbursable when the facilities meet applicable standards of State and local law. The Foster Care program requires States, in their State plans, to provide for establishing and maintaining standards for foster family homes and child care institutions. The standards are to be in accordance with recommended standards of national organizations and include standards related to safety and sanitation.

We believe that regardless of the method of funding, children in child care facilities should be afforded the same quality of care. To ensure that children are afforded the same quality of care, minimum standards are needed as a baseline for the States to use in establishing standards. Moreover, all facilities receiving Federal support should be subject to these standards. In another section of this report, we described, based on the type of organization, that facilities were exempted from the State standards. Thus, there was no assurance that

children in the exempted facilities were subject to the same standards of care as the children in licensed facilities.

Significance of Standards

The ACF could deem adherence to certain standards as essential to preserve the health and safety of children. Those standards considered critical could be differentiated from those less critical. For example, with the exception of North Carolina, the States did not assess the severity of the violations, although some of the violations were more serious than others. An inoperable smoke detector is obviously more of a threat to children's health and safety than mildew in the shower stall.

Distinguishing the seriousness of the standards violated should assist the States in determining follow-up actions that should be taken. With such distinctions, States could establish consistent measurements for actions, such as sanctions, to be taken when a facility does not meet certain standards.

In summary, considering the conditions noted in previous reviews and in our audits in five States, we believe that ACF needs to take a more active role in the health and safety aspects of child care programs. The Secretary has stated that ACF has initiated changes to become more involved with the States. In addition, we are recommending other changes for consideration by ACF.

RECOMMENDATIONS

We are recommending that ACF consider:

- Providing to State agencies identified best practices. These practices could include:
  - parental involvement,
  - provider self-appraisals, and
  - private/public partnerships, e.g. accreditation boards or commercial inspectors.
- Assigning child care health and safety responsibilities to a single unit within ACF.
- Sharing the results of this report with the State agencies responsible for the administration and oversight of child care facilities.

ACF Comments

In a memorandum dated October 27, 1994, ACF provided its written comments to our draft report. In general, ACF concurred with our recommendation for improvements in the health and safety aspects of child care programs. The ACF's comments are summarized following each recommendation stated below.

- **Provide State agencies with identified best practices.** Although ACF did not specify ways that it would provide best practices to the States, ACF's written comments listed avenues where best practices could be disseminated.

- **Assign child care health and safety responsibilities to a single unit within ACF.** The ACF agreed and indicated that it had already taken a major step toward that end by having staff within the proposed new Child care Bureau working specifically on health and safety issues.

- **Share the results of our report with the responsible State agencies.** The ACF stated that it will disseminate copies of the final version of this report to State child care agencies.

ATTACHMENT A

DEPARTMENT OF HEALTH & HUMAN SERVICES

ADMINISTRATION FOR CHILDREN AND FAMILIES
Office of the Assistant Secretary, Suite 600
370 L'Enfant Promenade, S.W.
Washington, D.C. 20447

October 27, 1994

RECEIVED
OFFICE OF INSPECTOR GENERAL
1994 OCT 27 PM 4:28

TO: June Gibbs Brown
Inspector General

FROM: Mary Jo Bane
Assistant Secretary
for Children and Families

SUBJECT: OIG Draft Report, "Nationwide Review of Health and Safety Standards" (CIN: A-04-94-00071)

In response to your memorandum of September 7, 1994, the Administration on Children, Youth and Families (ACYF) has reviewed the Office of Inspector General (OIG) draft report, "Nationwide Review of Health and Safety Standards," and has the following comments.

We agree that health and safety is a key issue in child care, and for that reason, is a top priority in the Administration for Children and Families' (ACF) child care agenda. As part of this agenda, ACF is undertaking a series of activities directly related to health and safety in child care:

- The ACF Third National Child Care Conference, to be held on October 27-28, 1994, will highlight issues related to health and safety. Planning for this Conference has involved extensive collaborations with experts from within the Department as well as from other Federal agencies.

- A new Interagency Agreement with the Maternal and Child Health Bureau (MCHB) will enable ACF to better track health and safety standards in child care licensing and to provide additional technical assistance to grantees around these issues.

- A new technical assistance contract for fiscal year (FY) 1995 will enable ACF to hold forums in every Region with a specific focus on health and safety in child care.

- The ACF is currently collaborating with MCHB and the Centers for Disease Control and Prevention to develop additional plans around health and safety in child care.

We agree with the recommendation that responsibilities for child care health and safety be assigned to a single unit within ACF, and with the proposed new Child Care Bureau. ACF has taken a major step toward that end. Within the new Bureau, staff will be working specifically on health and safety issues.

Finally, when the final version of the report becomes available, ACF will disseminate copies to State child care agencies.

Thank you for the opportunity to comment on the draft report.