

Report in Brief

Date: June 2018

Report No. A-02-16-02003



Why OIG Did This Review

The Administration for Children and Families provides Federal grants for childcare services through the Child Care and Development Fund (CCDF). Previous OIG reviews of States that received CCDF funds identified multiple health and safety issues that put children at risk. To determine whether similar health and safety risks exist at childcare providers in New York City, we reviewed three providers that received CCDF funds. The providers are exempt from the State's licensing requirements but must meet the State's health and safety requirements.

Our objective was to determine whether New York ensured that selected New York City providers that received CCDF funds complied with State and local requirements related to the health and safety of children.

How OIG Did This Review

Of the 150 legally exempt providers in New York City that received CCDF funds as of April 2016, we selected 3 providers for our review. The providers were selected based on consideration of certain risk factors, including enrollment size and previous noncompliance with health and safety requirements.

We conducted unannounced site visits at 11 locations operated by the 3 providers from May through September 2016 at the providers' locations in Brooklyn, New York.

Some New York City Childcare Providers Did Not Always Comply With Health and Safety Requirements

What OIG Found

New York did not ensure that selected New York City providers that received CCDF funds complied with applicable State and local requirements related to the health and safety of children. We found potentially hazardous physical conditions at 11 locations operated by the 3 providers that we reviewed. Moreover, we found that the providers did not comply with requirements to obtain background checks on employees.

The instances of noncompliance occurred because New York had no written procedures regarding monitoring of legally exempt providers' compliance with physical condition and background check requirements. In addition, New York's requirement that providers access a child abuse and maltreatment system to perform one required background check was inconsistent with current State law.

What OIG Recommends and New York's Comments

We recommend that New York ensure that the health and safety issues noted in our report are corrected, develop written procedures to ensure that legally exempt providers' compliance with physical condition and background check requirements is regularly monitored, and seek a change to State law to allow providers access to the child abuse and maltreatment system or take other steps to ensure that required background checks are completed.

In written comments on our draft report, New York agreed with all of our recommendations and described actions that it had taken or planned to take to address them. For example, New York stated that it is collaborating with applicable State oversight agencies to address the health and safety issues identified in our report and expanded its protocols for inspecting legally exempt group childcare programs. New York also indicated that it proposed statutory language to the State legislature that would require legally exempt group childcare programs to begin conducting certain background checks.



Among our findings, we discovered an open gate that allowed the children direct access to the street from a play area.