



July 14, 2010

TO: Yvette Sanchez Fuentes
Director, Office of Head Start
Administration for Children and Families

FROM: /George M. Reeb/
Acting Deputy Inspector General for Audit Services

SUBJECT: Review of Head Start Health and Safety Standards at Cerebral Palsy of Colorado, Inc. (A-07-09-02764)

Attached, for your information, is an advance copy of our final report on Head Start health and safety standards at Cerebral Palsy of Colorado, Inc. (CPCO). We will issue this report to CPCO within 5 business days. The Administration for Children and Families, Office of Head Start, requested this review.

If you have any questions or comments about this report, please do not hesitate to call me, or your staff may contact Lori S. Pilcher, Assistant Inspector General for Grants, Internal Activities, and Information Technology Audits, at (202) 619-1175 or through email at Lori.Pilcher@oig.hhs.gov or Patrick J. Cogley, Regional Inspector General for Audit Services, Region VII, at (816) 426-3591 or through email at Patrick.Cogley@oig.hhs.gov. Please refer to report number A-07-09-02764.

Attachment



July 20, 2010

Report Number: A-07-09-02764

Ms. Judith I. Ham
Director
Cerebral Palsy of Colorado, Inc.
801 Yosemite Street
Denver, CO 80230-6087

Dear Ms. Ham:

Enclosed is the U.S. Department of Health & Human Services (HHS), Office of Inspector General (OIG), final report entitled *Review of Head Start Health and Safety Standards at Cerebral Palsy of Colorado, Inc.* We will forward a copy of this report to the HHS action official noted on the following page for review and any action deemed necessary.

The HHS action official will make final determination as to actions taken on all matters reported. We request that you respond to this official within 30 days from the date of this letter. Your response should present any comments or additional information that you believe may have a bearing on the final determination.

Section 8L of the Inspector General Act, 5 U.S.C. App., requires that OIG post its publicly available reports on the OIG Web site. Accordingly, this report will be posted at <http://oig.hhs.gov>.

If you have any questions or comments about this report, please do not hesitate to call me at (816) 426-3591, or contact James Korn, Audit Manager, at (303) 844-7153 or through email at James.Korn@oig.hhs.gov. Please refer to report number A-07-09-02764 in all correspondence.

Sincerely,

/Patrick J. Cogley/
Regional Inspector General
for Audit Services

Enclosure

Direct Reply to HHS Action Official:

Mr. Ross Weaver
Regional Program Manager, Region VIII
Administration for Children and Families, Office of Head Start
1961 Stout Street, Room 926
Denver, CO 80294-3538

Department of Health & Human Services

**OFFICE OF
INSPECTOR GENERAL**

**REVIEW OF HEAD START
HEALTH AND SAFETY STANDARDS
AT CEREBRAL PALSY OF
COLORADO, INC.**



Daniel R. Levinson
Inspector General

July 2010
A-07-09-02764

Office of Inspector General

<http://oig.hhs.gov>

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Section 8L of the Inspector General Act, 5 U.S.C. App., requires that OIG post its publicly available reports on the OIG Web site.

OFFICE OF AUDIT SERVICES FINDINGS AND OPINIONS

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

BACKGROUND

Within the U.S. Department of Health & Human Services, the Administration for Children and Families, Office of Head Start (OHS), administers the Head Start and Early Head Start programs. We refer collectively to both programs as the Head Start program. In fiscal year (FY) 2009, Congress appropriated \$7.1 billion to fund the program's regular operations. The American Recovery and Reinvestment Act of 2009, P.L. No. 111-5 (Recovery Act), provides an additional \$2.1 billion for the Head Start program during FYs 2009 and 2010.

Cerebral Palsy of Colorado, Inc. (CPCO), a private, nonprofit corporation, operates five Head Start facilities in Colorado: one in Denver and four in Aurora. CPCO provides the following services to enrolled children and their families: education and special education, health and social services, and parental involvement and community partnerships.

For the 2009–2010 grant year (July 1, 2009, through June 30, 2010), OHS awarded \$5,058,927 in Federal Head Start funds to CPCO to provide services to 462 children at the 5 facilities. On June 30, 2009, CPCO also received \$249,781 in Recovery Act funding.

OBJECTIVE

Our objective was to determine whether CPCO complied with applicable Federal and State requirements on ensuring the health and safety of children in its care.

SUMMARY OF FINDINGS

CPCO complied with the majority of Federal and State requirements on ensuring the health and safety of children in its care. However, CPCO did not comply with all Federal and State health and safety requirements. Specifically, as of September 2009:

- Employee files showed that CPCO had obtained criminal background and child abuse and neglect checks in accordance with Federal and State requirements for 75 of its 115 employees. However:
 - CPCO did not obtain criminal background checks on five employees.
 - CPCO did not obtain the results of child abuse and neglect checks on 15 employees. Additionally, child abuse and neglect checks on 20 employees likely were not requested within the required timeframe.
- CPCO's five facilities did not meet all Federal Head Start and State health and safety regulations on protecting children from unsafe conditions.

These deficiencies occurred because CPCO did not have adequate procedures or did not consistently follow procedures that were in place to ensure that it complied with Federal and

State health and safety regulations. CPCO's failure to comply with these regulations potentially jeopardized the health and safety of children in its care.

RECOMMENDATIONS

We recommend that CPCO develop and consistently implement procedures to ensure that:

- employees are hired only after passing criminal background checks, all child abuse and neglect checks are requested within 10 days of employment, and all employee files contain documentation of criminal background and child abuse and neglect checks and
- all unsafe conditions identified in this report are addressed in a timely manner.

AUDITEE COMMENTS

In written comments on our draft report, CPCO concurred with our findings and described its completed and ongoing actions to address the deficiencies that we identified. CPCO's comments are included in their entirety as Appendix B.

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INTRODUCTION

BACKGROUND

Federal Head Start Program

Title VI of the Omnibus Budget Reconciliation Act of 1981 established Head Start as a Federal discretionary grant program. The major program objectives include promoting school readiness and enhancing the social and cognitive development of low-income children by providing health, educational, nutritional, and social services. In 1994, the Head Start program was expanded to establish Early Head Start, which serves children from birth to 3 years of age. We refer collectively to both programs as the Head Start program.

Within the U.S. Department of Health & Human Services, the Administration for Children and Families (ACF), Office of Head Start (OHS), administers the Head Start program. In fiscal year (FY) 2009, Congress appropriated \$7.1 billion to fund Head Start's regular operations.

The American Recovery and Reinvestment Act of 2009, P.L. No. 111-5 (Recovery Act), provides an additional \$2.1 billion for the Head Start program during FYs 2009 and 2010. These funds are intended for activities such as expanding enrollment, funding cost-of-living wage increases for grantees, upgrading centers and classrooms, and bolstering training and technical assistance.

Federal Regulations for Head Start Grantees

Pursuant to Federal Head Start regulations (45 CFR § 1304.53(a)(7)), Head Start grantees must provide for the maintenance, repair, safety, and security of all Head Start facilities. These regulations also specify that facilities used by Head Start grantees for regularly scheduled, center-based activities must comply with State and local licensing regulations. Alternatively, if State and local licensing standards are less stringent than the Head Start regulations or if no State licensing standards are applicable, grantees must ensure that their facilities comply with the Head Start Program Performance Standards related to health and safety (45 CFR § 1306.30(c)).

State Regulations for Head Start Grantees

In Colorado, the Department of Human Services, Division of Childcare (State agency), is the licensing agency for childcare programs. Standards for licensure of childcare programs are found in the Code of Colorado Regulations (CCR), 12 CCR 2509-8. The health and sanitation of licensed childcare facilities are regulated by the Colorado Department of Public Health and Environment, as specified in 6 CCR 1010-7. For the period of our review, State officials said that under Colorado Revised Statutes 26-6-103(b), Head Start facilities were exempt from State licensing requirements. However, a Head Start facility that is exempt from State licensing requirements can receive a license from the State agency if the grantee applies for that license and meets the requirements. Cerebral Palsy of Colorado (CPCO), the Head Start grantee that is the focus of this review, operates five childcare facilities, two of which were licensed.

Cerebral Palsy of Colorado

CPCO, a private, nonprofit corporation, operates five Head Start facilities in Colorado: one in Denver (the Lowry facility) and four in Aurora (the Bemis, Florence, Ironton, and Jamaica facilities). CPCO provides the following services to enrolled children and their families: education and special education, health and social services, and parental involvement and community partnerships. Two facilities offer both Head Start (children aged 3 to 5 years) and Early Head Start (children aged 0 to 3 years) programs; the rest of the facilities offer only Head Start programs.

For the 2009–2010 grant year (July 1, 2009, through June 30, 2010), OHS awarded \$5,058,927 in Federal Head Start funds to CPCO to provide services to 462 children at the 5 facilities. On June 30, 2009, CPCO also received \$249,781 in Recovery Act funding.

Office of Inspector General Audits

This audit is one of a series of audits that address the health and safety of children who attend Head Start programs. We are conducting these audits in response to the \$2.1 billion in Recovery Act funds appropriated for the Head Start program in FYs 2009 and 2010.

OBJECTIVE, SCOPE, AND METHODOLOGY

Objective

Our objective was to determine whether CPCO complied with applicable Federal and State requirements on ensuring the health and safety of children in its care.

Scope

Our review covered CPCO's employee records and facilities as of September 2009. To gain an understanding of CPCO's operations, we conducted a limited review of CPCO's internal controls as they related to our audit objective.

We performed our fieldwork from September 2 through September 4, 2009, at CPCO's administrative office and childcare facility in Denver, Colorado, and at its four childcare facilities in Aurora, Colorado.

Methodology

To accomplish our objective, we:

- selected CPCO based on prior risk analyses and discussions with ACF officials;
- reviewed Federal and State laws, regulations, and policies related to Federal grant awards and the Head Start program;

- interviewed CPCO officials;
- reviewed CPCO’s policies and procedures;
- reviewed CPCO’s current Head Start grant award documents;
- reviewed CPCO’s files on all 115 current Head Start employees;¹
- reviewed CPCO’s licenses and documentation of fire inspections;
- visited CPCO’s five childcare facilities; and
- discussed our preliminary findings with CPCO 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 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 objective.

FINDINGS AND RECOMMENDATIONS

CPCO complied with the majority of Federal and State requirements on ensuring the health and safety of children in its care. However, CPCO did not comply with all Federal and State health and safety requirements. Specifically, as of September 2009:

- Employee files showed that CPCO had obtained criminal background and child abuse and neglect checks in accordance with Federal and State requirements for 75 of its 115 employees. However:
 - CPCO did not obtain criminal background checks on five employees.
 - CPCO did not obtain the results of child abuse and neglect checks on 15 employees. Additionally, child abuse and neglect checks on 20 employees likely were not requested within the required timeframe.
- CPCO’s five facilities did not meet all Federal Head Start and State health and safety regulations for protecting children from unsafe conditions.

These deficiencies occurred because CPCO did not have adequate procedures or did not consistently follow procedures that were in place to ensure that it complied with Federal and State health and safety regulations. CPCO’s failure to comply with these regulations potentially jeopardized the health and safety of children in its care.

¹ The 115 current employees were partially funded by the Head Start grant award.

PREEMPLOYMENT AND POSTEMPLOYMENT CHECKS

Criminal Background Checks

Pursuant to § 648A(g) of the Head Start Act (42 U.S.C. § 9843a(g)), a Head Start grantee may not hire an individual on a permanent or nonpermanent basis until it obtains (1) a State, tribal, or Federal criminal record check covering all jurisdictions where the grantee provides Head Start services to children; (2) a State, tribal, or Federal criminal record check as required by the law of the jurisdiction where the grantee provides Head Start services; or (3) a criminal record check as otherwise required by Federal law.

CPCO's documentation showed that CPCO had not requested criminal background checks on five employees (three teacher assistants and two parent meeting paraeducator assistants) who were minors when hired. CPCO officials stated that they did not request criminal background checks on minors because records for individuals under the age of 18 are sealed. However, ACF's program instructions² state that "no Head Start staff ... can be employed in any capacity until the criminal record check for the individual has been completed." In response to our question about this issue, the Colorado Bureau of Investigation informed us that its policy is to conduct a criminal background check on an individual under the age of 18 if the individual requests a check. CPCO's practice regarding criminal background checks for minor employees does not comply with Federal requirements.

By not ensuring that all employees had cleared a criminal record check, CPCO potentially jeopardized the safety of children in its care.

Child Abuse and Neglect Checks

Pursuant to State regulations (12 CCR 2509-8 § 7.701.32), a Head Start grantee is required to determine whether any employee of its licensed facilities is the subject of a confirmed report of child abuse or neglect. The grantee is required to request a check of the State Department of Human Services system, which tracks child abuse and neglect cases. This request must be made within 10 calendar days of the first day of employment for each employee of a licensed facility.

CPCO's employee files lacked documentation showing that CPCO had requested child abuse and neglect checks on 15 of the 69 employees at the 2 licensed facilities. (The 15 employees comprised an education supervisor, 3 teachers, 4 teacher assistants, a translator, a speech language pathologist assistant, an occupational therapist, 2 family service workers, and 2 janitors.) With respect to the two janitors, a CPCO official stated that CPCO did not request child abuse and neglect checks on employees in occupations that did not require close proximity to children. However, this practice does not comply with State regulations for licensed facilities. In addition, 7 of the 13 remaining employees without documentation of child abuse and neglect checks had been employed for more than a year. After we informed CPCO of these deficiencies, CPCO obtained child abuse and neglect checks on 11 of the 13 employees and requested but had not obtained the 2 remaining checks as of November 2009.

² ACF-PI-HS-08-04, issued September 3, 2008.

For most employees of CPCO's licensed facilities, we could not determine whether CPCO had requested child abuse and neglect checks within the required 10-day timeframe because employee files did not contain the dates of the requests. However, we identified 20 employees whose child abuse and neglect checks were completed more than 6 months after their hire dates and concluded that these checks likely had not been requested within the required timeframe. A CPCO official said that CPCO normally submitted the form requesting a child abuse and neglect check during a new employee's orientation. However, CPCO had no written policy directing that the request be made within 10 calendar days of employment, and the CPCO official acknowledged that the 10-day deadline was not always met.

By not ensuring that all employees had cleared a child abuse and neglect check, CPCO potentially jeopardized the safety of children in its care.

FACILITY SAFETY

Federal and State Regulations

Pursuant to Federal Head Start regulations (45 CFR § 1304.53(a)(7)), grantees must provide for the maintenance, repair, and safety of all Head Start facilities. The regulations (45 CFR § 1304.53(a)) require that:

- outdoor play areas at center-based programs be arranged to prevent any child from leaving the premises and entering unsafe and unsupervised areas;
- the selection, layout, and maintenance of playground equipment and surfaces minimize the possibility of injury to children;
- electrical outlets accessible to children prevent shock through the use of child-resistant covers, child-protection outlets, or safety plugs;
- windows and glass doors be constructed, adapted, or adjusted to prevent injury to children;
- flammable and other dangerous materials and potential poisons be stored in locked cabinets accessible only to authorized persons, and all medications, including those required for staff and volunteers, be stored under lock and key;
- garbage and trash be stored in a safe and sanitary manner; and
- toileting and diapering areas be separated from areas used for cooking, eating, or children's activities.

Pursuant to 45 CFR § 1306.30(c), grantees also must ensure that Head Start facilities comply with any State and local licensing requirements. If these licensing standards are less comprehensive or stringent than the Head Start regulations or if no State or local licensing standards are applicable (as in the case of nonlicensed facilities), grantees must ensure that their

facilities comply with the Head Start Program Performance Standards related to health and safety found in 45 CFR § 1304.53(a).

State regulations (6 CCR 1010-7, Rule §§ 2-103(a) and 3-103 (b)) state that exterior garbage and rubbish containers must be easily cleanable, covered, and well maintained and that painted finishes must be free from peeling or chipping paint. Furthermore, 12 CCR 2509-8, Rule § 7.702.91.F states that “[n]othing flammable or combustible can be stored within three feet of a furnace or hot water heater.”

Grantee’s Policies and Procedures

CPCO’s *Personal Belongings and Money* policy states that “Staff member[s]’ personal effects and clothing shall be stored separately and inaccessible to children.”

Grantee’s Compliance With Facility Safety Regulations

CPCO’s childcare facilities did not meet all Federal Head Start and State health and safety regulations on protecting children from unsafe materials and equipment. We noted deficiencies at all five facilities and reported the deficiencies to CPCO officials.

Bemis (not State licensed, visited September 2, 2009)

- A binder containing paper was atop the furnace (Appendix A, Photograph 1); the binder was hot when we moved it. The furnace was in an area that was not part of the space leased by CPCO. CPCO staff had access to the furnace but had not inspected it.
- The windows of two second-story classrooms lacked protective guards. The windows were located near the floor, directly above the baseboard heater, and were easily accessible to children (Appendix A, Photograph 2). During our visit, the windows were open.
- The lock on the cleaning supply closet, which was located in the hallway between classrooms, was not engaged. The facility director told us that the lock was not engaged because the key to the closet was missing.
- Cleaning supplies were stored in an unlocked cabinet under the kitchen sink (Appendix A, Photograph 3). The kitchen was accessible only through two classroom doors, neither of which had a lock. As a result, children could enter the kitchen.
- All of the trash containers in the classrooms were uncovered and accessible to children.
- A classroom window was broken and had a piece of cardboard covering the hole.
- The classrooms had wire-framed bookcases containing empty binders. Although the bookcases were lightweight and could be pulled over by a child, they were not mounted to the wall.

Ironton (not State licensed, visited September 2, 2009)

- Flammable material was stored near the water heater.
- Scrap materials, including plywood with splintered edges, were stored between a storage shed and the fence surrounding the playground (Appendix A, Photograph 4).
- The area behind the storage shed, which was adjacent to a parking lot, was largely hidden from view of the supervised areas.
- A utility pole guide wire with a metal cover was located next to a sidewalk where children rode tricycles (Appendix A, Photograph 5). The metal cover could injure a child.
- Electrical outlets under a play table in a classroom lacked protective safety plugs. In addition, an outlet on the playground lacked protective safety plugs.
- A window shade cord in a classroom was not secured. A CPCO official stated that this was an oversight.
- A teacher's aide stored a purse, which potentially could contain medication or other harmful items, in an unlocked cabinet accessible to children in a classroom.
- All of the trash containers in the classrooms were uncovered and accessible to children.
- The classrooms had wire-framed bookcases containing empty binders. Although the bookcases were lightweight and could be pulled over by a child, they were not mounted to the wall.
- Two classrooms had small metal hooks attached to the wall within reach of children.

Jamaica (State licensed, visited September 3, 2009)

- A dust mop was stored next to the water heater, and a mop head was draped over the heater (Appendix A, Photograph 6); both items presented fire hazards.
- In two classrooms and in a hallway, electrical outlets within reach of children lacked protective safety plugs.
- In the hallway between classrooms, a closet containing a water heater and cleaning supplies was unlocked.
- All of the trash containers in the classrooms were uncovered and accessible to children.
- An exterior trash container located next to the exit to the playground was uncovered.

- A classroom had mobile bookcases with protruding metal latches within reach of children.

Florence (not State licensed, visited September 3, 2009)

- Flammable materials were stored near two water heaters.
- Cleaning supplies were stored in unlocked cabinets accessible to children.
- An unlocked cabinet in the employee lounge, which did not have a door, contained plastic bags, a suffocation hazard.
- All of the trash containers in the classrooms were uncovered and accessible to children.
- An unsecured carpet edge in a classroom presented a tripping hazard. A CPCO official stated that the carpet was scheduled to be replaced in the near future.

Lowry (State licensed, visited September 4, 2009)

- Toothbrushes were kept next to the diaper-changing tables in classrooms (Appendix A, Photograph 7).
- In the play area of one classroom, a small metal hook was attached to the back of a bookcase where it was within reach of children.
- A classroom had mobile bookcases with protruding metal latches within reach of children.
- The walls of five classrooms had areas of chipped paint. The facility was in a newly constructed building; however, a CPCO official told us that the material used on the walls could be easily damaged.

INADEQUATE POLICIES AND PROCEDURES

These deficiencies occurred because CPCO did not have adequate procedures or did not consistently follow procedures that were in place to ensure that it complied with Federal and State health and safety regulations. CPCO's failure to follow these regulations potentially jeopardized the health and safety of children in its care.

RECOMMENDATIONS

We recommend that CPCO develop and consistently implement procedures to ensure that:

- employees are hired only after passing criminal background checks, all child abuse and neglect checks are requested within 10 days of employment, and all employee files contain documentation of criminal background and child abuse and neglect checks and

- all unsafe conditions identified in this report are addressed in a timely manner.

AUDITEE COMMENTS

In written comments on our draft report, CPCO concurred with our findings and described its completed and ongoing actions to address the deficiencies that we identified. Specifically, CPCO stated that it had modified its background check policies to require child abuse and neglect checks on custodial staff, criminal and child abuse and neglect checks on employees under the age of 18, and timely processing of requests for background checks. Furthermore, CPCO said that it had corrected the majority of the health and safety findings and that it had secured funding for upgrades and repairs to correct the remaining findings by June 30, 2010. Finally, CPCO stated that it had modified its onsite health and safety monitoring procedures to address the areas that we identified.

CPCO's comments are included in their entirety as Appendix B.

APPENDIXES

APPENDIX A: LACK OF COMPLIANCE WITH HEALTH AND SAFETY REGULATIONS



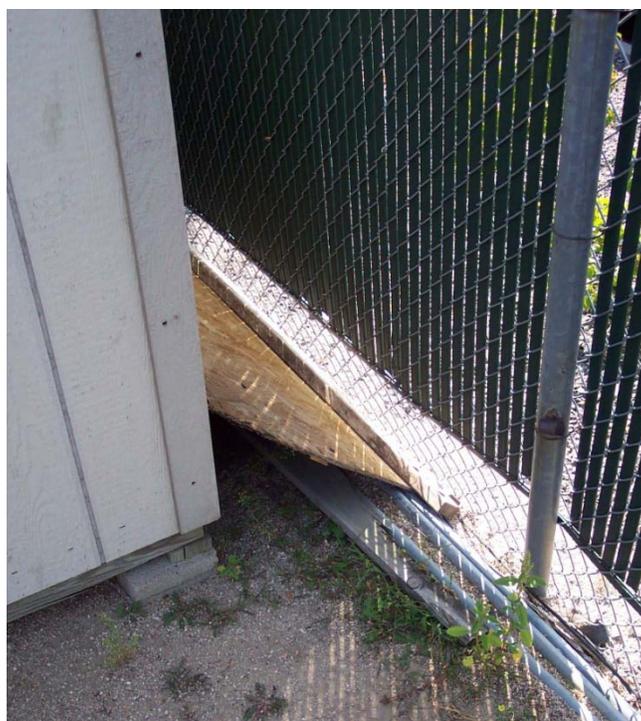
Photograph 1 – Taken at the Bemis facility on 9/2/2009 showing a binder of paper on top of the furnace.



Photograph 2 – Taken at the Bemis facility on 9/2/2009 showing a classroom window located above the baseboard heater and accessible to children but without a guard to prevent a child from falling through the screen.



Photograph 3 – Taken at the Bemis facility on 9/2/2009 showing cleaning supplies in an unlocked cabinet under the kitchen sink that was accessible to children.



Photograph 4 – Taken at the Ironton facility playground on 9/2/2009 showing scrap materials, including plywood with splintered edges, stored between a storage shed and the fence.



Photograph 5 – Taken at the Ironton facility playground on 9/2/2009 showing a utility pole guide wire with a metal cover located next to a sidewalk where children rode tricycles.



Photograph 6 – Taken at the Jamaica facility on 9/3/2009 showing a dust mop next to the water heater and a mop head draped over the heater.



Photograph 7 – Taken at the Lowry facility on 9/4/2009 showing toothbrushes next to the diaper-changing table.

APPENDIX B: AUDITEE COMMENTS

May 27, 2010

Report Number A-07-09-02764



Office of Inspector General
Office of Audit Services
Region VII
601 East 12th Street
Room 0429
Kansas City, Missouri 64106

Dear Debra J. Keasling for Patrick Cogley,

In response to the recommendations from the draft report entitled *Review of Head Start Health and Safety Standards at Cerebral Palsy of Colorado, Inc.* from the U.S Department of Health and Human Services Office of Inspector General Cerebral Palsy of Colorado has taken the following actions.

Cerebral Palsy of Colorado concurs with the finding that CP had obtained criminal background checks and Child Abuse and Neglect checks on 75 of the 115 employees files reviewed

CP of Colorado has changed the practice of obtaining background checks to include Child Abuse and Neglect checks of custodial staff and criminal and Child Abuse and Neglect checks on employees under the age of 18

CP of Colorado has implemented procedures to ensure the timely processing of these background checks. However, through our tracking of the receipt of the Child Abuse and Neglect checks we are not receiving results in a timely manner, at times they have been delayed up to 90 days.

In addition, all outstanding issues noted in the report have been corrected.

CP of Colorado concurs that the five facilities did not meet all Federal Head Start and State health and safety regulations.

CP of Colorado has corrected the majority of identified deficiencies in the report. In addition, funds have been allocated to make necessary upgrades and repairs to ensure the health and safety of the children served in the program. All deficiencies will be corrected by June 30, 2010. CP of Colorado has modified their internal site visit check list to include monitoring of areas identified in the report and have reviewed with staff.

Thank you and please feel free to contact us if any additional information is needed.

Sincerely,

A handwritten signature in black ink, appearing to read "Judith I. Ham".

Judith I. Ham
President/CEO