



OFFICE OF INSPECTOR GENERAL
U.S. Department of Energy

AUDIT REPORT

DOE-OIG-20-35

March 2020

**THE CHILDREN'S CENTER AT FERMI
NATIONAL ACCELERATOR
LABORATORY**



Department of Energy
Washington, DC 20585

March 11, 2020

MEMORANDUM FOR THE ACTING MANAGER, FERMI SITE OFFICE

A handwritten signature in black ink, appearing to read "Jack Rouch", written over a horizontal line.

FROM: Jack Rouch
Deputy Assistant Inspector General
for Audits and Inspections, Central
Office of Inspector General

SUBJECT: INFORMATION: Audit Report on “The Children’s Center at Fermi
National Accelerator Laboratory”

BACKGROUND

The Children’s Center at Fermi National Accelerator Laboratory (Fermi) is managed by Fermi Research Alliance, LLC, the management and operating contractor. It offers childcare services to all Fermi Research Alliance, LLC and Department of Energy employees, facility users, and long-term onsite subcontractors. The Children’s Center opened in January 1980 and currently serves children from ages 6 weeks to 7 years. Fermi is expected to adhere to all applicable laws and regulations, including the *Crime Control Act of 1990 (Crime Control Act)*. The *Crime Control Act* requires every childcare facility operated by, or under contract with, the Federal Government to ensure that all existing and newly-hired employees undergo criminal background checks. The background check is to be based on a set of the employee’s fingerprints obtained by a law enforcement officer and on other identifying information.

Fermi must also adhere to requirements set forth by the National Accreditation Commission for Early Care and Education Programs (NAC). NAC provides the Children’s Center with requirements on written employee records, work history, transcripts/diplomas and certificates of training, screening for references, criminal history background checks, and immediate notification of staff member’s criminal convictions. NAC also requires at least one staff member with a current certification in infant/child cardiopulmonary resuscitation (CPR) and pediatric first aid be present with each group of children at all times. Additionally, all staff members must receive training every 2 years on exposure to blood and potential blood-containing body fluids, as well as child abuse and neglect. Further, NAC requires that each staff member counted in the staff-to-child ratio have a minimum of 20 hours of annual training in early childhood/child development. To implement the requirements of NAC, the *FermiLab Children’s Center Work Processes Manual* requires employees to fulfill 20 in-service training hours per year. In addition to these professional hours, *FermiLab Children’s Center Work Processes Manual* requires

employees to be up-to-date with CPR, First Aid, Bloodborne Pathogens, and Child Abuse training. We initiated this audit to determine whether the Children's Center at Fermi was managed in accordance with the *Crime Control Act* and requirements set forth by NAC.

RESULTS OF AUDIT

We found that Fermi had not managed its Children's Center in compliance with all applicable requirements. Specifically, background checks on Fermi's Children's Center employees were not always completed in accordance with applicable laws, the contract, policies, and procedures. We identified that 5 of the 18 employees did not have any background checks performed until the initiation of our audit in June 2018. Further, we found that:

- Thirteen employees did not have background checks based on fingerprints;
- Ten employees with completed background checks were missing Sex Offender Registry checks; and
- One employee did not have her work history verified prior to being hired.

We also found that Fermi had not ensured that 10 of the 18 Children's Center employees met the minimum 20-hour training requirement. Additionally, some employees had not met the required CPR, First Aid, Bloodborne Pathogens, and Child Abuse trainings.

Background checks based on fingerprints had not been conducted because officials at Fermi were unaware of the *Crime Control Act* and its requirements. Also, the missing background checks occurred because the five employees were hired before Fermi's implementation of background checks in 1999. The missing Sex Offender Registry checks occurred because of a change in background check vendors. The missing non-verified work history occurred because the background check vendor used by Fermi did not include verification of work histories outside the United States as part of its background check service. Finally, the training issues occurred due to the lack of adequate oversight in regards to maintaining and managing employee training and training records.

Background Checks

We found that Fermi had not always ensured that background checks were completed in accordance with the *Crime Control Act* or NAC requirements for Children's Center employees. The audit team reviewed background checks for 18 employees to confirm completion dates and that social security traces, fingerprinting, basic/previous employment information, Sex Offender Registry, criminal histories, personal references, and education checks were completed, checked, and/or verified in accordance with the *Crime Control Act*, NAC, and established site standards. According to the *Crime Control Act*, individuals involved with the provision of childcare services to children under the age of 18 at facilities operated by, or under contract with, the Federal Government are required to undergo a criminal background check. However, an official at Fermi stated that employee background checks were not implemented until 1999, although the *Crime Control Act* required implementation by 1991. We found that five employee background

checks were not performed until the initiation of our audit in 2018. Although required for all active employees, a Fermi official stated that background checks had not been completed on these five employees because they had been hired between 1980 and 1998, prior to Fermi's implementation of background checks in 1999.

Further, we found that none of the remaining 13 Fermi Children's Center employee background checks performed contained fingerprint checks. The *Crime Control Act* states that a background check shall be based on a set of the employee's fingerprints obtained by a law enforcement officer and on other identifying information. Background checks conducted without fingerprints are based on a computerized criminal history check; only the identifiers (name, sex, race, and date of birth) provided at the time of the request are used. Additionally, the use of an alias name and date of birth could adversely affect results. Background checks completed with fingerprints are more thorough and are conducted through the Federal Bureau of Investigation and the state criminal history repositories.

Additionally, we noted that Sex Offender Registry checks were only completed for 8 of the 18 employees. Although Sex Offender Registry checks are not required by the *Crime Control Act* or NAC, an official at Fermi informed us that Fermi had implemented the practice of evaluating state and National Sex Offender Registry checks on its employees who work with children. National Sex Offender Registry checks are defined as a requirement of background checks for licensed childcare centers, and thus, would be a best practice for childcare centers exempt from the licensing. Finally, the audit team noted one instance where a Fermi Children's Center employee's previous work history was not verified. According to NAC, it is a requirement for all employees to have their work histories verified.

These issues occurred because Fermi officials were unaware of the *Crime Control Act* and its requirements for fingerprinting. Further, a Fermi official stated that it was an oversight on Fermi's behalf in not ensuring that background checks for employees hired before 1999 were completed. An official at Fermi also informed us that the background check vendor did not include verification of work histories outside the United States as part of its background check service. Lastly, officials stated that a change in background check providers led to some employees not having Sex Offender Registry checks. Specifically, the sex offender searches went from being part of standard procedures to being an option that had to be selected and hiring recruiters mistakenly did not select the sex offender search option. As a result of our audit work, Fermi completed 9 of the 10 missing Sex Offender Registry checks. The one remaining check was not performed because the employee had been terminated.

Required Training Not Meeting Established Minimums

Our review of the employee training records at the Children's Center found that Fermi did not ensure the completion of annual in-service training hours and additional essential training courses for full-time and on-call substitute employees, as required by the *FermiLab Children's Center Work Processes Manual* and the NAC. Specifically, we found that 10 of the 18 employees did not meet the 20-hour in-service training requirement as specified in the *FermiLab Children's Center Work Processes Manual*, including 3 full-time employees during 2016 and 2017 and all of the 7 on-call substitute employees from 2016 through 2018. We also found that

several full-time employees had lapses in their CPR and First Aid training and that several of the on-call substitute teachers had not completed Bloodborne Pathogens and Child Abuse training. Subsequent to our review, Fermi was able to provide documentation that showed the remaining staff were up-to-date on the required Child Abuse Training.

The training issues occurred because Fermi officials responsible for maintaining and managing the employee training records did not provide adequate oversight. According to a Fermi official, the Children's Center does use on-call substitute teachers to maintain staff-to-child ratios. Fermi does not require on-call substitute teachers to keep Continuing Education Units because they are not in classrooms alone; rather, they are intended to fill voids when necessary in support of certified teachers. However, NAC requires that each staff member counted in the staff-to-child ratio have a minimum of 20 hours of annual training and complete Bloodborne Pathogens and Child Abuse training.

Improved Children's Center Operations

Fermi employed individuals to provide care to children in its Children's Center without ensuring employee backgrounds were free from derogatory or noteworthy information. Hiring personnel without completing full background checks may put children at risk. Additionally, NAC accreditation can be withdrawn if the daycare center is not compliant with standards or fails to comply with procedures. Further, Fermi employees who were not trained in accordance with Fermi policies and procedures may not be aware of important changes to childcare techniques or precautions.

RECOMMENDATIONS

To address the issues noted in this report and to help improve Fermi Children's Center operations, we recommend that the Acting Manager, Fermi Site Office direct Fermi National Accelerator Laboratory to:

1. Ensure background checks based on fingerprints are completed on current Fermi Children's Center employees as required by the *Crime Control Act*;
2. Conduct checks of the Sex Offender Registry for all Fermi Children's Center employees henceforth;
3. Ensure employee records are complete and contain all information required by NAC;
4. Update hiring policies for new Fermi Children's Center employees to include fingerprinting, as required by the *Crime Control Act*; and
5. Ensure employees are meeting the training requirements detailed in the *FermiLab Children's Center Work Processes Manual* and as required by NAC.

MANAGEMENT RESPONSE

Management concurred with the report's recommendations and indicated that corrective actions have been taken to address the issues identified in the report. For example, management indicated that it had contracted with a firm for fingerprint collection and submission, opened an account with the Illinois state police to receive FBI background reports, and conducted background checks on all Children's Center employees. Further, management indicated that a process had been established to complete Sex Offender Registry checks for all Children's Center employees who did not have a valid report on file and that all new Children's Center employees will be subject to Sex Offender Registry checks prior to commencement of employment.

AUDITOR COMMENTS

Management's comments and indicated corrective actions already taken are responsive to our recommendations. Management's comments are included in Attachment 3.

Attachments

cc: Chief of Staff
Under Secretary for Science

OBJECTIVE, SCOPE, AND METHODOLOGY

OBJECTIVE

We conducted this audit to determine whether the Children's Center at the Fermi National Accelerator Laboratory (Fermi) was managed in accordance with the *Crime Control Act of 1990* and requirements set forth by the National Accreditation Commission for Early Care and Education Programs.

SCOPE

The audit was conducted from July 2018 through September 2019 at Fermi, which is located in Batavia, Illinois. Our scope included the management of Fermi's Children's Center. The audit was conducted under Office of Inspector General project number A18GT027A. This report is one in a series of reports that will be issued on childcare centers operated on behalf of the Department of Energy.

METHODOLOGY

To accomplish our audit objective, we:

- Researched appropriate laws, regulations, and policies;
- Reviewed Illinois state licensing requirements, where applicable;
- Identified and interviewed key personnel involved in the program;
- Reviewed the process of hiring Fermi's Children's Center staff;
- Determined whether background checks were completed within the established timeframes and in accordance with applicable laws, regulations, and guidelines;
- Reviewed background checks for completion dates, social security traces, fingerprinting, basic/previous employment information, Sex Offender Registry checks, criminal histories, personal references, and education;
- Identified staff training requirements and reviewed staff training records to determine whether they obtained the minimum hour requirements and whether training was received in the following areas: Cardiopulmonary Resuscitation, First Aid, Bloodborne Pathogens, and Child Abuse; and
- Identified and reviewed the security requirements at Fermi's Children's Center.

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 objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions. Accordingly, we assessed significant internal controls and compliance with laws and regulations to the extent necessary to satisfy the audit objective. Because our review was limited, it would not necessarily have disclosed all internal control deficiencies that may have existed at the time of our audit. We did not rely on computer-processed information to perform fieldwork, as it did not materially support the findings, conclusions, or recommendations. Therefore, a reliability assessment was not performed.

An exit conference was held with management officials on January 30, 2020.

PRIOR REPORT

Audit Report on [Compliance with the Memorandum of Agreement Between the U.S. Department of Energy and the Energy Child Development Centers, Inc.](#), (OAS-M-14-04, April 2014). The Office of Inspector General contracted with an independent certified public accounting firm, Lopez and Company, LLP, to determine if Energy Child Development Centers, Inc., (ECDC, Inc.) met the reporting and performance requirements of its December 16, 2002, Memorandum of Agreement with the Department of Energy for the period of December 16, 2002, through December 31, 2011. Lopez and Company, LLP, concluded that ECDC, Inc., did not meet the reporting and performance compliance requirements of the Memorandum of Agreement. Due to a lack of documentation maintained by ECDC, Inc., Lopez and Company, LLP, was unable to make a determination of ECDC, Inc.'s compliance with 8 of 13 major risk areas. For the remaining key processes, Lopez and Company, LLP, concluded that ECDC, Inc., did not materially comply with reporting and performance requirements. As a result, the Department terminated the Memorandum of Agreement with ECDC, Inc.

MANAGEMENT COMMENTS




Department of Energy

Fermi Site Office
Post Office Box 2000
Batavia, Illinois 60510

January 9, 2020

MEMORANDUM FOR: JACK ROUCH
DEPUTY ASSISTANT INSPECTOR GENERAL
FOR AUDITS AND INSPECTIONS, CENTRAL
OFFICE OF INSPECTOR GENERAL, IG-301.1

FROM: ROGER E. SNYDER 
MANAGER, ACTING
FERMI SITE OFFICE

SUBJECT: Management Response to Draft Audit Report, "The Children's Center at Fermi National Accelerator Laboratory"

The Department of Energy (DOE) Fermi Site Office (FSO) accepts all recommendations of The Draft Audit Report dated December 2019. FSO has reviewed the draft report and provides the following comments below.

Management Response

RECOMMENDATION 1: Ensure background checks based on fingerprints are completed on current Fermi Children's Center employees as required by the *Crime Control Act*.

MILESTONE COMPLETION DATE: 7/2019

ACTION PLANNED: Concur. The FSO Manager will direct the Contracting Officer to make certain that Fermi Research Alliance, LLC (FRA) implements corrective actions pertaining to obtaining fingerprints and conducting background checks of all new hires at the Children's Center.

STATUS OF ACTION PERIOD ENDED 1/13/2020: FRA has contracted with Accurate Biometrics for fingerprint collection and submission, opened an account with the Illinois State Police to receive FBI background check reports, and conducted fingerprint-based background checks on all Children's Center employees. In addition, the lab has ensured all new hires in the Children's Center complete fingerprint-based background checks prior to commencement of employment.

RECOMMENDATION 2: Conduct checks of the Sex Offender Registry for all Fermi Children's Center employees, henceforth.

MILESTONE COMPLETION DATE: 1/2019

ACTION PLANNED: Concur. The FSO Manager will direct the Contracting Officer to make certain that FRA implements corrective actions pertaining to conducting Sex Offender Registry checks for all employees of the Children's Center.

Jack Rouch

- 2 -

January 9, 2020

STATUS OF ACTION PERIOD ENDED 1/13/2020: FRA has established a process to complete Sex Offender Registry checks for all the Children's Center employees who do not have a valid report on file. All new employees of the Children's Center are subject to Sex Offender Registry checks prior to commencement of employment.

RECOMMENDATION 3: Ensure employee records are complete and contain all information required by NAC.

MILESTONE COMPLETION DATE: 8/2019

ACTION PLANNED: Concur. The FSO Manager will direct the Contracting Officer to make certain that FRA implements corrective actions pertaining to maintaining complete the Children's Center employees' records containing all information required by National Accreditation Commission (NAC). Contracting Officer will also make certain the Children's Center improves tracking of training certifications.

STATUS OF ACTION PERIOD ENDED 1/13/2020: The Children's Center employees' records were reviewed during and after a DOE audit. Documentation of completed background checks, including Sex Offender Registry and fingerprint-based background checks will be maintained electronically for the Children's Center employees in Workday on the Fermilab's Human Capital Management (HCM) system.

RECOMMENDATION 4: Update hiring policies for new Fermi Children's Center employees to include fingerprinting, as required by the *Crime Control Act*.

MILESTONE COMPLETION DATE: 7/2019

ACTION PLANNED: Concur. The FSO Manager will direct the Contracting Officer to make certain that FRA implements corrective actions pertaining to updating hiring policies for new Children's Center employees to include fingerprinting, as required by the *Crime Control Act*.

STATUS OF ACTION PERIOD ENDED 1/13/2020: FRA has established and communicated a new *Policy on Applicant and Employee Background Checks* which specifies background checks are required for the Children's Center employees, as well as for all Laboratory employees.

RECOMMENDATION 5: Ensure employees are meeting the training requirements detailed in the *Fermilab Children's Center Work Processes Manual* and as required by NAC.

MILESTONE COMPLETION DATE: 5/2019

ACTION PLANNED: Concur. The FSO Manager will direct the Contracting Officer to make certain that FRA implements corrective actions pertaining to the Children's Center employees meet training requirements required by NAC.

STATUS OF ACTION PERIOD ENDED 1/13/2020: The Fermilab Children's Center Work Processes Manual has been updated to clarify that the annual measurement period for the Children's Center staff to meet NAC training requirements is July 1 – June 30, 2020 consistent with the Laboratory's performance review cycle, and to reinforce that **ALL** staff members must complete the required training.

FEEDBACK

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