



AUDIT SUMMARY

Office of Early Childhood

www.ctauditors.gov

Fiscal Years Ended June 30, 2021, 2022, and 2023

ABOUT THE AGENCY



The Office of Early Childhood (OEC) is responsible for coordinating and improving the delivery of early childhood services for Connecticut children. OEC is the lead agency for early care and education, workforce development, program quality and improvement, childcare licensing, and family support.

OEC is within the State Department of Education (SDE) for administrative purposes only. In accordance with a memorandum of understanding between the agencies, SDE provides OEC with payroll, human resources, business office, and fiscal functions.

ABOUT THE AUDIT

We have audited certain operations of the Office of Early Childhood in fulfillment of our duties under Section 2-90 of the Connecticut General Statutes. The scope of our audit included, but was not necessarily limited to, the fiscal years ended June 30, 2021, 2022, and 2023. The objectives of our audit were to evaluate the:

1. Office's internal controls over significant management and financial functions;
2. Office's compliance with policies and procedures internal to the office or promulgated by other state agencies, as well as certain legal provisions; and
3. Effectiveness, economy, and efficiency of certain management practices and operations, including certain financial transactions.

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

[Link to full report](#)

 **15**
Findings

 **12**
Repeat Findings

Our audit identified internal control deficiencies; instances of noncompliance with laws, regulations, or policies; and a need for improvement in practices and procedures that warrant management's attention.

NOTEWORTHY FINDINGS



Findings



Recommendations

1

The Office of Early Childhood (OEC) and the State Department of Education (SDE) did not execute a new memorandum of understanding. SDE continues to provide administrative support under an agreement that expired on June 30, 2015.

OEC should execute an updated memorandum of understanding with SDE defining the terms of the department's administrative support.

2

OEC did not adopt or update its regulations in accordance with the General Statutes. In addition, the regulations for certain sections were included in the Secretary of the State's eRegulation database under the Departments of Social Services and Developmental Services rather than OEC.

OEC should periodically review and update its regulations to reflect current statutory language and internal procedures.

3

OEC signed 16 of 25 contracts between one and eight months after their effective date.

OEC should strengthen internal controls to ensure that contracts are executed prior to their effective date.

4

OEC did not perform a cost-benefit analysis before procuring contracted services.

OEC should comply with Section 4e-16(b) of the General Statutes and perform a cost-benefit analysis before contracting for privatization services.

5

OEC did not obtain or evaluate a Service Organization Control report for a vendor with significant impact on agency operations.

OEC should obtain and evaluate a Service Organization Control Report from its vendor to ensure that it accurately and reliably processes data and implements proper safeguards to protect confidential information.