

OVERSIGHT OF CHILD CARE SERVICE OPERATIONS

1. REASON FOR ISSUE: This Veterans Health Administration (VHA) directive states policy and requirements for the establishment and oversight of child care center operations for Federal employees.

2. SUMMARY OF MAJOR CHANGES: This revised VHA directive contains the following major changes:

a. Updating responsibilities, including VHA National Child Care Program Director, Department of Veterans Affairs (VA) medical facility Director, VA medical facility Liaison and Contracting Officer's Representative (see paragraph 5).

b. Modifying the process of outlease agreements for proposed and established child care centers (see paragraph 6).

c. Updating requirements for information security and physical security (see paragraph 8).

d. Adding the Child Care Mandatory Incident Reporting Policy Memorandum as Appendix A.

e. Relocating the following information to SharePoint: the Child Care Center Board of Directors and its representation, the Parent Advisory Committee, requirements prior to obtaining an outlease agreement and fundraising. **NOTE:** *To access the information, see <https://dvagov.sharepoint.com/sites/WMCPortal/cc/Pages/CC.aspx>. This is an internal VA website that is not available to the public.*

3. RELATED ISSUES: VA Directive 6500, VA Cybersecurity Program, dated February 24, 2021; VHA Directive 0710, VHA Personnel Security and Suitability Program, dated October 11, 2018; VHA Directive 7710, Management of Lead-Based Paint in VHA Housing and Child Occupied Facilities, dated July 2, 2020.

4. RESPONSIBLE OFFICE: The Office of Workforce Management and Consulting (106A) National Child Care Program Office (NCCPO) is responsible for the content of this directive. Questions may be addressed to VHANCCP@va.gov.

5. RESCISSION: VHA Handbook 1025.02, Child Care Services on Veterans Health Administration (VHA) Property, dated November 4, 2015; VHA Memorandum 2018-01-32, Mandatory Completion of the Child Care National Agency Check with Inquiries (CNACI), dated January 5, 2018; VHA Memorandum 2018-01-33, Child Care Mandatory Incident Reporting Policy, dated January 5, 2018, are rescinded.

6. RECERTIFICATION: This VHA directive is scheduled for recertification on or before

March 31, 2022

VHA DIRECTIVE 1025.02

the last working day of March 2027. This VHA directive will continue to serve as national VHA policy until it is recertified or rescinded.

**BY DIRECTION OF THE OFFICE OF
THE UNDER SECRETARY FOR HEALTH:**

/s/ Miguel H. LaPuz, MD
Acting Deputy Under Secretary for Health

NOTE: *All references herein to VA and VHA documents incorporate by reference subsequent VA and VHA documents on the same or similar subject matter.*

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CHILD CARE MANDATORY INCIDENT REPORTINGA-1

OVERSIGHT OF CHILD CARE SERVICE OPERATIONS

1. PURPOSE

This Veterans Health Administration (VHA) directive states policy for establishment and oversight of child care center operations for Department of Veterans Affairs (VA) personnel. **AUTHORITY:** 38 U.S.C. §§ 7301(b), 7809. **NOTE:** *This directive does not apply to child care programs operated through a pilot program authorized by § 205 of P.L. 111-163, Caregivers and Veterans Omnibus Health Services Act of 2010; the Office of the Chief Human Capital Officer (OCHCO) VA Child Care Subsidy Program; or programs related to emergency child care centers to support continuity of operations during the public health emergency declared as a result of the consequences of the Coronavirus Disease 2019 (COVID-19) pandemic.*

2. BACKGROUND

a. The National Child Care Program (NCCP) is aligned within the Workforce Management and Consulting (WMC) Office. The National Child Care Program Office (NCCPO) is responsible for matters nationwide related to the provision of child care services for Federal employees, including policy guidance, program management and technical assistance. **NOTE:** *38 U.S.C. § 7809 specifically authorizes the Secretary of Veterans Affairs to furnish child care through the Veterans Canteen Services (VCS). However, the authority was re-delegated from VCS to the Associate Chief Medical Director for Operations (now known as the Deputy Under Secretary for Health) in VA Memorandum, Delegation of Authority – Child Care, dated July 19, 1991.*

b. Child care services are provided in order to enhance productivity through improved staff recruitment and retention, reduce employee absenteeism and build employee morale, thereby furthering VA's health care mission as well as promoting VA employees' work-life balance. For purposes of determining compliance with the statute, VA requires at least 50% of the children enrolled in a child care center to have one parent or guardian who is a Federal employee, and these children must be given priority enrollment.

3. DEFINITIONS

a. **Child Care Center Lessee.** A child care center lessee is a contract non-profit or for-profit entity that provides or proposes to provide child care services for Federal employees.

b. **Child Care Services.** Child care services are services provided by VA child care centers to deliver care and supervision of a child or multiple children at a time whose ages range from 6 weeks to 13 years.

c. **Outlease.** Outlease is the leasing of VA-owned real property to for-profit or non-profit interests outside of VA for up to 3 years. Every subsequent term must be treated as a new request. In such cases the VA medical facility is the lessor. **NOTE:** *38 U.S.C. § 8122(a)(1) requires that public notice to the local community be provided prior to*

signing an outlease. See IL-00CFM-11-01, Guidelines for Execution of Outleases, Licenses and Permits, dated July 15, 2011; and VA Memorandum, Updated Outlease Guidance for Use, Management and Rate Development, dated September 30, 2019, for additional provisions on the outlease authority.

d. **Physical Security Survey.** Physical security survey is an individual building security assessment designed to determine the specific security measures needed to eliminate or reduce threats directly associated with each individual building.

4. POLICY

It is VHA policy that VA medical facilities may allot space for the provision of child care services in order to enhance productivity through improved staff recruitment and retention, reduce employee absenteeism and build employee morale, thereby furthering VA's health care mission and promoting VA employees' work-life balance.

5. RESPONSIBILITIES

a. **Under Secretary for Health.** The Under Secretary for Health is responsible for ensuring overall VHA compliance with this directive.

b. **Deputy Under Secretary for Health.** The Deputy Under Secretary for Health is responsible for supporting the WMC Office with implementation and oversight of this directive.

c. **Assistant Under Secretary for Health for Operations.** The Assistant Under Secretary for Health for Operations is responsible for:

(1) Communicating the contents of this directive to each of the Veterans Integrated Services Networks (VISNs).

(2) Assisting VISN Directors to resolve implementation and compliance challenges in all VA medical facilities within that VISN.

(3) Providing oversight of VISNs to ensure compliance with this directive and its effectiveness.

d. **Chief Officer, Workforce Management and Consulting.** The Chief Officer, WMC is responsible for providing oversight for VHA compliance with this directive and ensuring corrective action is taken when non-compliance is identified.

e. **Director, VHA National Child Care Program.** The NCCP Director is responsible for:

(1) Overseeing and ensuring the child care center lessee is in compliance with this directive and ensuring corrective action is taken if partial or non-compliance is identified.

(2) Monitoring and assessing child care centers for compliance with the NCCPO health and safety criteria by conducting initial site visits within 1 year of becoming operational, and subsequent site visits every 3 years or at the discretion of the NCCP Director; submitting a Health and Safety Assessment report thereafter to the VA medical facility Director and child care center lessee. **NOTE:** *The Health and Safety Assessment report template can be found at*

<https://dvagov.sharepoint.com/sites/WMCPortal/cc/Pages/CC.aspx>. This is an internal VA website that is not available to the public.

(3) Requesting the child care center Director submit corrective action plans, as needed, within 10 working days of receiving the Health and Safety Assessment report and subsequently reviewing the corrective action plans for compliance. **NOTE:** *Corrective action plans address deficiencies based on the NCCPO Health and Safety Assessment report and State and local regulations.*

(4) Ensuring that the child care center maintains their State and local licenses.

(5) Consulting, as needed, with the VA medical facility Liaison and local child care committee Chair regarding child care center establishment.

(6) Consulting, as needed, with the Office of Real Property for outleases. **NOTE:** *For more information, see <http://vaww.cfm.va.gov/real/>. This is an internal VA website that is not available to the public.*

(7) Consulting, as needed, with Office of Construction & Facilities Management (CFM) for planning, designing and constructing child care centers. **NOTE:** *For more information, see <https://www.cfm.va.gov/>.*

(8) Reviewing the outlease agreement template and list of supporting documentation once a year to ensure updated processes are included. **NOTE:** *The outlease agreement template and supporting documentation is maintained at <https://dvagov.sharepoint.com/sites/WMCPortal/cc/Pages/CC.aspx>. This is an internal VA website that is not available to the public.*

(9) Coordinating with the Contracting Officer's Representative (COR) to implement and maintain new or existing outleases.

(10) Having the final authority for review and concurrence on child care outlease agreements. The NCCP Director maintains a copy of the final outlease agreement and supporting documentation. **NOTE:** *For more information about authorities for outlease agreements, see paragraph 6.*

(11) Reviewing child care center lessee mandatory incident reports submitted by the VA medical facility Liaison within 48 hours from the incident to document the internal report. **NOTE:** *If additional information for the report is needed, the NCCP Director will collaborate with the VA medical facility Liaison. For information about incident reporting, see Appendix A.*

(12) Reviewing child care center enrollment records twice a year to ensure at least 50% of the children enrolled in a child care center have one parent or guardian who is a Federal employee, and that these children are given priority enrollment; submitting a report with enrollment records to the VA medical facility Director to ensure compliance with 40 U.S.C. § 590.

f. **VHA Contracting Officer.** A VHA Contracting Officer (CO) is responsible for:

(1) Collaborating with the VA medical facility Director to initiate an outlease agreement that includes points-of-contact (i.e., CO, COR, child care lessee, and government representative). *See paragraph 6.b. for further information. **NOTE:** The outlease agreement template and a list of supporting documentation can be found at <https://dvagov.sharepoint.com/sites/WMCPortal/cc/Pages/CC.aspx>. This is an internal VA website that is not available to the public.*

(2) Issuing a public notice to the local community prior to finalizing an outlease agreement. **NOTE:** *For more information, see 38 U.S.C. § 8122(a)(1).*

(3) Documenting data from the outlease agreement into Capital Asset Inventory (CAI) to ensure proper tracking and assigning an accounting classification and a Revenue Source Code.

(4) Submitting the outlease agreement and supporting documentation to:

(a) Office of General Counsel (OGC) for review and concurrence. **NOTE:** *The outlease agreement is submitted back to the CO if OGC non-concurs. The CO will revise the outlease agreement to receive OGC concurrence prior to submitting to the NCCP Director.*

(b) NCCP Director for review and concurrence 90 calendar days prior to a new outlease or existing outlease expiration. **NOTE:** *The outlease agreement is submitted back to the CO if the NCCP Director non-concurs.*

(c) VA medical facility Director for appropriate party signatures.

(5) Submitting a finalized outlease agreement and supporting documentation to the NCCP Director.

g. **Veterans Integrated Services Network Director.** The VISN Director is responsible for:

(1) Ensuring that all VA medical facilities within the VISN comply with this directive and informing leadership when barriers to compliance are identified.

(2) Reviewing and approving proposals submitted by the VA medical facility Director to establish child care centers within their respective VISN as appropriate and notifying the VA medical facility Director and the Regional Procurement Office of the decision thereafter.

(3) Reviewing and approving permanent closures of established child care centers within their respective VISN as appropriate and notifying the VA medical facility Director thereafter. **NOTE:** *If the closure is temporary, VISN Director or VA medical facility Director approval is not required.*

h. **VA Medical Facility Director.** The VA medical facility Director is responsible for:

(1) Ensuring that the child care center Director provides a letter of intent to execute an outlease agreement for the existing child care center.

(2) Submitting notification of concurrence of an outlease agreement to the CO and NCCPO to initiate an outlease agreement between the child care center lessee and the VA medical facility.

(3) Designating a COR to coordinate between the CO, NCCP Director and child care center lessee for initiation of an outlease agreement.

(4) Executing the outlease agreement between the child care center and the VA medical facility.

(5) Requesting review and approval from the VISN Director to establish or permanently close a child care center and notifying the NCCP Director thereafter. **NOTE:** *Written notice to the NCCP Director must be submitted at least 30 calendar days prior to permanent closure, and the notice must include the date and reason for closure. The VA medical facility Director will also notify VA stakeholders of anticipated closures of child care centers.*

(6) Ensuring the following as an allotment officer under 40 U.S.C. § 590:

(a) Applications from non-profit or for-profit entities are submitted for permission to establish a child care center.

(b) Appropriate, available space to design and construct a child care center is determined by coordinating with the VA medical facility Engineering Service or VISN Director. **NOTE:** *For more information about the Engineering Service or VISN involvement with new construction, see <http://vaww.hefp.va.gov/guidebooks/capital-asset-management-guidebook>. This is an internal VA website that is not available to the public.*

(c) Enforcing child care center compliance that at least 50% of the children enrolled in a child care center have one parent or guardian who is a Federal employee, and these children must be given priority enrollment. **NOTE:** *To access the outlease agreement template, see <https://dvagov.sharepoint.com/sites/WMCPortal/cc/Pages/CC.aspx>. This is an internal VA website that is not available to the public.*

(7) Establishing and providing oversight of a VA medical facility child care committee including designating a Committee Chair (see paragraph 5.j.).

(8) Selecting a preferred child care permissible management model with assistance from the local child care committee. **NOTE:** *The management model is selected through the contracting process. For more information about management models, see paragraph 7.*

(9) Developing the construction project and outlease proposal and submitting the project through appropriate offices for review and approval. **NOTE:** *For more information regarding construction projects, see <http://vaww.hefp.va.gov/guidebooks/capital-asset-management-guidebook>. This is an internal VA website that is not available to the public.*

(10) Designating an individual to serve as the VA medical facility Liaison with the child care center lessee and the NCCP Director.

(11) Providing information about the existing child care center and the VA Child Care Subsidy Program (CCSP) when recruiting new VA medical facility employees and during new employee orientation sessions. **NOTE:** *For additional information see <https://vaww.va.gov/ohrm/ccsp/>. This is an internal VA website that is not available to the public.*

(12) Determining resources for child care centers under the Excess Federal Property Program. VA medical facilities are authorized and encouraged to screen available unused personal property for reassignment to child care centers operating at VA medical facilities. The VA medical facility Director is authorized to draw from the medical care appropriations capital account for furnishings for the child care centers. **NOTE:** *For more information, see 38 U.S.C. §§ 8103(a), 8101(3); 41 C.F.R. part 102-36.45(e)(1).*

(13) Ensuring at least one child care center employee (e.g., child care center Director) is given a VA email address and VA network access for NCCP policy and procedures, internal communications, security and emergency preparedness purposes, and guidelines. **NOTE:** *A child care center employee must meet privacy and information security training requirements in order to receive a VA email address. For additional information, see paragraph 8 and VA Directive 6500, VA Cybersecurity Program, dated February 24, 2021.*

(14) Collaborating with the VA medical facility Police Service Director to ensure the child care center meets requirements outlined in the physical security surveys (see paragraph 8.b.).

(15) Collaborating with the VA medical facility Safety Office Director in:

(a) Designating an individual to provide annual fire safety inspections, annual general safety inspections, and monthly portable fire extinguisher inspection and maintenance for the child care center; ensuring corrections are made if requirements are not met. **NOTE:** *The VA medical facility Director must notify the child care center lessee no later than 2 days prior to the inspection, and a child care center employee must be on-site during the inspection. For more information, see <https://www.gsa.gov/> and <https://www.nfpa.org/codes-and-standards/all-codes-and-standards/list-of-codes->*

[and-standards/](#).

(b) Managing lead-based paint hazards by ensuring the child care center meets requirements for lead-based paint evaluation. **NOTE:** For additional information, see VHA Directive 7710, *Management of Lead-Based Paint in VHA Housing and Child-Occupied Facilities*, dated July 2, 2020.

(16) Reviewing the child care center's Health and Safety Assessment report submitted by the NCCP Director, and subsequently collaborating with the VA medical facility Liaison to ensure the child care center Director follows corrective action plans. **NOTE:** For more information, see <https://dvagov.sharepoint.com/sites/WMCPortal/cc/Pages/CC.aspx>. This is an internal VA website that is not available to the public.

(17) Designating an individual to verify child care center compliance with the Architectural Barriers Act Accessibility Standard (ABAAS) and National Fire Protection Association (NFPA) 101 and ensuring corrections are made if the child care center does not meet the requirements. **NOTE:** For more information about ABAAS, see <https://www.gsa.gov/> and <https://www.nfpa.org/codes-and-standards/all-codes-and-standards/list-of-codes-and-standards/>.

(18) Ensuring the child care center lessee develops emergency preparedness procedures that include a Continuity of Operations Plan that addresses both on-site and off-site procedures and confirming compatibility of all emergency preparedness planning with the VA medical facility. **NOTE:** The child care center must be included in the VA medical facility emergency telephone call list.

(19) Reviewing child care center lessee mandatory incident reports submitted by the VA medical facility Liaison within 48 hours from the incident to ensure the child care center lessee has created and completed an action plan, and the incident has been resolved. **NOTE:** For information about incident reporting, see Appendix A.

i. **VA Medical Facility Police Service Director.** The Police Service Director at each VA medical facility has agreed to be responsible for:

(1) Conducting annual physical security surveys of the entire VA medical facility to determine specific security measures needed to eliminate threats to child care centers operating at the VA medical facility. **NOTE:** If the child care center does not meet the requirements outlined in the physical security surveys, the VA medical facility Director will ensure that corrections are made.

(2) Conducting an additional physical security survey thereafter to ensure corrections are appropriate. **NOTE:** For more information, see VA Handbook 0730/4, *Security and Law Enforcement*, dated March 29, 2013. For more information about VA Police Service, see paragraph 8.

j. **VA Medical Facility Child Care Committee Chair.** The VA medical facility Director establishes a local child care committee when a child care center proposal is

initiated by interested VA employees. The local child care committee is a voluntary group comprised of VA medical facility employees with a broad base of representatives from all departments that have professional expertise or backgrounds (e.g., accountant, attorney, educator, fundraiser), including union employees, that will benefit the committee. A chair for the committee must be designated by the VA medical facility Director. An active local child care committee is an important first step to assessing and planning for a child care center. **NOTE:** *The local child care committee is disbanded when the child care center is established. Depending on available resources at the child care center, a parent advisory committee may be established as recommended under 38 U.S.C. § 7809(c)(3) and (e). For more information on initiating a child care program, see <https://dva.gov.sharepoint.com/sites/WMCPortal/cc/Pages/CC.aspx>. This is an internal VA website that is not available to the public.* The local child care committee Chair is responsible for:

(1) Requesting permission from the VA medical facility Director and unions to proceed with surveying VA employees for interest in establishing a child care center.

(2) Completing market surveys of communities for contractual initiatives and evaluating information from the surveys to identify preliminary needs for child care centers, fiscal estimates and target dates for establishing child care services. **NOTE:** *For more information, see <https://dva.gov.sharepoint.com/sites/WMCPortal/cc/Pages/CC.aspx>. This is an internal VA website that is not available to the public.*

(3) Determining the feasibility of various permissible management models for provisions of child care services to assist the VA medical facility Director. **NOTE:** *For more information about management models, see paragraph 7.*

(4) Establishing fundraising events (e.g., Loose Change day, bake sales) for advertising and promoting the grand opening of a child care center. **NOTE:** *For more information about fundraising, see the Office of Personnel Management (OPM) Memorandum, Special Solicitations for Child Care Centers located at Federal Installations, dated October 29, 1999, that allows fundraising activities outside of the Combined Federal Campaign (CFC) found at <https://dva.gov.sharepoint.com/sites/WMCPortal/cc/Pages/CC.aspx>. This is an internal VA website that is not available to the public.*

(5) Coordinating with the CO to select a child care center lessee.

k. **VA Medical Facility Liaison.** The VA medical facility Liaison acts as an intermediary for the VA medical facility, NCCPO and the child care center lessee once a child care center is established. The VA medical facility Liaison is responsible for:

(1) Coordinating site visits in advance between the child care center lessee, the VA medical facility and NCCPO.

(2) Assisting the child care center Director with site visit review readiness by ensuring required documentation (e.g., health and safety assessment) is submitted and

corrections to safety deficiencies are resolved.

(3) Notifying the child care center of relevant items (e.g., facility closures, changes to the physical plant, on-site and off-site disaster evacuations) by written notice and telephone.

(4) Submitting child care center lessee mandatory incident reports and a copy of the State or local authority incident report within 12 hours of the incident to the NCCP Director and the VA medical facility Director; providing updates to the NCCP Director and VA medical facility Director until the incident is resolved. **NOTE:** For more information about mandatory incident reporting, see Appendix A. Incident reports must be submitted using the Mandatory Incident Reporting template, found at <https://dvagov.sharepoint.com/sites/WMCPortal/cc/Pages/CC.aspx>. This is an internal VA website that is not available to the public.

(5) Coordinating quarterly meetings between the child care center Director and the VA medical facility Director for status updates or as needed, and subsequently submitting meeting minutes to NCCPO.

(6) Maintaining monthly contact with NCCPO and the child care center lessee for status updates. **NOTE:** This status update form can be found at <https://dvagov.sharepoint.com/sites/WMCPortal/cc/Pages/CC.aspx>. This is an internal VA website that is not available to the public.

(7) Providing required documentation for the child care center upon request by the VA medical facility Director or the NCCP Director.

(8) Providing written reports to the VA medical facility Director regarding child care center operation status twice a year. Special note shall be made of any problems associated with liability and safety issues.

(9) Collaborating with the child care center lessee to ensure the child care center employees complete privacy and security training requirements in order to maintain VA intranet access. **NOTE:** For more information on training, see paragraph 9.

(10) Coordinating communication among VA employees, the child care center Director, child care center employees, parents and other VA medical facility employees as needed.

(11) Advertising child care services, including VA CCSP information, on a quarterly basis during the child care center's tenure on VA property. **NOTE:** For more information on CCSP, see <https://vaww.va.gov/ohrm/ccsp/>. This is an internal VA website that is not available to the public.

(12) Ensuring the child care center Director issues a Code Adam if a person or child has gone missing. **NOTE:** For more information, see Appendix A.

I. **VA Medical Facility Contracting Officer's Representative.** The VA medical facility COR coordinates between the CO and child care center lessee. The VA medical facility COR is responsible for:

(1) Ensuring the existing child care center Director issues a letter of intent to renew an outlease agreement and forwards to the VA medical facility Director.

(2) Coordinating efforts among the CO, the NCCP Director and the child care center lessee to initiate an outlease agreement.

(3) Overseeing and maintaining a valid outlease agreement consistent with VHA leasing policies and NCCP requirements.

(4) Coordinating with the child care center lessee to ensure all child care center employees meet Child Care National Agency Check with Inquiries (CNACI) requirements (i.e., the e-QIP security questionnaire, electronic fingerprinting, and other Federally-mandated background investigation requirements). **NOTE:** See paragraph 8.c. for more information.

(5) Ensuring at least one employee requiring VA network access is issued a Personal Identification Verification (PIV) card.

(6) Cooperating with the CO and the NCCP Director to maintain a valid outlease agreement for the child care center and submitting necessary supporting documentation to the CO. **NOTE:** This outlease agreement and a list of supporting documentation can be found at <https://dvagov.sharepoint.com/sites/WMCPortal/cc/Pages/CC.aspx>. This is an internal VA website that is not available to the public.

6. NATIONAL CHILD CARE PROGRAM OUTLEASE

a. **Outlease Agreements.** All outlease agreements must follow VHA leasing policies and NCCP requirements to establish child care centers or to initiate outlease agreements for existing child care centers. All requirements must be delineated in the proposed outlease agreement package when submitted to NCCPO for review, concurrence and approval. **NOTE:** To access the outlease agreement template and list of supporting documentation, see <https://dvagov.sharepoint.com/sites/WMCPortal/cc/Pages/CC.aspx>. This is an internal VA website that is not available to the public.

b. **Process.**

(1) **Proposed Child Care Centers.** For proposed child care centers, child care services must be approved prior to the centers' operating date by a VISN Director and the VA medical facility Director. The executed outlease and supporting documentation must be submitted to the NCCP Director at VHANCCP@va.gov at least 90 calendar days prior to a child care center's operational date.

(2) **Established Child Care Centers.** For established child care centers, the outlease agreement must be executed by the VA medical facility Director. The executed outlease and supporting documentation must be submitted to the NCCP Director at VHANCCP@va.gov at least 90 calendar days prior to an existing outlease expiration.

(3) **Outlease Execution and Review.** The CO with an appropriate warrant will initiate the outlease. The CO will ensure proper tracking by entering the outlease into CAI and assigned an accounting classification and a Revenue Source Code. OGC will submit their review and concurrence to the CO for further action. The NCCP Director will review the outlease and supporting documentation for proposed and established child care centers. If the outlease and supporting documentation meet all applicable child care requirements, the NCCP Director will approve with signature.

c. **Compliance.** All child care outlease agreements must follow VHA leasing policies and NCCP requirements. All requirements must be included in the executed outlease, including supporting documentation, when submitted to NCCPO for review and concurrence. Providing evidence of compliance supporting documentation is a prerequisite to obtaining an outlease agreement. Noncompliance with VHA leasing policies may result in outlease termination. **NOTE:** *For the outlease template and a list of supporting documentation, see <https://dvagov.sharepoint.com/sites/WMCPortal/cc/Pages/CC.aspx>. This is an internal website not available to the public.*

7. PERMISSIBLE MANAGEMENT MODELS

VA outleases existing renovated space or new construction to a non-profit or for-profit entity for the operation of a child care program. VA may provide space, equipment, and other services necessary to support the operations of child care centers on VA property. For the purposes of this directive as provided by 40 U.S.C. § 590(c)(1), services are defined as: lighting, heating, cooling, electricity, office furniture, office machines and equipment, classroom furnishings and equipment, kitchen appliances, playground equipment, telephone service (including installation of lines and equipment and other expenses associated with telephone services) and security systems (including installation and other expenses associated with security systems), including replacement equipment, as needed. **NOTE:** *If there is a medical emergency at the child care center, the VA medical facility may provide hospital care or medical services. VA must be reimbursed for such emergency care as managed by Office of Community Care (OCC) Revenue Operations. For more information, see 38 U.S.C. § 1784, 40 U.S.C. § 590 and 38 U.S.C. § 8122(a)(1).*

a. **VA Outlease with Non-Profit or For-Profit Child Care Center Lessee.** An annual lease fee may be required of the non-profit or for-profit entity provided that at least 50% of children enrolled in a child care center have one parent or guardian who is a Federal employee, and these children must be given priority enrollment, or VA may lease the space without monetary consideration. **NOTE:** *This fee only applies to outleases executed under authority provided by 38 U.S.C. § 8122(a)(1).*

b. VA Outlease with Business or Corporation.

(1) The business or corporation may directly operate or contract with a non-profit or for-profit entity.

(2) An annual lease fee may be required of the business or corporation up to the market value of the space leased, or VA may lease the space without monetary consideration. VA may reduce or eliminate the fee provided that at least 50% of the enrollees are children of Federal employees and these children are given priority enrollment. **NOTE:** *This fee only applies to outleases executed under authority provided by 38 U.S.C. § 8122(a)(1).*

8. SECURITY REQUIREMENTS

a. **Information Security Requirements.** Child care center employees who need access to the VA network must meet privacy and information security requirements. At least one child care center employee (e.g., child care center Director) must have access to the VA network to properly operate a child care center. VA employees given VA network access are required to comply with the VA physical security requirements as described in VA Directive 6500 and VA Handbook 0730/4. **NOTE:** *For more information, see 38 U.S.C. § 5723(f); VA Directive 6502, VA Enterprise Privacy Program, dated May 5, 2008; VA Handbook 6500.6, Contract Security, dated March 12, 2010; and VA Directive 0735, Homeland Security Presidential Directive 12 (HSPD-12) Program, dated October 26, 2015.*

b. **Physical Security Requirements.** For a child care center to operate, it must meet the following physical security requirements that include, but are not limited to:

(1) **Physical Security Surveys.** Prior to establishing child care centers, VA medical facility Police Service must conduct physical security surveys. Physical security surveys must be repeated at a minimum of once every 12 months. Based on the physical security surveys, the VA medical facility Police Service is responsible for determining that the necessary physical security requirements are met and enforcing these requirements thereafter to protect the child care center. **NOTE:** *For more information, see VA Handbook 0730/4.*

(2) **Visual Monitoring.** Physical design and use of the child care center must permit visual monitoring of the care being provided to the children. **NOTE:** *For more information, see the Child Care Center Design Guide at https://www.gsa.gov/resources-for/citizens-consumers/child-care/child-care-services/resource-library#Child_Care_Publications/.*

c. Child Care National Agency Check with Inquiries.

(1) All VA medical facility child care center employees, contractors or volunteers operating under an outlease agreement and involved with providing child care services to children under the age of 18 years are required to comply with Federal background investigations and State criminal history repository (SCHR) checks. CNACI-level

investigation, which includes SCHR, are conducted every 5 years throughout the duration of their employment or the outlease agreement, whichever terminates first. If a State requires background investigations, the child care center lessee is the appropriate party for initiating and paying for these investigations during the interim. **NOTE:** For more information regarding CNACI, see 34 U.S.C. § 20351, Requirement for Background Checks, and VHA Directive 0710, VHA Personnel Security and Suitability Program, dated October 11, 2018.

(2) The child care center lessee may hire staff provisionally prior to the completion of a background investigation. However, the provisional employee may never be alone with children under their care and must at all times be physically supervised by a child care center employee who has successfully completed a CNACI investigation.

(3) Employment applications used by the child care center lessee must have specific language related to crimes involving a child in accordance with 34 U.S.C. § 20351. Employment applications for individuals who are seeking work shall contain a question asking whether the individual has ever been convicted of a crime involving a child, and if so, requiring a description of the disposition of the conviction. The application must state that it is being signed under penalty of perjury, with the applicable Federal punishments for perjury stated on the application. **NOTE:** For more information regarding CNACI, see the VHACOPERSEC Personnel Security Advisory 16-01: Requesting CNACI Investigations, dated April 22, 2016, and VHACOPERSEC Personnel Security Advisory 18-04: Requesting Contractor Investigations, dated August 15, 2018, located at <https://dvagov.sharepoint.com/sites/WMCPortal/cc/Pages/CC.aspx>. This is an internal website not available to the public.

9. TRAINING

The following training is **required** for all child care center Directors and relevant employees who require VA network access and must be done within a 365-day period from the date of the last completion: VA Talent Management System (TMS) course: VA 10176, VA Privacy and Information Security Awareness and Rules of Behavior.

10. RECORDS MANAGEMENT

All records regardless of format (e.g., paper, electronic, electronic systems) created by this directive must be managed in accordance with the National Archives and Records Administration (NARA) approved records schedules found in VHA Records Control Schedule 10-1. Questions regarding any aspect of records management should be addressed to the appropriate Records Officer.

11. REFERENCES

- a. P.L. 107-67.
- b. P.L. 111-163 § 205.
- c. 18 U.S.C. § 203, 205, 208, 216.

- d. 38 U.S.C. §§ 5723(f), 7809(c)(3) and (e), 8103(a), 8122.
- e. 40 U.S.C. § 590.
- f. 41 U.S.C. § 3301-3312.
- g. 42 U.S.C. §§ 12101-12213, 13041.
- h. 5 C.F.R. part 731.
- i. 41 C.F.R. part 102-36.45(e)(1).
- j. 48 C.F.R. § 806.302
- k. VA Directive 0735, Homeland Security Presidential Directive 12 (HSPD-12) Program, dated October 26, 2015.
- l. VA Directive 6500, VA Cybersecurity Program, dated February 24, 2021.
- m. VA Directive 6502, VA Enterprise Privacy Program, dated May 5, 2008.
- n. VA Handbook 0730/4, Security and Law Enforcement, dated March 29, 2013.
- o. VA Handbook 6500.6, Contract Security, dated March 12, 2010.
- p. VA Memorandum, Updated Outlease Guidance for Use, Management and Rate Development, dated September 30, 2019.
- q. VA Memorandum, Delegation of Authority – Child Care, dated July 19, 1991.
- r. VHA Directive 0710, VHA Personnel Security and Suitability Program, dated October 11, 2018.
- s. VHA Directive 7710, Management of Lead-Based paint in VHA Housing and Child-Occupied Facilities, dated July 2, 2020.
- t. VHACOPERSEC Personnel Security Advisory 16-01: Requesting CNACI Investigations, dated April 22, 2016.
- u. VHACOPERSEC Personnel Security Advisory 18-04: Requesting Contractor Investigations, dated August 15, 2018.
- v. IL-00CFM-11-01 Guidelines for Execution of Outleases, Licenses and Permits, dated July 15, 2011.
[https://dvagov.sharepoint.com/sites/VACOVACOCFM/RealProperty/Real_Property_Agreements/SitePages/Outleases-\(VA-as-Lessor\).aspx](https://dvagov.sharepoint.com/sites/VACOVACOCFM/RealProperty/Real_Property_Agreements/SitePages/Outleases-(VA-as-Lessor).aspx). **NOTE:** This is an internal VA website that is not available to the public.

w. Office of Personnel Management Memorandum, Special Solicitations for Child Care Centers located at Federal Installations, dated October 29, 1999. <https://dvagov.sharepoint.com/sites/WMCPortal/cc/Pages/CC.aspx>. **NOTE:** This is an internal VA website that is not available to the public.

x. Presidential Memorandum, Enhancing Workplace Flexibilities and Work-Life Program, dated June 23, 2014. <https://obamawhitehouse.archives.gov/the-press-office/2014/06/23/presidential-memorandum-enhancing-workplace-flexibilities-and-work-life->.

y. Presidential Memorandum, Steps To Improve Federally Sponsored Child Care, dated March 10, 1998. <https://www.gsa.gov/cdnstatic/WCPD-1998-03-16-Pg400.pdf>.

z. American Disabilities Act. Section 508 Americans with Disabilities Act: <https://www.ada.gov/>.

aa. Code Adam Alert Act of 2003, dated March 13, 2003. <https://www.congress.gov/bill/108th-congress/house-bill/1263>.

bb. U.S. General Services Administration. <https://www.gsa.gov>.

cc. Child Care Center Design Guide, dated July 2003. U.S. General Services Administration. https://www.gsa.gov/resources-for/citizens-consumers/child-care/child-care-services/resource-library#Child_Care_Publications.

CHILD CARE MANDATORY INCIDENT REPORTING

1. BACKGROUND

a. Incidents must be reported within 3 hours of occurrence to the Department of Veterans Affairs (VA) medical facility Liaison. The VA medical facility Liaison must submit the child care center lessee mandatory incident report within 12 hours of the occurrence to the Veterans Health Administration (VHA) National Child Care Program (NCCP) Director, the VA medical facility Director, and State and local authorities, as required by individual States.

b. Within States, local authorities may have different requirements for child care providers on incident reporting. In addition, documenting any accidents or potentially problematic occurrences may be a requirement of the child care center lessee's insurance policy. When accidents, injuries, and problematic behavior do occur, caregivers should document such situations thoroughly. VA medical center Liaison must use the NCCP mandatory incident report template. **NOTE:** *To access the template, see <https://dvagov.sharepoint.com/sites/WMCPortal/cc/Pages/CC.aspx>. This is an internal VA website that is not available to the public.*

c. Should a serious situation arise as a result of a fall, injury at the hands of another child, or allegations of abuse, proper documentation of any and all incidents is the first layer of protection, which can be of invaluable assistance, if needed. While it may seem easier to ignore a minor incident, documenting it properly and supplying the requisite notification is imperative for the protection of the child care center employees, the lessee, the children receiving care and VA.

2. REPORTABLE INCIDENTS

a. For this reporting requirement, any of the following is a reportable incident:

(1) **Aggressive or Unusual Behavior.** Aggressive or unusual behavior by a child towards themselves or other individuals.

(2) **Attempted Suicide.** An attempt by an individual in the care of or at the child care center to take their own life.

(3) **Choking.** A choking incident involving a child at the child care center that requires immediate attention or emergency care with transfer to a VA or non-VA medical facility.

(4) **Disease Outbreak or Occurrence.** An outbreak or the occurrence of a disease above the incident level that is normally expected of an individual in the care of or at the child care center (e.g., COVID-19).

- (5) **Death.** Any death of an individual in the care of or at the child care center.
- (6) **Emergency Restraint.** Any use of a restraint that is not approved and documented in a child's care plan.
- (7) **Emotional Abuse.** Any act, or lack of action, which may diminish the sense of well-being of a child, such as verbal harassment, yelling or confinement, perpetrated by a person not in care.
- (8) **Fall.** A fall of such seriousness, experienced by a child in the care of or at the child care center, as to require emergency care by a medical provider or transfer to a VA or non-VA medical facility.
- (9) **Food Poisoning.** A food borne illness involving a child at the child care center that requires emergency care by a medical provider or transfer to a VA or non-VA medical facility.
- (10) **Medication Error.** An error in the administration of a medication which affects a child or requires emergency care or transfer to a VA or non-VA medical facility.
- (11) **Missing or Wandering Person.** A child has gone missing. **NOTE:** *The VA medical facility Liaison must ensure the child care center Director issues a Code Adam for this incident. For more information, <https://www.congress.gov/bill/108th-congress/house-bill/1263>.*
- (12) **Motor Vehicle Injury.** An injury to a child that occurs during transit by motor vehicle while the child is under the care or supervision of the child care center lessee.
- (13) **Neglect.** Failure of a child care provider to meet the needs of a child, including food, shelter, care or supervision.
- (14) **Other Injury.** An injury to a child in the care of or at the child care center that requires emergency care by a medical provider or transfer to a VA or non-VA medical facility.
- (15) **Physical Abuse.** Any physical force that is excessive for, or is inappropriate to, a situation involving a child and perpetrated by a person not in care.
- (16) **Poisoning.** The ingestion of a poison or toxic substance by a child at the child care center.
- (17) **Service Delivery Problem.** Any condition or event which could reasonably be expected to impair the ability of the child care center lessee or its employees to provide care, or which affects the health, safety, or well-being of children.
- (18) **Sexual Abuse.** Any sexual behavior directed towards a child by an employee of the child care center lessee, a volunteer, or any other person in a position of trust, power or authority, and includes:

(a) Sexual Exploitation. Any sexual exploitation, whether consensual or not, or

(b) Sexual Activity. Sexual activity between children if the difference in age or power between them is so significant that the older or more powerful child is clearly taking sexual advantage of the younger or less powerful child.

(19) **Unexpected Illness**. Any unexpected illness of such seriousness that it requires a child to receive emergency care by a medical provider or transfer to a VA or non-VA medical facility.