



Setting the Record Straight on OHS Procedures and Timelines

September 28, 2022



OFFICE OF HEAD START



ADMINISTRATION FOR
CHILDREN & FAMILIES

Fiscal and Administrative Flexibilities



Updated Coronavirus Disease 2019 (COVID-19) Fiscal and Administrative Flexibilities ACF-IM-HS-21-01

The following flexibilities are applicable throughout the duration of the public health emergency declaration:

- Exemption of certain procurement requirements
- Extension of financial and other reporting

Waivers and other flexibilities

- Governing body approvals
- Non-federal match waivers
- Administrative cost waivers
- Prior approval waiver requirements

ACF Administration for Children and Families	U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES	
	1. Log No. ACF-IM-HS-21-01	2. Issuance Date: 04/14/2021
	3. Originating Office: Office of Head Start	
	4. Key Words: Coronavirus Aid; COVID-19; Fiscal Flexibilities; Fiscal Year (FY) 2021	

INFORMATION MEMORANDUM

TO: All Head Start and Early Head Start Agencies and Delegate Agencies

SUBJECT: Updated Coronavirus Disease 2019 (COVID-19) Fiscal and Administrative Flexibilities

INFORMATION:
On May 21, 2020, the Office of Head Start (OHS) issued Information Memorandum (IM) [ACF-IM-HS-20-03 Coronavirus Disease 2019 \(COVID-19\) Fiscal Flexibilities](#). It described how OHS would implement each provision in the Administration for Children and Families' (ACF) IM-ACF-OA-2020-01 ACF Grant Flexibilities in Conducting Human Service Activities Related to or Affected by COVID-19. IM-ACF-OA-2020-01 has been rescinded.

On March 19, 2021, the Office of Management and Budget issued administrative relief guidance, [M-21-20 Appendix 3 – Disaster Relief Flexibilities to Reduce Burden for Financial Assistance](#). It outlines flexibilities and waivers affecting grant applications, no-cost extensions, extension of certain deadlines, procurement, prior approvals, and single audit submissions. The following is an updated list of current flexibilities and information on how OHS is implementing each provision. This IM supersedes ACF-IM-HS-20-03.

Flexibility with System for Award Management (SAM) registration/recertification. [45 CFR §75.205; 2 CFR §200.206](#)



Public Health Emergency

On January 27, 2020, the Secretary declared the COVID-19 pandemic a Public Health Emergency (PHE). Once the declaration is made, it remains in effect for 90 days and can be extended.

Latest extension was effective July 15, 2022 and will expire October 13, 2022.

Current administrative and fiscal flexibilities that are tied to the PHE are applicable throughout the duration of the PHE declaration unless a finite expiration date is noted.



1303 Applications



Facilities - 1303 Supplemental Funding Overview



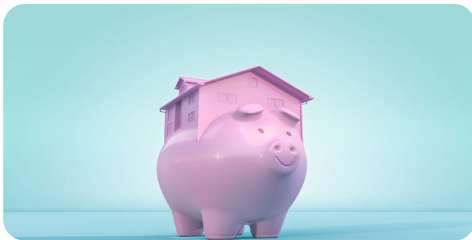
Phase One – Recipient Planning and Preliminary Eligibility

- Regional project planning meeting between recipient and PS/GS with RPFII support
- Discussion of preliminary eligibility (1303.42 and 1303.43)
- Recipient application preparation



Phase Two – Regional Review

- Application is submitted to the Regional Office through HSES Application Amendment
- The application is reviewed by Regional Office staff

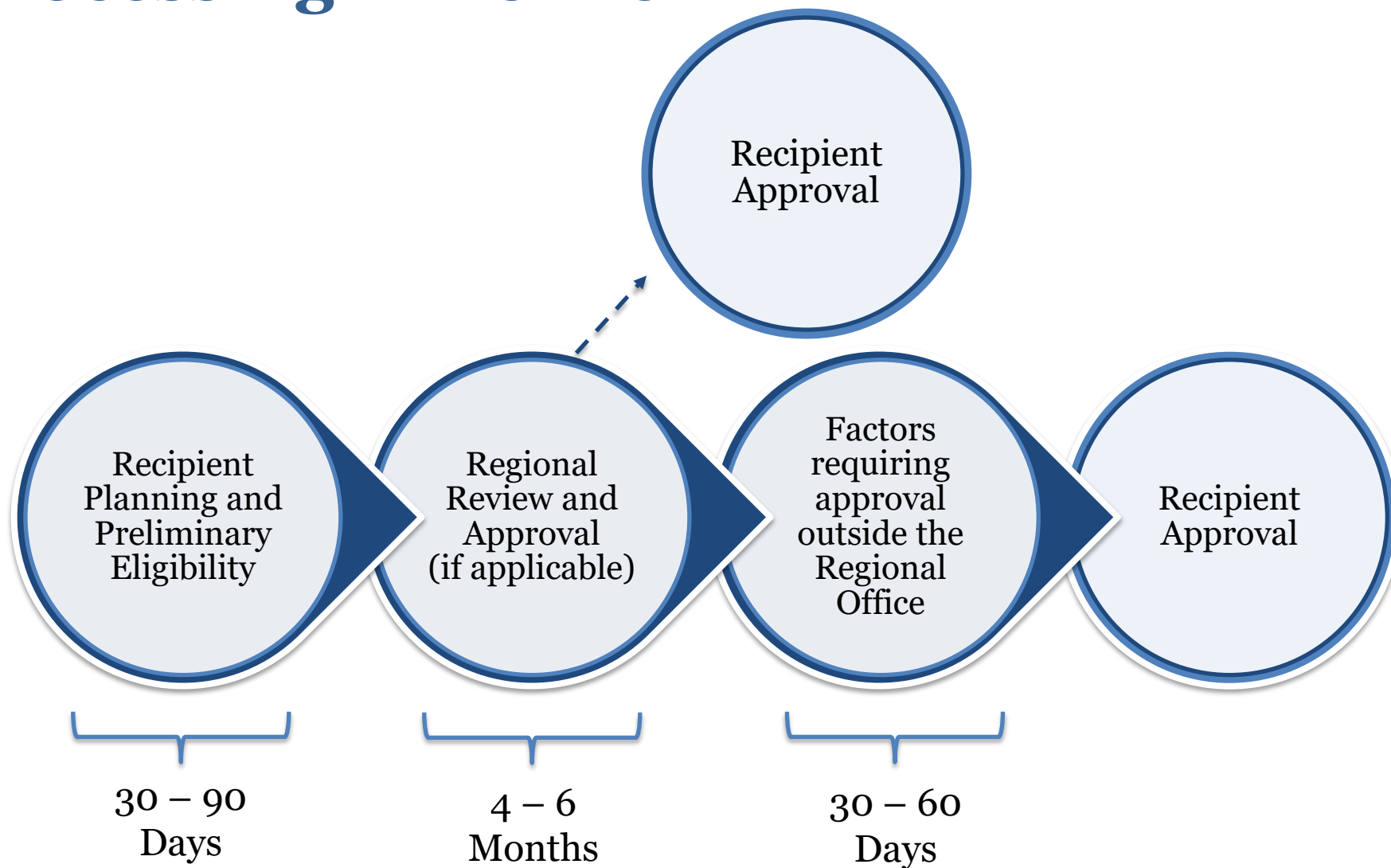


Phase Three – Factors Requiring Approval Outside Regional Office

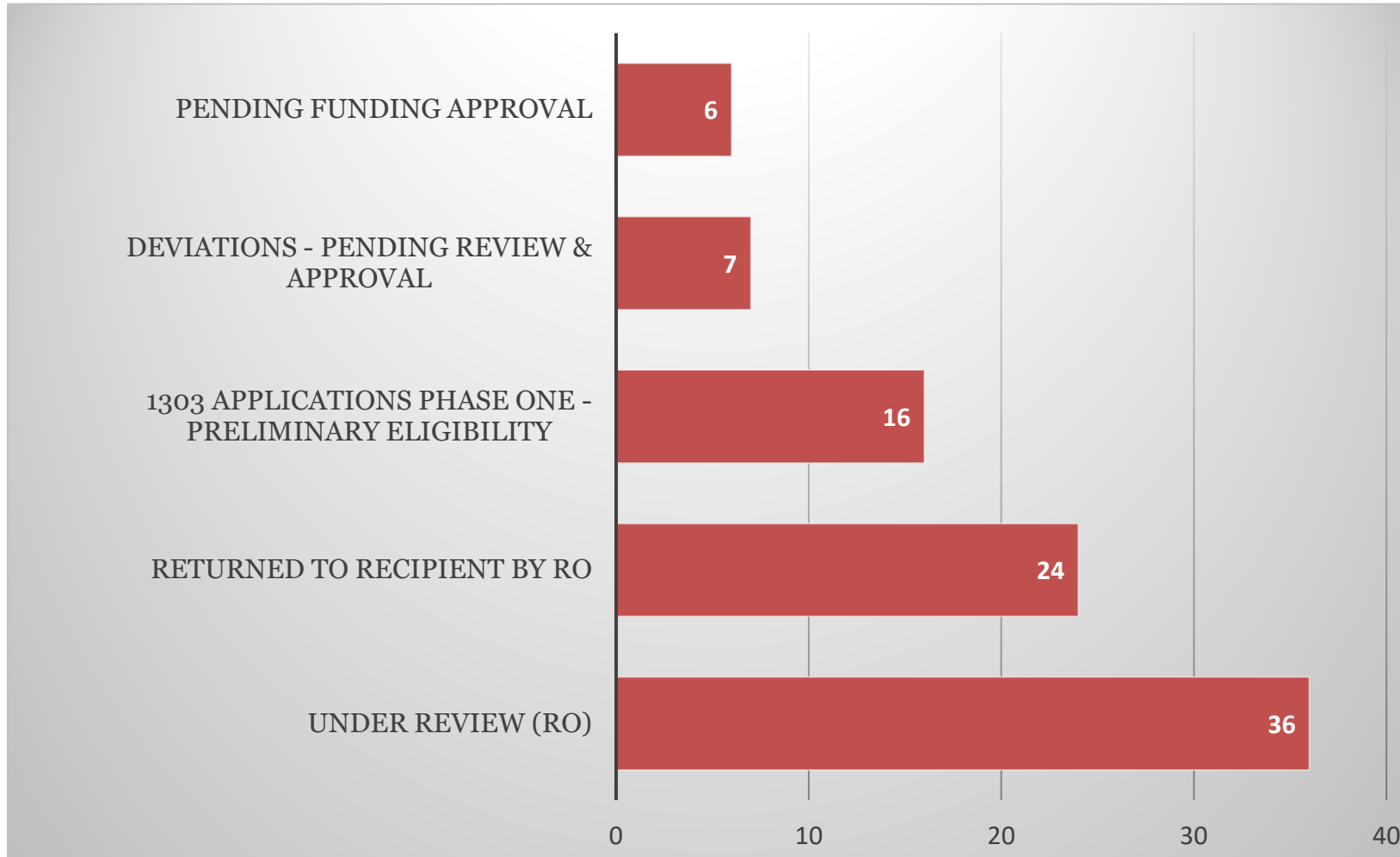
- Request for additional supplemental funding requires AS approval
- Deviation of grant regulations and/or policy (i.e., capital lease agreement, mortgage) requires DASA approval



1303 Processing Timeline



Current Facility Application Activity



Drawings & Specifications
(Failure to show regulatory use of space and facility specifications)

Phase One Environmental Studies

Cost Estimates & Cost Comparisons
(Inadequate or lack of suitable facility comparisons)

Operating Costs
(Budgets do not demonstrate recipient's objective review of facility financial obligation)

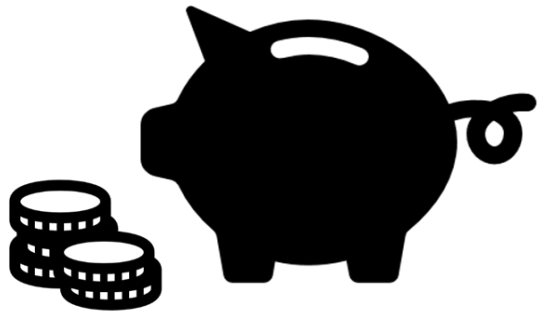
Primary Reason for Return of Application to Recipients



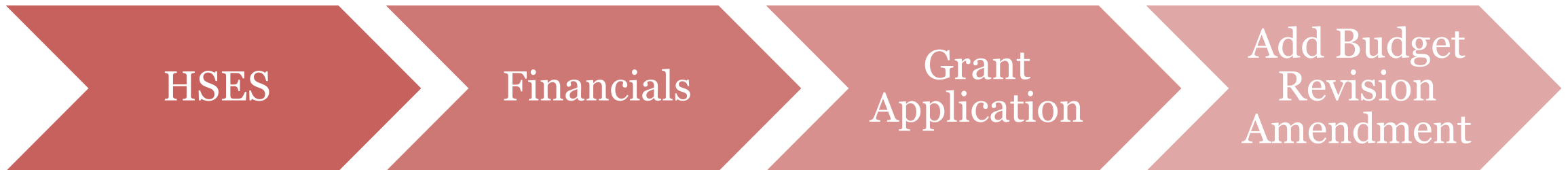
Post Award Amendments



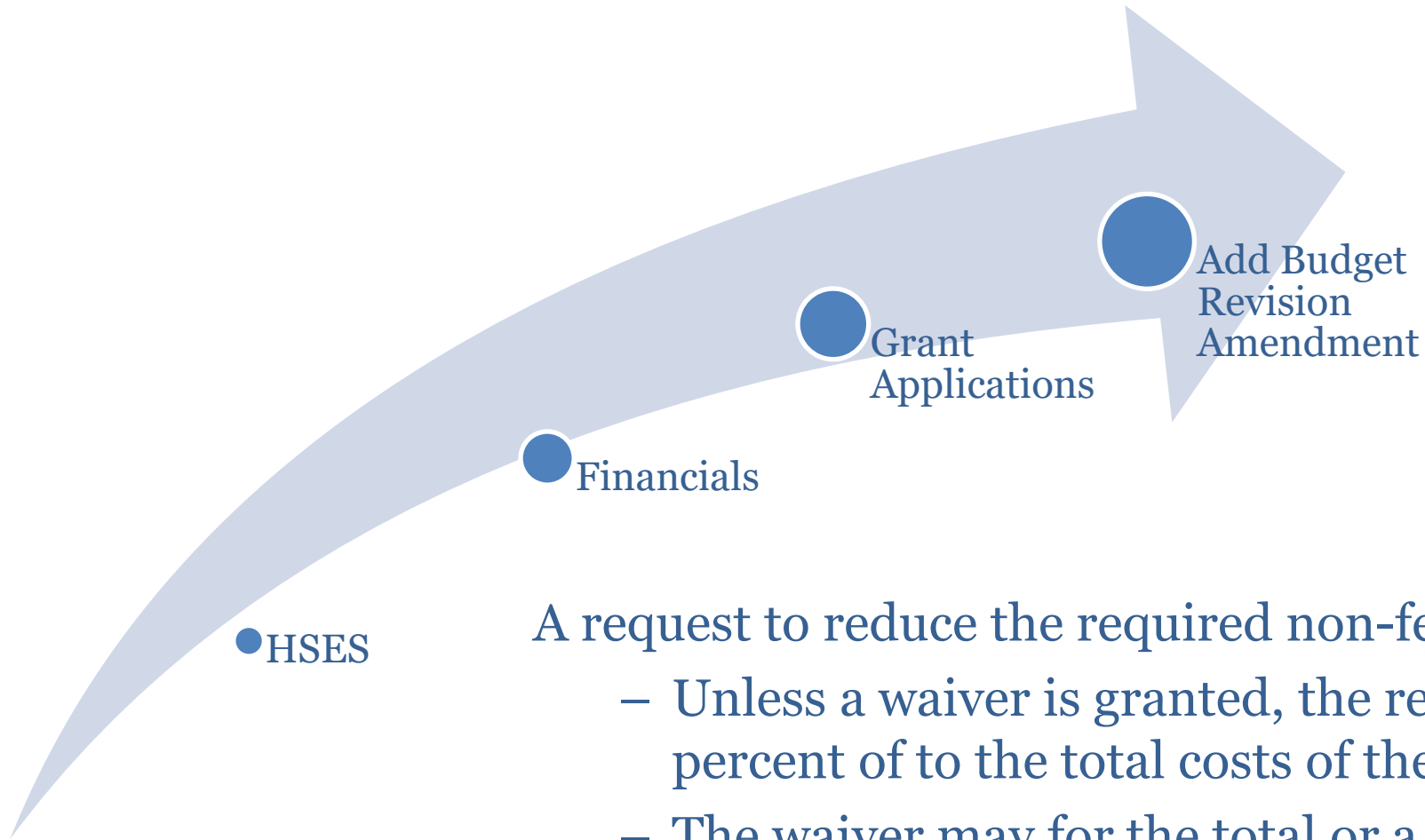
Budget Revision



- Movement of funds between object class categories of an approved budget
 - Threshold of \$250,000 and/or exceeds 25 percent of total budget, whichever is of lesser value
 - Capital expenditures and equipment greater than \$5,000 require prior approval
- Narrative must address the availability of funds and proposed usage of funds
- Submission must occur at least 30 days prior to the end of the budget period



Budget Revisions – Non-Federal Match Waiver



Submission of Non-Federal Match Waiver

- Baseline Application
- Continuation Application
- Budget Revision Amendment

A request to reduce the required non-federal match amount

- Unless a waiver is granted, the recipient must provide 20 percent of to the total costs of the HS/EHS program
- The waiver may for the total or a portion of the amount of non-federal match requirement



Carryover of Unobligated Balance

- Unobligated balances remaining from funds awarded in one budget period may be carried over to any subsequent period within a project period, subject to Reginal Office approval
- Recipients may use carryover funds as an addition to funding in an approved budget. That is, they may be used to:
 - Add the funds to the full amount of the non-competing continuation award, as requested by the recipient, for the next or a future budget period and all funds must be used for the purpose(s) within the scope of the project as originally approved
- Like other expenditures, carryovers must be
 - Allowable
 - Reasonable
 - Allocable
 - Necessary
 - Align with the existing budget



Carryover of Unobligated Balance *continued*

- Funds may be carried over to any subsequent budget period **within a project period**. **We cannot move money between different grant numbers.**
- Applications are only accepted through an HSES Application and must include:
 - Explanation why an unobligated balance exists
 - Explanation of how the funds will be used in the current budget period
 - Revised budget and budget narrative
 - Indication of the impact on the project if the carryover is disapproved
 - Explanation of how the recipient will meet the increased amount of matching requirement
 - Confirmation that the request is for prospective costs rather than reimbursement

HSES

Initiate an
Amendment

Carryover Request

Reprogram



Change in Scope

A Change in Scope request can be submitted at any time; either within a baseline or continuation application or as an amendment. Programs should identify an implementation date, then determine a timeframe for application submission. For example, a program planning to implement a Change in Scope request at the beginning of the next school year would need to consider submitting the request in early spring.

OHS encourages programs to engage in ongoing dialogue with their Regional Office. Program Specialists can offer guidance in the development of the request and navigation of appropriate application type based on the implementation timeline.



Change in Scope *continued*

Based on data, programs may identify necessary changes to ensure Head Start services continue to be responsive to community need. Changes could include:

- Relocation of centers or services with the approved service area
- Development of new community partnerships
- New program initiatives (i.e., development of apprenticeship programs)
- Shifting slots between existing, approved program options provided the program is not requesting to discontinue options currently offered or add an option not currently approved per the Notice of Award
- Shifting slots within the designated service area per the Notice of Award
- Change in Scope
 - Head Start to Early Head Start conversion
 - Part-day to full-working-day conversion
 - Enrollment reduction
 - Add or remove a program option
 - Other programmatic changes



Aligning Changes with your Five-Year Plan

Program goals and how they ensure high-quality, culturally and linguistically responsive comprehensive services are a foundation of a program's success. As part of the planning cycle, a strategic focus on school readiness goals and parent, family and community engagement work in concert to support progress towards child and family outcomes.

Some considerations for recently approved CiS requests have included:

Enrollment Reduction (90)

- Increase staff compensation
- Increase Head Start full-day services
- Program option change from home-based to center-based services

Conversion (68)

- Identified need for infant and toddler services
- Proliferation of preschool services in the community



Post Award Amendment Processing



Teacher Qualification Waiver



Teacher Qualification Waiver Requirements

A program may request a waiver of up to three years for the qualification requirements for a Head Start center-based preschool teacher. To be considered for the waiver, a Head Start preschool teacher must:

- 1) Be enrolled in a program that grants a qualifying degree, and such degree will be completed in a reasonable time not to exceed three years. As outlined in the Head Start Act, a qualifying degree includes a) at least an associates degree in early childhood education, or b) an associates degree in a related field and coursework equivalent to a major relating to early childhood education, with experience teaching preschool-age children

AND

- 2) Have at least one of the following: a) current CDA credential appropriate to the age of children being served or b) state-awarded certificate for center-based preschool teachers that meets or exceeds the requirements for a CDA



Teacher Qualification Waiver Process

- Programs submit waiver requests to their Regional Office for approval. Waiver requests must include the following information:
 - Evidence the Head Start agency has unsuccessfully attempted to recruit an individual who has at least an associates degree in early childhood education or in a related field and the required coursework and experience
 - Evidence that each individual for whom a waiver is requested meets the requirements listed on the previous slide
- A qualification waiver may be submitted for an individual teacher for a period not to exceed three years
- OHS Regional Office staff review and determine whether to grant approval for a qualification waiver request



Closeout Initiative



ACF Unilateral Closeout Initiative

Unilateral Closeout Letters were recently sent to notify recipients that ACF must close out their award soon, and if they have a remaining balance some portion of it may have to be deobligated as part of the closeout, if no further actions are planned or in process.

- This does NOT mean ACF is taking immediate action
- This does NOT mean that the full remaining balance is guaranteed to be deobligated
- This does NOT mean the recipient is in any trouble
- This does not mean action is required

It is important that the recipient read through the entire letter so that they understand what is being communicated to them. The following actions may necessitate further conversation:

- Offsets
- Carryover request pending or in process
- No cost extension or liquidation extension



Additional Items to Consider

- Be thoughtful
- Have a plan for spending funds (operations, CARES Act, CRRSA, ARP, etc.)
- Budget revisions must be submitted prior to the end of the budget period
- Be prepared to submit a carryover request upon completion of the SF-425

