



# Maximizing Resources in Early Head Start - Child Care Partnerships/Role of Governance in Early Head Start - Child Care Partnerships



# Objectives

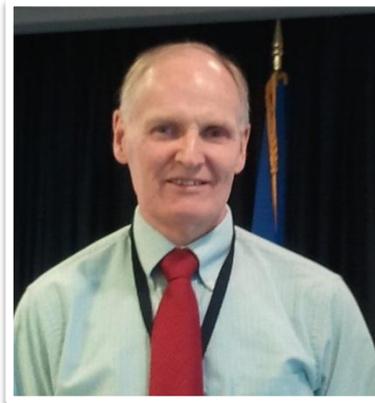
- Learning how to layer Early Head Start and Child Care funds to provide EHS services to infants and toddlers in EHS CC partner settings
- Understand the requirements of the Governing Body and the important role parent's have in shaping the direction of their child's education



# Presenters



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Office of Head Start



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Office of Head Start



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Head Start Monitoring  
Contract  
DANYA International





## Early Head Start



High quality services  
birth to five in programs  
& Family Child Care.  
Funding is federal to  
local entities.



## CCDF



Child care assistance,  
for children up to age  
13. Funding is Federal  
to State.



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# Early Head Start Eligibility

- Children whose family income is at or below the poverty guideline are eligible.
- Families with circumstances such as homelessness, children in foster care, or receiving TANF or SSI may also qualify for services.





# Where Can EHS-CC Funds Be Used?

- Child Care Programs
- Family Child Care Homes



# Reducing Fiscal Barriers to Partnering

- Adequate funds available to form and maintain EHS CC partnerships
- Clear guidance on budget development and practical approaches to cost allocation



## Non-negotiables

- EHS funds cannot replace existing CCDF or other funds used to operate the CC partner / NO SUPPLANTATION
- Existing CC funds must continue to cover ongoing child care costs
- All meals should meet USDA requirements regardless of reimbursement.



## Non-negotiables

- Continuity of care is paramount
  - EHS Funding will secure child's slot even if family loses subsidy
- EHS funds layered on existing CC funds for targeted program improvements and to meet specific EHS requirements
- Children should not be segregated by classroom for ease of administration or convenience. The goal is to provide the highest quality of services to all children.



## Facts to Guide Budget Planning

- EHS funds allocated to an individual CC or FCC site are directly tied to the number of EHS eligible children enrolled in each partner site
  - Funds follow the EHS eligible child.
  - The more EHS eligible infants and toddlers enrolled in a CC/FCC partner site, the more funds the partner site has to meet EHS requirements
  - If the ratio of EHS eligible infants and toddlers to non-EHS eligible in a site is low then meeting EHS requirements may be difficult



# Facts to Guide Budget Planning

- Grantee is responsible to ensure partners meet EHS requirements
- Expectations:
  - Most funds allocated to support partner sites.
  - Grantee must maintain adequate funds to conduct ongoing oversight and to cover services provided directly to the partner sites.



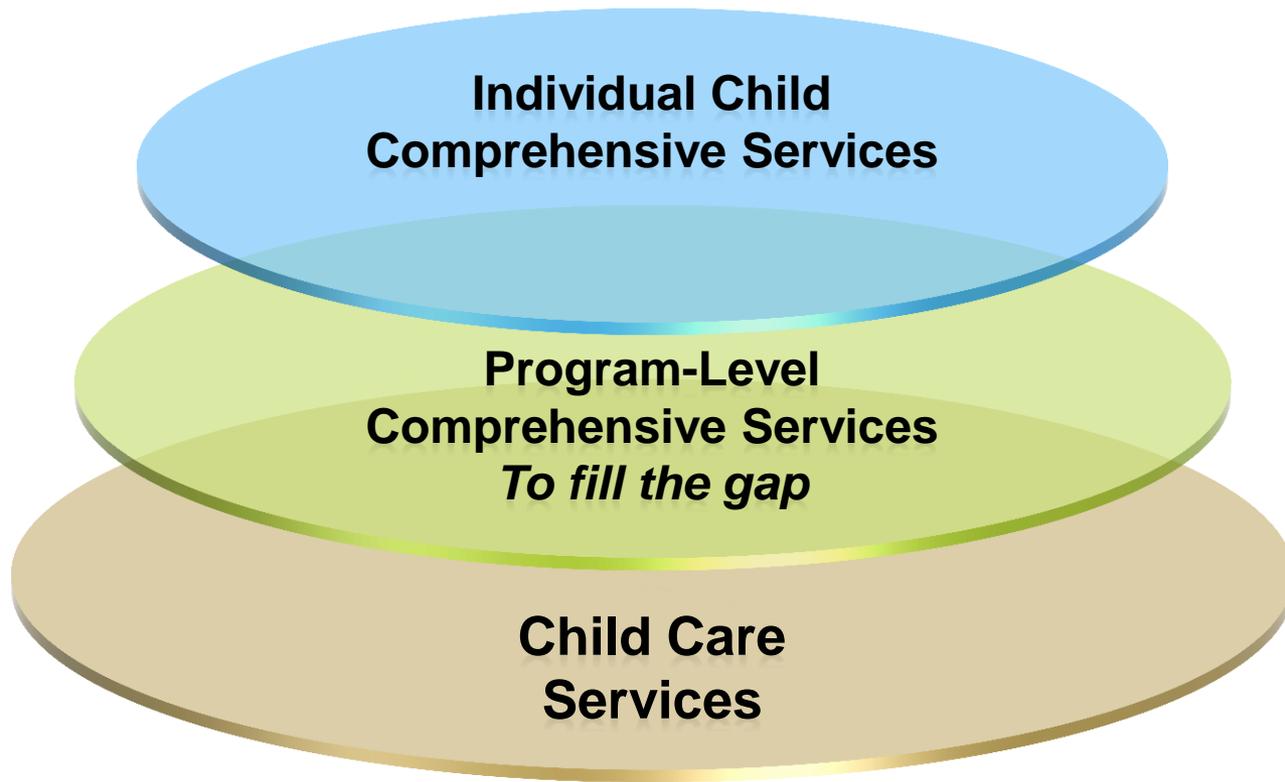
# What is Cost Allocation?



- Cost allocation involves
  - Reviewing costs
  - Determining who benefits from the cost
  - Charging the cost in accordance with the benefits received.
- Cost allocation is important when an agency operates multiple programs or receives funds from multiple sources.



# Layering of Services



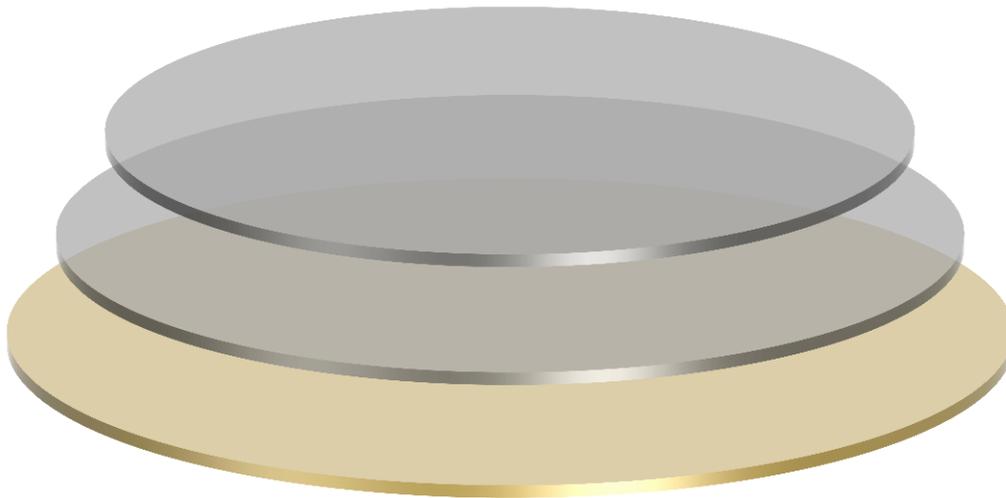
# Funding by Layer



	Layer I Child Care	Layer II Program-Level Comprehensive Services	Layer III Individual Child Comprehensive Services
EHS eligible child with CC subsidy	CC	EHS	EHS
EHS eligible child without CC subsidy	EHS	EHS	EHS
EHS ineligible child	CC or other non-EHS resources	EHS	Other non-EHS resources



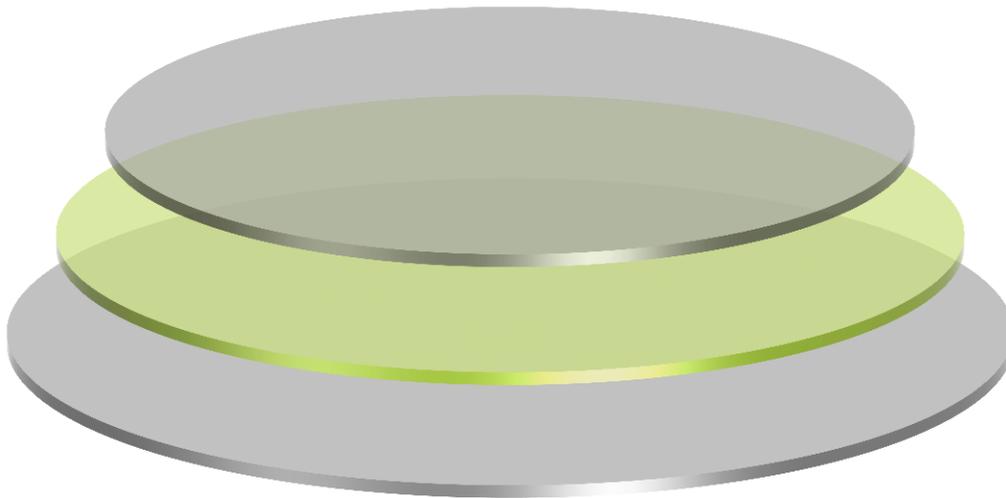
# Layer I: Child Care Services



- Full-day full-year child care services.
- Funded by CC vouchers, subsidies, contracts, other
- If loss of subsidy occurs, only then could EHS funds be used, and only for EHS eligible children.



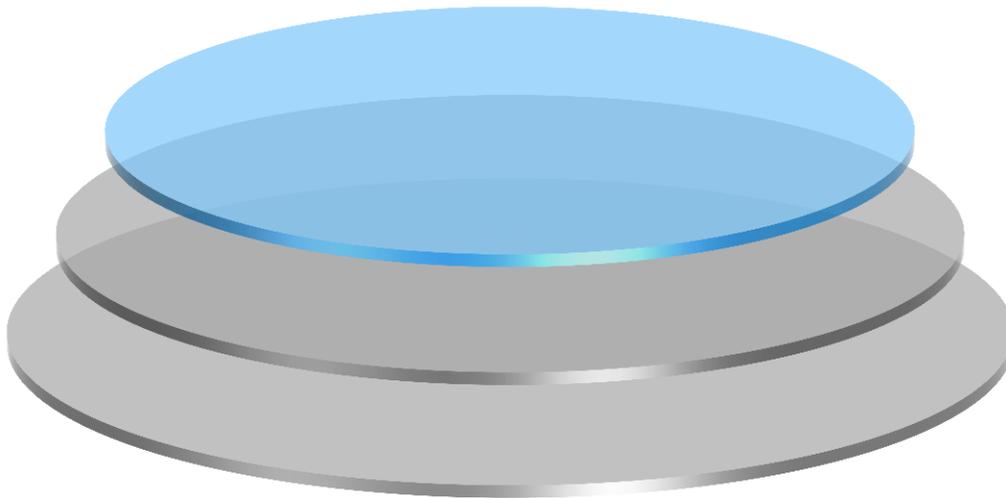
# Layer II: Program-Level Comprehensive Services



## Filling the gap in existing child care services

- Some CC may already provide these services.
- Where gap in services, EHS funds may be used.
- These enhancements benefit all children.
- Costs must be reasonable and allowable.
- Salary and benefit increases
- Staff training to meet EHS requirements.
- Increased staffing levels to meet EHS child/staff ratios.
- Equipment and supplies
- Minor facility improvements to meet health & safety requirements
- MH contracts to conduct classroom observations
- Parent training
- Other

# Layer III: Individual Child Comprehensive Services



## EHS-required individual services

*Chargeable to EHS only when provided to EHS-eligible children.*

Examples include

- Screenings for developmental, sensory and behavioral concerns
- Referrals to outside agencies (e.g. Part C for special needs).
- Assigned family service workers and visits
- Home visits (teacher)
- Infant formula, diapers.
- Programs encouraged to identify local resources to extend these services to all enrolled children.
- Other

# Funding by Layer



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EHS eligible child with CC subsidy	CC	EHS	EHS
EHS eligible child without CC subsidy	EHS	EHS	EHS
EHS ineligible child	CC or other non-EHS resources	EHS	Other non-EHS resources





# **Scenario I: EHS CC Partnership Site**

## **All Children EHS eligible with CC Subsidy**

- Conditions:
  - Grantee has selected a CC/ FCC partner and
  - has verified all enrolled children eligible for EHS.

# Scenario I: EHS CC Partnership Site

## All Children EHS eligible with CC Subsidy



- Layer I
  - Child Care costs paid by CC subsidy.
- Layer II
  - Program-Level Comprehensive Services paid by EHS.
- Layer III
  - Individual Child Comprehensive Services paid by EHS.

# Scenario I: EHS CC Partnership Site All Children EHS eligible with CC Subsidy



- EHS funds cannot be used to cover any costs or portion of the costs that CC funds are intended and available to cover such as child care services.

## **Scenario II: Partners that Serve Both EHS Eligible and non-EHS Eligible Children**

- All children regardless of eligibility will benefit from improvements and enhancements to learning environments and staff training and supplies and equipment
- EHS eligible children will also benefit from additional services such as screenings, referrals and home visits.

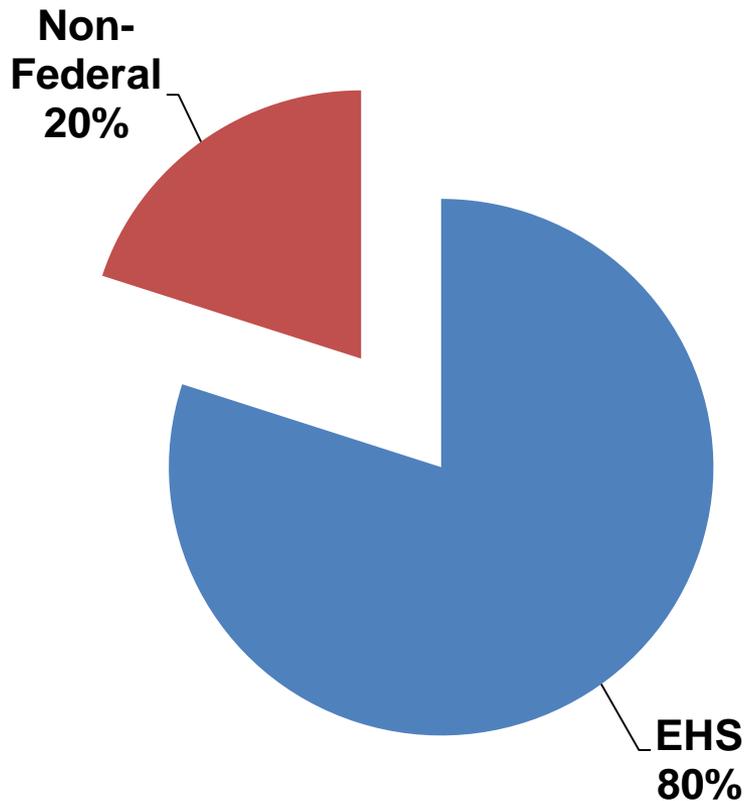


# EHS General Fiscal Requirements

- Non-Federal Share.
  - Participation from the local community or other non-Federal resources.
  - Community investment in the future of the children.
- Administrative cost limitation.
  - Making sure that administrative costs do not exceed 15%.
  - Ensures resources are directed towards the families and children.



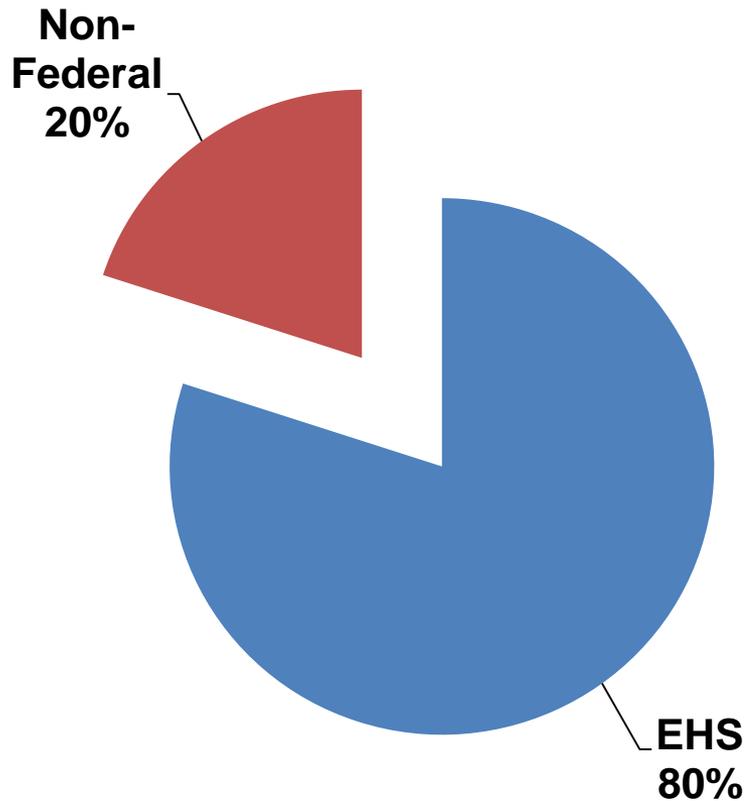
## Non-Federal Share



- Match required by law: 20% of total –
  - 45 CFR 1301.20(a)
  - Example: \$800,000 EHS funds requires \$200,000 match.
- The non-Federal share requirement may be waived or reduced in limited circumstances.
- Caution: CCDF funds are not eligible as non-Federal share.



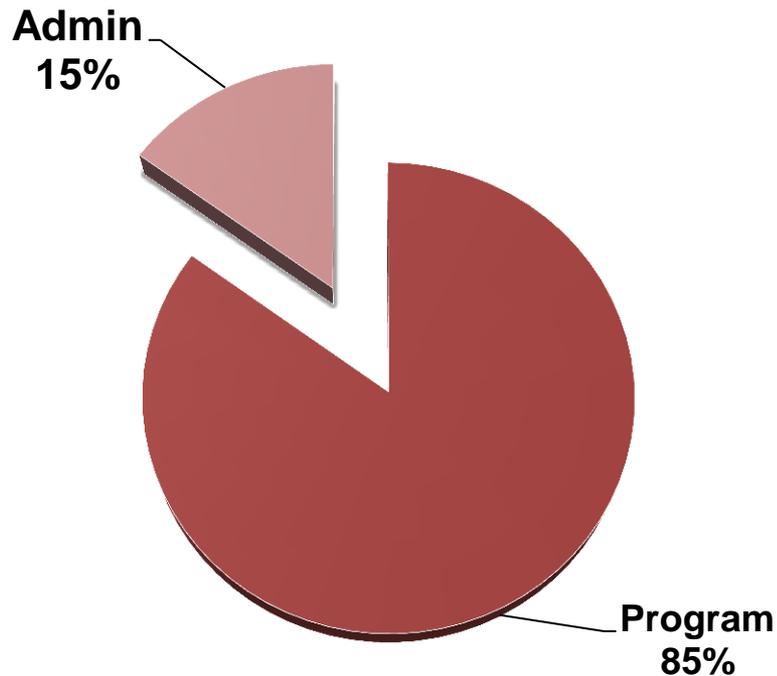
## Non-Federal Share



- Typical sources:
  - Donated space.
  - Donated supplies
  - Community volunteers
  - Donated professional services
  - Cash donations
- Criteria:
  - Must be properly valued.
  - Would this be an allowable use of EHS funds?



# Administrative Cost Limitation



- “Costs incurred in accordance with an approved Head Start budget which do not directly relate to the provision of program component services.” (45 CFR 1301.2(e))
- Minimum of 85% of funds go to supporting the services.



### Admin

- Overall Management of the Program
- Organization-wide management
- Accounting, budgeting, payroll, property management, and purchasing.

### Program

Directly related to direction, coordination, delivery and implementation of services

# Program Salaries



- Child Health Personnel
- Family and Community Engagement
- Program Managers and Content Experts
- Infant Toddler Teachers
- Family Child Care Personnel
- Home Visitors
- Mental Health, Disabilities Services

## Compensation Limit

- No Federal funds may be used to pay any part of compensation in excess of Executive Level II (currently \$181,500).
  - Limit imposed by the Head Start Act.
  - Applies to compensation:
    - Directly charged to Early Head Start.
    - Allocated to EHS, or included in an indirect rate.
    - Offered as non-Federal share.



# Single Audit Act for Grantees and Partners

- “A-133 audit” required of entities that expend \$500,000 or more in Federal awards.
  - For awards made after 12/26/14, threshold up to \$750,000
  - A-133 audit, including management letter, must be submitted to the Federal Audit Clearinghouse.
  - <http://www.whitehouse.gov/sites/default/files/omb/assets/omb/circulars/a133/a133.pdf>



# EHS CC Partnerships: Thinking about Governance



# Grantee Governing Body

When the grantee draws down its first dollar, the Governing Body becomes

- *Legally* responsible for ensuring that grant activities respond to regulations, terms and conditions of the grant
- *Fiscally* responsible for ensuring that funds are used prudently and according to regulations



# Key Governing Body Responsibilities

- Understands goals of EHS CC Partnership grant
- Knowledgeable of EHS requirements and
- Makes health & safety of infants and toddlers in partner sites the highest priority
- Hires competent key staff and holds them accountable



# Key Governing Body Responsibilities

- Ensures Grantee's infrastructure can support and monitoring its partners
- Keeps informed via regular fiscal and program reports on EHS CC partner sites progress



# Key Governing Body Responsibilities

- Provides formal structures --- Policy Councils --- to seek parents' input in decision-making
- Maintains accountability to the community. Publishes an annual report including budget, expenses, audit and monitoring results, and success in preparing children to be ready for school.

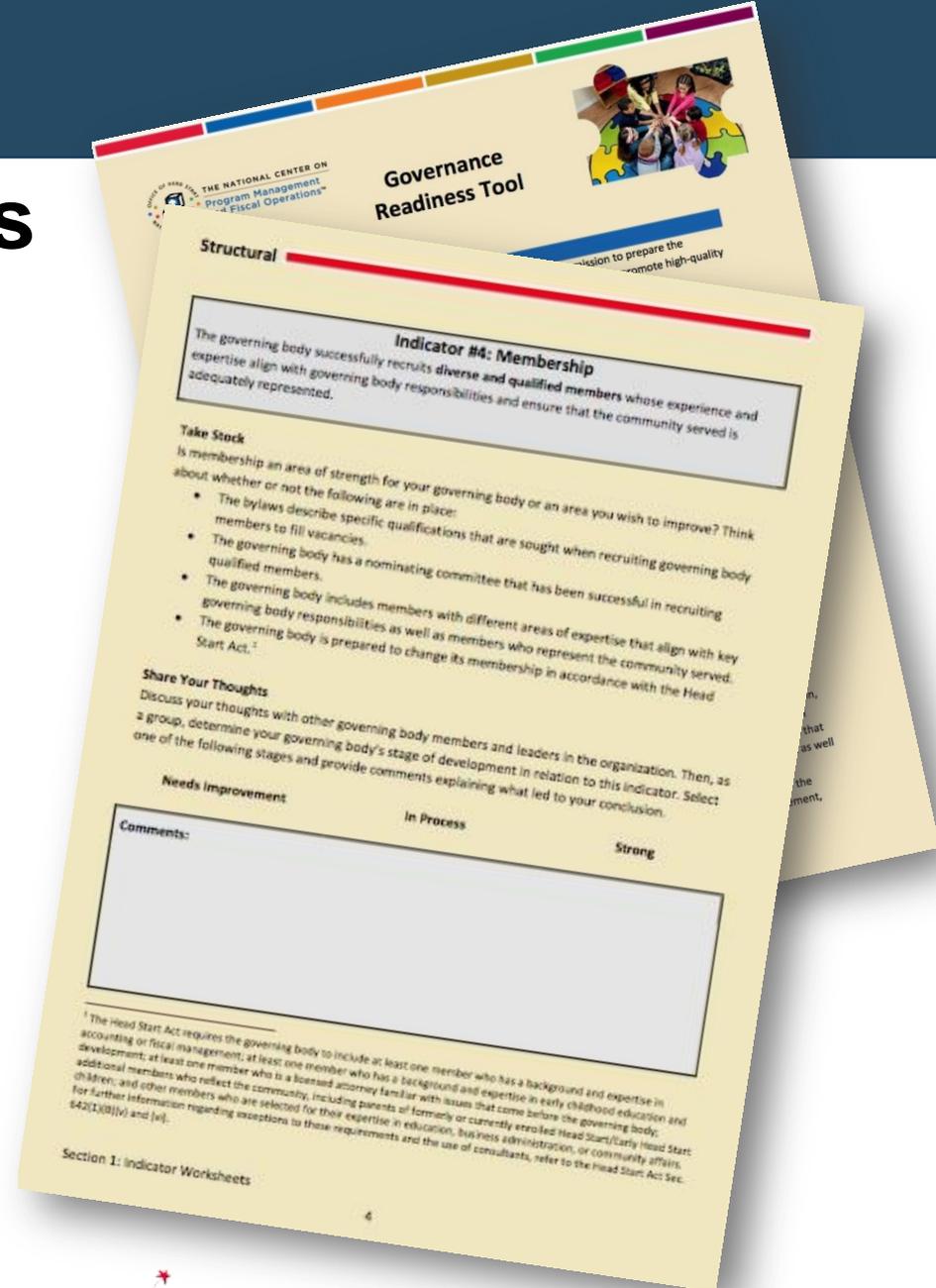




# Governance Readiness Tool

Self-assessment tool to determine an organization's readiness for Early Head Start oversight responsibilities

<http://eclkc.ohs.acf.hhs.gov/hslc/tta-system/operations/mgmt-admin/governance/hs-governance/GovernanceReadin.htm>





# Governance Leadership & Oversight Capacity Screener

Highlights Head Start expectations related to governance

<http://eclkc.ohs.acf.hhs.gov/hslc/tta-system/operations/mgmt-admin/governance/hs-governance/GovernanceLead.htm>



Head Start Governance Practices and Related Regulations	Practice is currently in place	Practice will be fully implemented within first three months of funding	Our organization needs assistance in understanding and implementing this regulation
3. Members of the governing body (or Tribal Council) receive effective and ongoing training and technical assistance (T/TA) to ensure that they understand the information they receive and are able to provide effective oversight of, make appropriate decisions for, and participate in programs of the Head Start agency. Head Start Act Sec. 642(d)(3)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
• The agency has a system for identifying the T/TA needs of the governing body (or Tribal Council) and using this information to develop a T/TA plan.			
4. Members of the Policy Council receive effective and ongoing training and technical assistance (T/TA) to ensure that they understand the information they receive and can provide effective oversight of, make appropriate decisions for, and participate in programs of the Head Start agency. Head Start Act Sec. 642(d)(3)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
• The agency has a system for identifying the T/TA needs of the Policy Council and using this information to develop a T/TA plan.			
5. The governing body (or Tribal Council) exercises the following responsibilities: Head Start Act Sec. 642(c)(1)(E)(iv)(I-III) Sec. 642(c)(1)(E)(iv)(VI)			
• Establishes procedures and criteria for recruiting, selecting, and enrolling children	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
• Selects delegate agencies, as appropriate	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
• Develops procedures for selecting Policy Council members	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
• Reviews applications for funding and amendments to applications for funding	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>





# Additional Governance Resources

Board Source [www.boardsource.org](http://www.boardsource.org)

National Council of Nonprofits. (2012). Strategic and business planning for nonprofits.

[www.councilofnonprofits.org/strategic-business-planning-for-nonprofits](http://www.councilofnonprofits.org/strategic-business-planning-for-nonprofits)

US Department of the Treasury, Internal Revenue Service. (2008). Governance and related topics— 501(c)(3) organizations. Washington, DC

[www.irs.gov/pub/irs-tege/governance\\_practices.pdf](http://www.irs.gov/pub/irs-tege/governance_practices.pdf)



## Are You Planning To Apply?

- **Register with Grants.gov**
  - Only the *Applicant organization* needs to register
  - The registration process can take one to three weeks depending on your organization, so start now!
  - You will receive notifications based on Funding Opportunity Number (FON)  
*A FON is a number that a federal agency assigns to each specific grant announcement*
- **Obtain Data Universal Numbering System (DUNS) Number**
- **Register in System for Award Management (SAM) Eligibility Requirements**
- **Visit: <http://www.acf.hhs.gov/grants/register-and-get-ready>**





## Where To Go for More Information and Resources

**<https://childcareta.acf.hhs.gov>**

**<http://eclkc.ohs.acf.hhs.gov/hslc/hs/grants/ehs-ccp>**



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## Email Questions To:

**[ehs.ccpartnerships@acf.hhs.gov](mailto:ehs.ccpartnerships@acf.hhs.gov)**



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# THANK YOU



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