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NOTE: This IM supersedes ACF-IM-HS-08-05

INFORMATION MEMORANDUM [See Attachments]

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

SUBJECT: The 2008 Family Income Guidelines

INFORMATION:

The Head Start Act establishes income eligibility for participation in Head Start programs based, in part, on the poverty guidelines updated annually in the Federal Register by the U.S. Department of Health and Human Services under the authority of 42 U.S.C. 9902(2). The attached 2008 Family Income Guidelines were published in the Federal Register on January 23, 2008 (Vol. 73, No. 15, pp. 3971-3972).

The attached definition of "income" that is used by Head Start is derived from the U.S. Bureau of the Census, Current Population Reports and earlier reports in the same series. It provides a more detailed guidance on the term "income" than is found in 45 CFR 1305.2(i). However, there are certain exceptions to this definition that are applicable to Head Start programs:

Section 645(a)(3)(A) of the new Head Start Act requires that certain types of pay and allowance to members of the uniformed services not be counted as income for purposes of determining Head Start eligibility. Specifically, the following two pay/allowances are to be excluded when determining Head Start eligibility:

The amount of any special pay payable under section 310 of title 37, United States Code, relating to duty subject to hostile fire or imminent danger.

The amount of basic allowance payable under section 403 of title 37, including any housing allowance. (Please see Section 645(a)(3)(ii) of the Head Start Act for the full statutory language.)

In addition, under 37 U.S.C. 402 a (g), the child or spouse of a member of the armed forces (Army, Navy, Air Force, Marine Corps, and Coast Guard) receiving a "supplemental subsistence allowance" who, except on account of such allowance, would be eligible to receive a service provided under the Head Start Act, shall be considered eligible for such benefits notwithstanding the receipt of the

allowance. The subsistence allowance would therefore not be counted in determining eligibility for programs authorized by the Head Start Act.

The definition of "family" to be used in determining eligibility is found at 45 CFR 1305.2(e), which defines family as all persons living in the same household who are:

(1) supported by the income of the parent(s) or guardian(s) of the child enrolling or participating in the program, and

(2) related to the parent(s) or guardian(s) by blood, marriage or adoption.

Questions about the Income Guidelines should be addressed to your OHS Regional Office or the American Indian/Alaskan Natives or Migrant/Seasonal Program Branches.

Sincerely,

/ Patricia E. Brown /

Patricia E. Brown
Acting Director
Office of Head Start

Head Start Family Income Guidelines for 2008

**2008 Poverty Guidelines for the 48 Contiguous States
and the District of Columbia**

Persons in family	Poverty guideline
1.....	\$10,400
2.....	14,000
3.....	17,600
4.....	21,200
5.....	24,800
6.....	28,400
7.....	32,000
8.....	35,600

For families with more than 8 persons, add \$3,600 for each additional person.

2008 Poverty Guidelines for Alaska

Persons in family	Poverty guideline
1.....	\$13,000
2.....	17,500
3.....	22,000
4.....	26,500
5.....	31,000
6.....	35,500
7.....	40,000
8.....	44,500

For families with more than 8 persons, add \$4,500 for each additional person.

2008 Poverty Guidelines for Hawaii

Persons in family	Poverty guideline
1.....	\$11,960
2.....	16,100
3.....	20,240
4.....	24,380
5.....	28,520
6.....	32,660
7.....	36,800
8.....	40,940

For families with more than 8 persons, add \$4,140 for each additional person.

Head Start Program Definition of Income

Income means total cash receipts before taxes from all sources, with the exceptions noted below. Income includes money wages or salary before deductions; net income from non-farm self-employment; net income from farm self-employment; regular payments from Social Security or railroad retirement; payments from unemployment compensation, strike benefits from union funds, workers' compensation, veterans benefits (with the exception noted below), public assistance (including Temporary Assistance for Needy Families, Supplemental Security Income, Emergency Assistance money payments, and non-Federally funded General Assistance or General Relief money payments); training stipends; alimony, child support, and military family allotments or other regular support from an absent family member or someone not living in the household; private pensions, government employee pensions (including military retirement pay), and regular insurance or annuity payments; college or university scholarships, grants, fellowships, and assistantships; and dividends, interest, net rental income, net royalties, and periodic receipts from estates or trusts; and net gambling or lottery winnings.

As defined here, income does not include capital gains; any assets drawn down as withdrawals from a bank, the sale of property, a house or a car; or tax refunds, gifts, loans, lump-sum inheritances, one-time insurance payments, or compensation for injury. Also excluded are noncash benefits, such as the employer-paid or union-paid portion of health insurance or other employee fringe benefits; food or housing received in lieu of wages; the value of food and fuel produced and consumed on farms; the imputed value of rent from owner-occupied non-farm or farm housing; and such Federal non-cash benefit programs as Medicare, Medicaid, food stamps, school lunches, and housing assistance, and certain disability payments made to disabled children of Vietnam veterans as prescribed by the Secretary of Veterans Affairs.

The period of time to be considered for eligibility is the twelve months immediately preceding the month in which application or reapplication for enrollment of a child in a Head Start program is made, or for the calendar year immediately preceding the calendar year in which the application or reapplication is made, whichever more accurately reflects the family's current needs.