

<p style="text-align: center;">ACYF Administration on Children, Youth, and Families</p>	<p>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES Administration for Children and Families</p>	
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INFORMATION MEMORANDUM

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

SUBJECT: Family Income-Eligibility

This Information Memorandum is to remind programs of the importance of enrolling children from families that meet the Head Start income-eligibility requirements. In fiscal year 2004, the Head Start Bureau conducted a study on income-eligibility. A sample of 50 Head Start programs were visited to determine the extent to which they were complying with the family income-eligibility requirements contained in Head Start regulation 45 CFR Part 1305.4. This rule requires that:

- At least 90 percent of the children who are enrolled in each Head Start program must be from low-income families. (Under certain conditions, this can be as low as 51 percent in programs operated by Indian Tribes.)
- The family income must be verified by the Head Start program before determining that a child is eligible to participate in the program.
- Verification must include examination of any of the following: Individual Income Tax Form 1040, W-2 forms, pay stubs, pay envelopes, written statements from employers, or documentation showing current status as recipients of public assistance.
- A signed statement by an employee of the Head Start program, identifying which of these documents was examined and stating that the child is eligible to participate in the program, must be maintained to indicate that income verification has been made.

The study found that nearly half of the grantees reviewed were not fully meeting these regulatory requirements. In 22 of the 50 programs surveyed, more than 10 percent of the children being served (or more than 49 percent in the case of Tribal programs) did not meet Head Start's income eligibility criteria.

Projecting from the survey, we estimate that nationally Head Start is serving 3.9 percent more "over-income" families than is allowed by regulation (that is, 3.9 percent of families were above the allowable 10 percent or 49 percent levels.)

Furthermore, many grantees, even those not exceeding the 10 percent limit on over-income children, did not always have the necessary documentation in their files for all enrolled children. Specifically, the statement signed by a Head Start employee discussed in the last bullet above was not found in all sampled children's files in 24 of the 50 grantees visited.

As this year monitoring effort gets underway, we are advising all Head Start Team Leaders and Prism reviewers that they must look at a reasonable number of children's records in each program reviewed this year to determine grantees' compliance with Head Start's eligibility requirements. Grantees which are not appropriately implementing the requirements of Part 1305.4 will be found non-compliant or deficient.

Head Start has always been focused on providing comprehensive early childhood services to low-income children and families. There are still hundreds of thousands of such families who are not able to enroll their child in Head Start. We urge you to review your recruitment and enrollment practices to be sure you are reaching the income-eligible children you are funded to serve and complying with the requirements of Part 1305. We encourage you to work with your local T/TA specialist if you need assistance on the issue of income eligibility. Please contact your ACF Regional Office if you have any questions on this issue.

Sincerely,

/ Windy M. Hill /

Windy M. Hill
Associate Commissioner
Head Start Bureau