

<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 [See Attachments]

TO: Head Start and Early Head Grantees and Delegate Agencies

SUBJECT: The 2005 Family Income Guidelines

INFORMATION:

Children are eligible to participate in Head Start if they are from low-income families or if their families are eligible for public assistance. The Head Start Act establishes income eligibility for participation in Head Start programs based 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 2005 Family Income Guidelines were published in the Federal Register on February 18, 2005 (Vol. 70, No. 33, pp. 8373-8375). The 2005 Guidelines must be used to determine eligibility for Head Start for families who are eligible because they have low incomes.

For information about determining eligibility for families who are eligible because they receive public assistance, please see the July 29, 1999 Program Instruction titled, "Receipt of Public Assistance and Determining Eligibility for Head Start" . Public assistance means participation in the TANF program (Temporary Assistance for Needy Families) or the SSI program (Supplemental Security Income). The 1999 Program Instruction should be followed in conjunction with this Information Memorandum for Head Start recruitment efforts. You are encouraged to visit our Head Start website at www.acf.dhhs.gov/programs/hsb/ and click on "Publications/Information Resources" for this IM, and also other pertinent eligibility information.

The attached definition of "income" that is used by Head Start is derived from the U.S. Bureau of the Census, Current Population Reports, Series P60-185 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).

The definition of "family" to be used in determining eligibility is found in 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.

Please note that under Public Law 108-375 (37 USC 1009 NOTE), any family subsistence assistance allowance (FSSA) received by members of the armed forces should be disregarded as income when determining the eligibility of their spouses and children for certain low income assistance programs, including Head Start.

Questions about the Income Guidelines should be addressed to your ACF Regional Office or the American Indian or Migrant Programs Branches.

Sincerely

/ Windy M. Hill /

Windy M. Hill
Associate Commissioner
Head Start Bureau

Head Start Family Income Guidelines for 2005

2005 Poverty Guidelines for the 48 Contiguous States and the District of Columbia

Size of family unit	Poverty guideline
1	\$9,570
2	12,830
3	16,090
4	19,350
5	22,610
6	25,870
7	29,130
8	32,390

For family units with more than 8 members, add \$3,260 for each additional member.
(The same increment applies to smaller family sizes also, as can be seen in the figures above.)

2005 Poverty Guidelines for Alaska

Size of family unit	Poverty guideline
1	\$11,950
2	16,030
3	20,110
4	24,190
5	28,270
6	32,350
7	36,430
8	40,510

For family units with more than 8 members, add \$4,080 for each additional member.
(The same increment applies to smaller family sizes also, as can be seen in the figures above.)

2005 Poverty Guidelines for Hawaii

Size of family unit	Poverty guideline
1	\$11,010
2	14,760
3	18,510
4	22,260
5	26,010
6	29,760
7	33,510
8	37,260

For family units with more than 8 members, add \$3,750 for each additional member.
(The same increment applies to smaller family sizes also, as can be seen in the figures above.)

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 noncash 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.