

## Appropriate Use of Head Start State Collaboration Office Grant Funds

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| ACYF<br>Administration for Children, Youth and<br>Families | U.S. DEPARTMENT<br>OF HEALTH AND HUMAN SERVICES<br>Administration on Children and Families |                            |
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|  | 4. Key Word: Appropriate Use of Head Start State Collaboration Office Grant Funds          |                            |

### PROGRAM INSTRUCTION:

**TO:** Administration for Children and Families (ACF) Regional Administrators and Head Start State Collaboration Office Directors

**SUBJECT:** Appropriate Use of Head Start State Collaboration Office Grant Funds

**INSTRUCTION:** The Head Start Bureau is reissuing these instructions to ensure the appropriate use of Head Start State Collaboration Office (HSSCO) grant funds, including appropriate forms of providing sub-contracts with grant funds. These requirements were first issued in January 1999 and continue to be enforced by the Head Start Bureau.

The Fiscal Year (FY) 1990 U.S. Department of Health and Human Services Federal Register announcement establishing the HSSCOs and all subsequent HSSCO grant-renewal announcements require that HSSCO grant funds not be used for the following three activities:

1. Providing direct services to Head Start families or other low-income families;
2. Providing training and technical assistance to Head Start grantees in carrying out their program responsibilities; and
3. Supplanting ongoing collaboration between ACF Regional Offices, Head Start grantees and other programs in the State.

HSSCOs have used a variety of procurement mechanisms to carry out activities and stimulate more effective State- and community-based partnerships with Head Start programs. HSSCOs have provided sub-grants and contracts to local Head Start grantees, State Head Start Associations, consultants and other State- and community-based entities to carry out project initiatives.

Examples of appropriate forms of subcontracts and grants include the following:

- Providing support for activities in the HSSCO priority areas, such as convening and facilitating State and local conferences and forums, stimulating State- or community-based partnership planning and activities, documenting exemplary collaborative efforts, preparing and disseminating newsletters and reports on partnership issues and policies and carrying out HSSCO self-assessment activities.
- Contracting with State Head Start Associations for services that stimulate partnership agreements between Head Start and appropriate State programs or agencies, augment Head Start's capacity to be a partner in State initiatives, or facilitate the involvement of Head Start in State policies, plans, processes and decisions affecting Head Start families and other low-income families.

In addition to the three restricted areas for the use of HSSCO grant funds indicated above, HSSCO grant funds are not to be used to support general membership services of State Head Start Associations unrelated to HSSCO priorities or to support lobbying efforts by State Head State Associations.

HSSCOs must describe plans and costs of sub-contract or sub-grant arrangements in the annual refunding plans and budget requests, and ACF Regional Offices must review and approve these plans prior to their implementation. ACF Regional Offices must also inform HSSCO Directors that the Terms and Conditions attached to their grant award govern the uses of Federal funds.

Finally, while grantees may establish and follow their own procurement policies and practices, ACF Regional Offices must ensure that they comply with the requirements regarding competition and sound business judgment set forth in 45 CFR Part 92 (for governmental grantees) or 45 CFR Part 74 (for non-governmental grantees). For purposes of the HSSCO grant awards, ACF must grant prior approval of any sub-grant or contract to be awarded without competition or when only one bid/offer was received if the contract is expected to exceed \$25,000.

Joan E. Ohl  
Commissioner

Administration on Children,  
Youth and Families

cc: State Head Start Association Presidents  
and Executive Directors

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