



# Hidalgo County Head Start

## MEMORANDUM

*"Children first..."*

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Date: August 8, 2010  
To: Hidalgo County Commissioners' Court  
From: Teresa Flores, Executive Director  
Subject: 2011 Budget (Health and Human Services Dept.)

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The Hidalgo County Head Start Program Budget for fiscal year 2011 is attached for your review, consideration and approval.

The Hidalgo County Head Start Program will submit a Continuation Funding Application for FY2011 (1/1/2011 to 12/31/2011) under Grant No. O6CH0 183 to the Department of Health and Human Services in the amount of **\$24,374,061.** This amount represents an increase of **\$422,815** over last year's initial award as a result of the COLA (Cost Of Living Adjustment) awarded in midyear 2010.

This application reflects the input and collaboration among all Head Start department heads as well as the combined efforts of the Policy Council parents and community representatives. This budget proposal is a plan to maximize the Federal grant award with our local resources by utilizing a streamlined organizational structure to deliver quality services. The proposed budget for 2011 includes, as in 2010, a reallocation of costs from fringe benefits to other line items, as a result of the County's decision to again utilize the Workers Compensation fund balance to pay for premiums in fiscal year 2011.

The most significant changes when comparing the 2010 budget to the proposed 2011 budget are reflected in the following line items.

- **Salaries \$322,438.86.** The increase in this line item is due to the additional funding awarded under the COLA (Cost Of Living Adjustment) in 2010. Salaries will remain at the same level for 2011, until the next COLA increase is awarded and authorized.

**Two (2)** new positions are included in this budget. An **MIS Computer Technician** with an annual salary of \$21,299.20, to assist with the increase in classroom computers as a result of the additional 120 children and seven (7) additional classrooms for expansion. In addition this position will assist with the maintenance and use of current hardware and software for all program operations. The other new position is a **clerical position** with an annual salary of \$17,550.54 for Edinburg IV. This center's enrollment has increased by forty (40) children or two (2) additional classrooms. Currently all centers with eight (8) classrooms or more are assigned a center clerk.

Administration is also including in this budget the reclassification of one vacancy in the Field Operations department from **Warehouse Courier**, with an annual salary of \$17,555.20, to **Warehouse Coordinator**, with an annual salary of \$29,224.00. This position will be responsible for a computerized perpetual inventory system, shipping and receiving, and for the supervision of the deliveries of supplies to all centers. This position will also strengthen our internal controls resulting in better accountability of program supplies and equipment.

The position of Mental Health Director with an annual salary of \$52,609.02 has been reclassified to Mental Health Coordinator with an annual salary of \$37,060.61, as per Policy Council (11/8/2009). This position reports to the direction of the Director of Health.

- **Fringe Benefits \$906,326.50.** The increase in this line item is due to health insurance premiums budgeted at the undiscounted rate. If rates are discounted after the submittal of the budget, administration will make the appropriate recommendation to the Policy Council. In addition fringe benefits also amplified as a result of the COLA (Cost Of Living Adjustment) increase.
- **Equipment (\$90,000).** The reduction in this line item indicates that any equipment needed under this grant award was purchased in 2010. No additional equipment will be necessary in 2011.
- **Supplies (\$496,756).** Expenses in the category are significantly reduced in 2011, due to the additional purchases made possible in 2010 as a result of the reduction in workers compensation rates and health insurance premium discounts.
- **Other (\$219,194.39).** This category will also be significantly reduced for 2011. The most significant of these is our expenses for **telephone**. In 2010 a new telephone system was approved which included a one-time equipment cost. It is anticipated that the new more efficient system will also be a catalyst for cutting communication overall costs. **Fuel** has also been reduced as we participate more fully in the County's Co-op contract.

More detailed changes impacting all other line items are reflected in the attached Budget Analysis for review and discussion.



## Hidalgo County Head Start Continuation Application 2011

### Project Description

#### Objective, Needs for Assistance, Geographic Area

The Hidalgo County Head Start Program is submitting an application for continued funding for Budget period 01/10/2011 to 12/31/2011 in the amount of **\$24,374,061**. This funding will make it possible for the Hidalgo County Head Start Program to continue to serve **3,570** children and families who are among the most economically disadvantaged members of our service area. These children will be provided with services in the areas of Education, Nutrition, Health, Mental Health, Dental Health, Physical Disability and Family Social Services.

While Hidalgo County has grown economically, personal income has lagged far behind incomes in Texas and the United States. Per capita personal income of \$19,721 in Hidalgo County ranked nearly dead last (250 out of 254 counties) in Texas and was 52% of the state average, \$37,809, and 49% of the national average, \$40,166. Another indicator of economic distress in Hidalgo County is the high level of personal income transfer receipts, which are payments to persons from government programs such as welfare, food stamps, disability, social security, etc. Twenty-nine percent of total personal income in Hidalgo County is from personal current transfer receipts, twice as high as Texas (14%) and the U.S. (15%). One out of every three persons living in Hidalgo County is considered to be living in poverty (35.2%). Poverty rates in Hidalgo County have dropped only slightly from 35.9% in 2000. The percentage of persons living in poverty in Hidalgo County is 2.2 times higher than the poverty rate for Texas and 2.7 times higher than the poverty rate for the U.S.

According to the 2009 estimates from the U.S. Census Bureau, nearly three quarters of a million persons (741,152) live in Hidalgo County. By population, Hidalgo County ranks the 8th largest county in Texas, and the 78th largest in the United States. From 2000 to 2009, the population in Hidalgo County increased by 171,689 persons. The majority of the increase came from a natural increase of births minus deaths (70%). Net migration (30%) accounted for the rest of the increase. The Hidalgo County population grew 30.1% from 2000 to 2009, 1.6 times faster than the population growth in Texas (18.8%), and 3.3 times faster than the population growth in the United States (9.1%).

Much of the region continues to struggle with unemployment. Economic growth slowed in 2008 and 2009, as the Hidalgo County economy began to feel the effects



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of a national recession and a downturn in the automotive industry, which affected maquiladora employment in neighboring Reynosa, Mexico. Nonfarm employment growth and various key economic indicators such as retail sales, construction permits, etc., declined, while unemployment rose from a historic low of 6.6% in 2007, to 10.6% in 2009. The latest unemployment rate for Hidalgo County was 12.2% for June 2010.

The civilian labor force, which includes persons who are working (employed) and persons who are not working, are available, and looking for work (unemployed), reached 296,764 persons in Hidalgo County in 2009. The civilian labor force in Hidalgo County expanded at an average annual growth rate of 3.9% from 2000 to 2009, 2.5 times faster than the average annual growth rate of 1.6% for the civilian labor force in U.S.

Hidalgo County has a smaller share of workers employed in management, professional, and related occupations (25.9%), compared to Texas (33.1%), and the U.S. (34.9%), and has a greater share of workers employed in service occupations (24.1%), compared to Texas (16.7%) and the U.S. (17.1%). Service occupations as a percentage of the labor force rose from 18.5% of employment in 2000, to 24.1% of employment in 2008.

The Hidalgo County economy is showing signs of improvement over 2009 and is forecasted to resume slower economic growth as the national economy recovers. According to a forecast by the Dallas Federal Reserve, Hidalgo County was ranked first in the state in terms of job growth in Texas. Recently released state data shows an increase in government, education and health services jobs. The McAllen-Edinburg-Mission Metropolitan Area added 4,900 jobs between the months of June 2009 and June 2010.

The population in Hidalgo County is projected to continue to grow at a steady rate, led by a higher than average birth rate and continued in-migration into the county. The Hidalgo County population is projected to surpass 1 million persons by the year 2025 under a moderate growth rate scenario. The population in Hidalgo County is predominately Hispanic. Nine out of ten residents in Hidalgo County are of Hispanic origin. The population in Hidalgo County is young with a median age of 27.4 years; versus 36.8 years in the U.S. Forty percent of the population in Hidalgo County are under than 19, compared to 27% in the United States.



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### Program Approach and Results of Benefit Expected

The Program's goals and objective for the next three years remain constant as we continue to align them with the needs and strengths documented in our community assessment. The Program will continue to implement, as it has in the past, measures consistent with Head Start objectives by providing educational incentives and professional development for staff to retain experience personnel to deliver quality services.

The Hidalgo County Head Start Program annual review of the Community Assessment data, does not points to any significant changes in the service area. All data shows a fairly constant trend in population growth which the Program continuous to align with its long range strategic plan and short range goals and objectives. Our Long term strategic plan is in its early years of implementation and the Program does not anticipate any significant changes in its goals and objectives.

Results and benefits realized in achieving the goals and objectives of the Program's long term strategy can be easily documented in the Program's success and ability in implementing essential activities over the previous year. The results of such activities are summarized as follows:

- Goal No.1 Workforce Development:

1. The Program has strengthened the professional development and increased the competence level of Classroom Staff and Education Specialists by providing incentives for career development such as, tuition reimbursement and four hours of education leave per week. The Program currently has over 75 employees attending institutions of higher learning at the University of Texas at Pan-American and the Texas State College. Currently 94% of the teachers have acquired their either BA or AA degree. The remaining 4% are registered and well on their way towards obtaining their degrees.
2. Intensive Pre-service Trainings have been developed and implemented to provide in-depth instructions on a wide variety of topics on an annual basis. Assistant teachers are provided with training for Child Development Credentials.
3. Cost of Living Adjustment funding is invested into more equitable and competitive wages for staff members. Annual salary comparability studies



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are analyzed and used to more closely align our compensation to that of the competitors. Teachers have received the highest increases in salary as a percentage of total wages, thus making the retention of experienced teachers a more viable one. As a result of closer alignment to school districts, the Program has been able to retain the more experienced teachers.

- Goal No. 2 Infrastructure Development:

1. The Program was awarded addition funding under ARRA to meet the community demands for additional facilities.
2. Construction of six additional classrooms to accommodate 120 additional children was successfully accomplished and services are now being provided to more children in our service area. Additional teachers, assistant teacher, bus drivers, bus aids and custodians have also been hired.
3. The Program has accomplished the much needed reroofing and other repairs of our existing facilities. Making older facilities a much better learning environment for our children.
4. Playground equipment, to replace older and outdated ones has also been installed. New equipment was also installed in the additional classrooms that are in compliance with Texas Minimum Standards.
5. Transportation services have been enhanced with the arrival of new buses and additional personnel in order to provide transportation to more children. Older buses have also been replaced with newer and more efficient buses. All buses are equipped with the appropriate child restraint system.
6. Technology services as part of the long range plan have also be impacted positively. A new digital telephone system has been purchased to replace an antiquated rotary system. New computers were purchased to replace the older models currently in use. The computer networked has been expanded to allow access from any and all Head Start facility within our service area. Cameras in every classroom have proven a worthwhile investment as they provide yet another layer of monitoring and training while enhancing the level of security at our facilities.



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- Goal No. 3 Program and Services Development:  
We continue to expand opportunities for Parenting Skills and Healthy Marriages.
  1. Monthly scheduled parent meetings educate parents on a multiple array of topics such as, nutrition, health, mental health, disability issues as well as many other issues dealing with socially acceptable behavior. Volunteerism is advocated and parents have responded overwhelmingly by reaching a level of unprecedented volunteers during the year.
  2. Annual conferences in many areas have motivated parents and community partners to become involved the education and development of the children we serve. These events include:
    - a) Community Networking Conference
    - b) Volunteer Training Conference
    - c) Parent Leadership Conference
    - d) Governance Leadership Institute
    - e) Parent Fair
    - f) Fatherhood Conference
    - g) Nutrition Contest
    - h) Week of The Young Child Fair
    - i) Community Partnership Conference.

These events allow us to share information and conduct specialized trainings geared towards a more inclusive role of the parents and community in the development of each child.

3. The Hidalgo County Head Start Program promotes healthy child development through Parental Education. Monthly scheduled meetings at each Head Start facility provide additional training in:
  - a) educational topics
  - b) health concerns
  - c) transition services
  - d) Diabetes and Developmental Delays
  - e) Nutrition
  - f) Exploring Parenting, which has become our curriculum to train parents in their roles in becoming productive members of our community.



## Hidalgo County Head Start Continuation Application 2011

### Budget Justification- Federal Share

#### Itemized Budget Breakdown Federal Share

The Hidalgo County Head Start Program is submitting a Continuation Budget for fiscal 2011, January 1, 2011 to December 31, 2011. The following proposed Federal program costs are accompanied with an explanation and justification for the proposed expenditures. All personnel costs are reasonable and conform to 2 CFR Part 225 Appendix B Cost Principles for State, Local, and Indian Tribal Governments (OMB Circular A-87).

#### Personnel (Object class category 6.a)

All proposed salaries are appropriate and competitive in the region and county. The staff of the Hidalgo County Head Start Program will meet all Head Start Requirements and regulations. Salaries are in alignment with prevailing wages in the area as well with federally recommended levels. All salary levels are in accordance with Section 653 of the newly enacted Head Start Act.

Total salaries for this application is inclusive of all personnel, Administrative; Executive Director, Assistant Directors, Department Heads, Secretaries. Programmatic; Education Area Directors, Center managers, Facilitators, Assistant Facilitators, Teachers, Assistant Teachers, Bus Drivers, Aides, Custodians(70%), Clerks and Substitutes.

**Total Salaries \$15,954,991**



## Hidalgo County Head Start Continuation Application 2011

### Budget Justification-Federal Share

#### Fringe Benefits (object class category 6.b)

In addition to adequate salaries the Hidalgo County Head Start staff receives a fringe benefit plan that is reasonable and conforms to 2 CFR Part 225 Appendix B Cost Principles for State, Local, and Indian Tribal Governments (OMB Circular A-87).

The fringe benefits include the following:

FICA	989,210
Unemployment	98,922
Workers' Comp.(Pd By Fund)	-
Pension	1,187,021
Health Ins.	2,857,295
Medicare	231,347
Life Insurance	18,523
<b>Total Fringe Benefits</b>	<b>5,382,318</b>

#### Travel (object class category 6.c)

The Hidalgo County Head Start Program will use every opportunity to train its personnel using the latest information and literature development in the field of Child Development. Participation in regional, state and national symposiums, conferences and training offers staff the opportunity to identify and learn new technologies, methodologies and curricula to improve the quality of services.

Trip Description	No. of Staff	Per diem	Days	Total
National Conference	10	\$35.00	3	\$1,050.00
Registration	10	\$425.00		\$4,250.00
Airplane tickets	10	\$470.00	0	\$4,700.00
<b>Total Out of Town Travel</b>				<b>\$10,000.00</b>



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### Budget Justification-Federal Share

#### Supplies (object class category 6.e)

This object class includes all consumable and non-consumable supplies utilized in all areas of the Head Start Program. These include classroom supplies for all 192 classrooms, i.e., play telephones, racks, tables, chairs, play dishes, computers, printers scissors, construction paper, classroom paint, books, art supplies etc.; items for the playground; janitorial supplies, supplies for building repair and maintenance, minor medical supplies and office supplies.

**Total Supplies \$873,233**

#### Other (object class category 6h)

This category is comprised of the following items:

Rent	\$ 155,000.00
Utilities & Telephone	\$ 834,556.00
Building & Child Liability	\$ 142,000.00
Building Maintenance/ Repair	\$ 338,900.00
Local Travel	\$ 97,000.00
Child Service Consultants	\$ 144,150.00
Parent Services	\$ 34,880.00
Accounting & Legal	\$ 89,500.00
Publication/Adv./Printing	\$ 48,500.00
Total Other	\$ 1,884,486.00



## Hidalgo County Head Start Continuation Application 2011

### Budget Justification-Federal Share

Training and Technical Assistance funds will be utilized in accordance with Head Start Regulations.

Event	Purpose	No. of Staff	No. of parents and partners	Cost
National Head Start Association (NHSA)	Current Head Start Issues	5	5	\$15,000
Region VI Head Start Association Conference	Training on Head Start Standards	10	3	\$15,000
NAEYC Conference	Early Childhood Education	6	0	\$12,000
Annual Parent Training Conference	Training on Head Start Regulations	5	300	\$18,000
Community Networking Training Conference	Networking with community providers on Head Start issues	50	0	\$6,300
Volunteer Training Seminar	Training of classroom volunteers	12	350	\$18,000
Parent Leadership Conference	Training for policy Council formation and live skills	42	250	\$16,800
Governance Leadership Institute	Training for newly formed Policy Council	30	17	\$15,000
Fatherhood Conference	Training for involving parents in Head Start	45	250	\$14,800
Recruitment Seminar	Staff training on recruitment procedures	50	0	\$6,000
Week Of The Young Child Awareness Conference	Early Childhood Awareness and Education	750	3570	\$5,000
Community Partnership Conference	Training for community partners on Head Start standards	50	300	\$8,803
Parent Volunteer Conference	Training for parents on volunteering	50	300	\$18,330
Staff Development	Teachers attending school for AA and BA Degrees. CDA and CPR training	25	0	\$100,000
<b>Total</b>				<b>\$269,033</b>

**Total Federal Continuation Budget      \$24,374,061**



**Hidalgo County Head Start  
Continuation Application 2011**

**Budget Justification-Non-Federal Share**

**FY 2010**

The following are the proposed Non-Federal Resources to be provided by The Hidalgo County Head Start Program. The listed resources meet the requirements for In-Kind contribution as per 2 CFR Part 225 Appendix B Cost Principles for State, Local, and Indian Tribal Governments (OMB Circular A-87)

**1. PERSONNEL (Object Class Category 6.A)**

Volunteer	Service Provided	Rate	Value
School teachers under the School Readiness Program	Classroom instructions to our children	25 teachers X \$153.55/day X 172 days	\$660,273
Classroom Assistants	Read stories, toileting, playground & lunchroom supervision	185 volunteers X 11.38 X 24 weeks X 20 hours	\$1,010,544

**Total Volunteers \$1,670,817**

**3. Supplies (Object Class Category 6. e)**

Used	Donation	Rate	Value
Classroom	Consumable (paper, art supplies, books and	43 centers X \$153.02	\$6,580

**2. Other (object class 6.e)**

Estimated valuation of land and facilities based on tax valuations and current commercial leasing rates for the service area. See attached listing of properties and valuations. (Real Property Listing Attached)

**Subtotal      \$4,416,118**

**Total In-Kind    \$6,093,515**

**Total Continuation Budget \$30,467,576**

Description	2010	2011	Difference	Comments/Notes
<b>Salaries/Fringes</b>				
Salaries	15,632,552.45	15,954,991.31	322,438.86	Cost of Living Adjustment
Fringes/Pension Adm Costs	4,475,991.18	5,382,317.68	906,326.50	In FY2010 health ins costs were reduced by 30% and W/C costs were not assessed
<b>Total Salaries/Fringes</b>	<b>20,108,543.63</b>	<b>21,337,309.00</b>	<b>1,228,765.37</b>	
<b>Out of Town Travel</b>	<b>10,000.00</b>	<b>10,000.00</b>	<b>0.00</b>	
<b>Equipment</b>	<b>90,000.00</b>	<b>-</b>	<b>(90,000.00)</b>	Purchased new vans in 2010/New color printer needed for 2011
<b>Supplies</b>				
Office	102,587.60	94,000.00	(8,587.60)	Reduction in costs/orders
Postage	6,500.00	10,000.00	3,500.00	Costs for postage has increased from .41cents to .44cents
Classroom/Consum	300,000.00	176,659.20	(123,340.80)	Savings on health benefits in 2010 allowed for more spending for classroom supplies
Classroom/Non Con	457,401.77	153,159.19	(304,242.58)	Savings on health benefits in 2010 allowed for more spending for classroom supplies
Maintenance	215,000.00	215,000.00	0.00	
Janitorial	100,000.00	100,000.00	0.00	
Medical	20,500.00	15,500.00	(5,000.00)	Reduction in costs/orders
Playground	0.00	900.00	900.00	Special playground equipment needed for disability children enrolled
Operational	168,000.00	108,015.00	(59,985.00)	Reduction in costs/orders
<b>Total Supplies</b>	<b>1,369,989.37</b>	<b>873,233.39</b>	<b>(496,755.98)</b>	
<b>Other</b>				
Center Space	155,000.00	155,000.00	0.00	
Telephone	322,900.00	165,300.00	(157,600.00)	New phone system was budgeted for 2010
Utilities	673,000.00	669,255.61	(3,744.39)	New thermostats were installed and roof repairs were done/increased efficiency
Local Travel	102,000.00	97,000.00	(5,000.00)	Federal reimbursement rates (\$.55) were reduced to \$.50
Renovations	0.00	0.00	0.00	
Audit	32,000.00	32,000.00	0.00	
Dental Serv	24,500.00	27,000.00	2,500.00	Additional student enrollment
Disability Serv	13,000.00	8,000.00	(5,000.00)	More children qualify for medicaid services
Mental Health	33,000.00	32,150.00	(850.00)	More children qualify for medicaid services
Medical Serv	10,000.00	12,000.00	2,000.00	Additional student enrollment
Printing- Admin	9,700.00	9,700.00	0.00	
Printing Center	32,300.00	33,800.00	1,500.00	Rising printing costs
Subscriptions	0.00	0.00	0.00	
Insurance	142,000.00	142,000.00	0.00	
Vehicle Maintenance	150,000.00	150,000.00	0.00	
Fuel	173,000.00	125,000.00	(48,000.00)	County Co-op contract
Equip. Repair-Admin	10,000.00	3,000.00	(7,000.00)	Updated/new equipment
Equip. Repair-Center	48,000.00	48,000.00	0.00	
Equip. Rental	12,900.00	12,900.00	0.00	
Parent Involvement	30,000.00	32,000.00	2,000.00	Rising costs for parent incentives and additional student enrollment
Babysitting Reimb	2,880.00	2,880.00	0.00	
GDA/ T.T.A.	269,033.00	269,033.00	0.00	
Legal Fees	57,500.00	57,500.00	0.00	
Advertising	5,000.00	5,000.00	0.00	
AA Program	65,000.00	65,000.00	0.00	
<b>Total Other Expend.</b>	<b>2,372,713.00</b>	<b>2,153,518.61</b>	<b>(219,194.39)</b>	
<b>Total Oper. Budget</b>	<b>\$3,842,702.37</b>	<b>\$3,036,752.00</b>	<b>(805,950.37)</b>	
<b>Total Budget</b>	<b>23,951,246.00</b>	<b>24,374,061.00</b>	<b>422,815.00</b>	<i>Difference is Cost of Living Adjustment</i>



DEPARTMENT OF HEALTH & HUMAN SERVICES

ADMINISTRATION FOR CHILDREN AND FAMILIES  
Regional Office VI  
1301 Young St, Room 937  
Dallas, TX 75202-5433

July 1, 2010

Rene Ramirez, County Judge  
Hidalgo County Head Start Program  
P.O. Box 0117  
Edinburg, TX 78540-0117

Re: Grant No. 06CH0183

Dear Ms. Ramirez:

An application for continued refunding of your organization's Head Start and/or Early Head Start grant for the budget period 01/01/2011 - 12/31/2011 is due 10/1/2010, ninety days prior to the start of your budget period. This letter provides guidance on the requirements for submission of the continuation application.

For planning purposes, the application should reflect the enrollment and funding levels in the table below.

<b>PROGRAM ACCOUNT (PA)</b>	<b>PROJECTED FUNDING</b>	<b>FUNDED ENROLLMENT</b>
PA 4122 – Head Start Program Operations	\$24,105,028	3570
PA 4120 – Head Start Training and Technical Assistance	\$269,033	
PA 4125 – Early Head Start Program Operations		0
PA 1126 – Early Head Start Training and Technical Assistance		
<b>Total</b>	<b>\$24,374,061</b>	<b>3570</b>

The projected funding levels for PA's 4122 and 4125 reflect the permanent cost-of-living adjustment (COLA) increase of 1.84 percent contained in the Fiscal Year (FY) 2010 appropriation for the Head Start program. Funding in FY 2011 at the specified levels for PA's 4122 and 4125 noted in the above table is contingent upon your organization's submission of an approvable supplemental application in FY 2010 that meets the criteria in Program Instruction ACF-PI-HS-10-01, dated February 17, 2010. The projected PA 4120 allocation for Head Start

remains at the prior year level. The projected funding level for PA 1126 is calculated at 2.5 percent of the projected PA 4125 funding level.

Funding is contingent upon the availability of federal funds and satisfactory performance by your organization under the terms and conditions of the Head Start grant in the current budget period. The funding levels noted above must support all Head Start budgeted program costs, both direct and, if appropriate, indirect costs.

The application for continued refunding must be prepared in accordance with the instructions in Information Memorandum ACYF-IM-HS-00-12, dated April 25, 2000. This information is available electronically at the following link: <http://eclkc.ohs.acf.hhs.gov/hslc>. As noted in the Information Memorandum, Head Start and Early Head Start grantees are required to submit a full application once every three years. In the other two years, grantees need only submit budget information, describe the progress they are making toward their community needs and objectives and explain proposed significant changes to their programs. In preparing the summary of findings from your community assessment for a full application and the updates for abbreviated applications, you must provide a breakout of the proposed enrollment levels for each county within your service area in the application.

You are considered to be in year 3 of the application cycle and are required to complete an abbreviated application. We encourage you to carefully review ACYF-IM-HS-00-12, the attached instructions and this guidance prior to preparing your application. **Incomplete applications will not be processed and may affect the timely award of Federal funding.**

Grantees are expected to use the web-based Grant Application Budget Instrument (GABI) to complete their applications. GABI is available in the Head Start Enterprise System (HSES) at <https://hses.ohs.acf.hhs.gov/hsprograms>. Training materials can be found in the "Instructions" section of HSES. For further assistance, please contact [HSESHelp@acf.hhs.gov](mailto:HSESHelp@acf.hhs.gov) or 1-866-771-4737.

## **Approvals**

Governing body approval is required on the application for continuation funding. The Standard Form SF-424 must be submitted under the signature of the Board Chairperson, as required in Program Instruction ACF-PI-HS-06-01, dated September 19, 2006. In addition, Policy Council approval is required. A signed statement by the Policy Council Chair and accompanying minutes demonstrating participation in the development and approval of the application must be submitted with the application. If the Policy Council has not approved the application, a letter from the Policy Council indicating its reasons for withholding approval is required.

## **Risk Management**

The risk management process implemented by the Office of Head Start is a prevention/early intervention strategy that integrates the funding, monitoring and technical assistance processes. Through this process, potential risks and areas for improvement are identified along with strengths, areas of pride and innovative practices.

Your agency recently participated in a risk management meeting and may have received a copy of the action plan shortly after the meeting occurred. The refunding application should address the action steps that were specifically identified for inclusion in either your Training and Technical Assistance (T/TA) Plan or the grant application itself.

## **Development of the Training and Technical Assistance Budget**

Grantees should develop T/TA plans that assure sufficient resources are devoted to address all T/TA needs, particularly those which impede their ability to provide quality and comprehensive services to all enrolled children and families. The application must include your T/TA plan and an accompanying narrative on the T/TA needs. The results of the grantee's self assessment and the improvement plan must be included in the application to evaluate the appropriateness of the T/TA plan.

Grantees with identified areas of non-compliance and/or deficiencies should invest appropriate resources to assure correction is achieved. If the direct funding for T/TA is not sufficient to meet all of the identified needs in your annual T/TA plan, grantees may use operational funds available to them in the annual grant award.

## **Cap on Employee Compensation**

Section 653 of the Head Start Act places limitations on the compensation of Head Start staff. Specifically, the Act prohibits the use of **any** Federal funds, including Head Start grant funds, to pay any part of the compensation of an individual employed by a Head Start agency if that individual's compensation exceeds the rate payable for Level II of the Executive Schedule, currently \$179,700. Program Instruction ACF-PI-HS-08-03, issued May 12, 2008, provides guidance on this requirement and defines compensation. No funds may be charged to the Head Start grant or to any other Federal program either as a direct cost or any pro-rata as an indirect cost for an employee whose compensation exceeds \$179,700. Please ensure that your refunding application demonstrates that the compensation policies of your agency and those of any delegate agencies, if applicable, comply with the compensation cap guidelines.

## Submission Information

Grantees are strongly encouraged to submit refunding applications online via the HSES. If you submit the application via HSES, you must still provide the original signature pages for the Standard Form (SF) 424, Application for Federal Assistance, and SF-424B, Assurances – Non-Construction Programs, to:

Ray Bishop, Regional Grants Management Officer  
Office of Grants Management  
Administration for Children and Families  
1301 Young Street, Room 937  
Dallas, TX 75202-5433

If a grantee does not choose to submit the refunding application via HSES, the original application, required forms and certifications and two copies must be submitted to the address listed above.

A checklist is enclosed to assist you in ensuring the application contains all of the required information. If you have any questions or require assistance, please contact Alfredo Huerta, your Head Start Program Specialist, at (214)767-8859 or [alfredo.huerta@acf.hhs.gov](mailto:alfredo.huerta@acf.hhs.gov) or Eric Weiss, your Grants Management Specialist, at (214)767-8823 or [eweiss@acf.hhs.gov](mailto:eweiss@acf.hhs.gov). Thank you for your cooperation and timely submission of your grant application.

Sincerely,

/s/

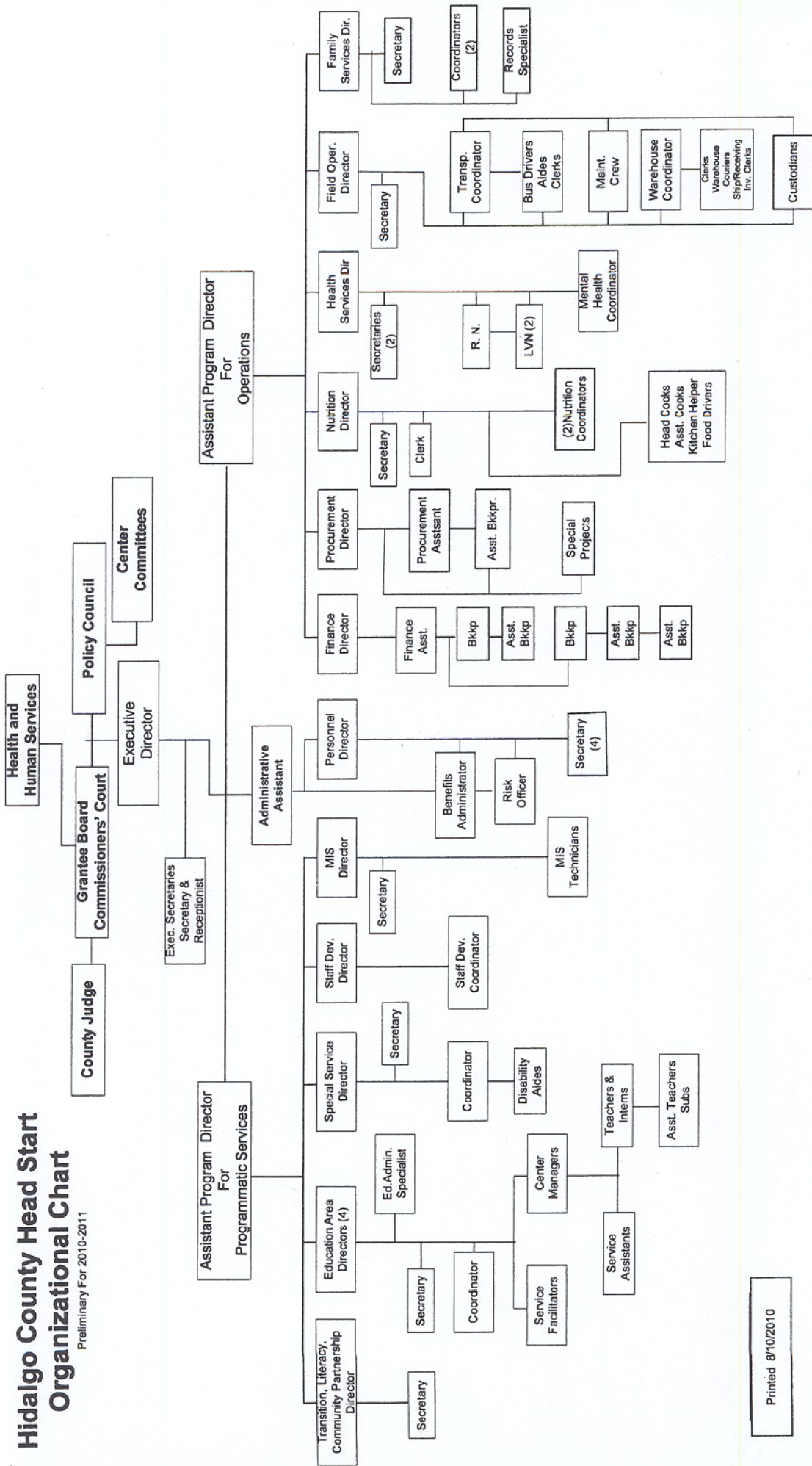
Susan Johnston  
Regional Program Manager  
Office of Head Start, Region VI

Enclosure

cc: Executive Director

# Hidalgo County Head Start Organizational Chart

Preliminary For 2010-2011



# Hidalgo County Head Start Organizational Chart

Approved For 2009-2010

