

Hidalgo County Head Start 2019 Budget

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**A. Letter from the Administration of
Children and Families, Office of Head Start,
Department of Health and Human Services**



ADMINISTRATION FOR
CHILDREN & FAMILIES

Office of Head Start | Region VI | 1301 Young Street, Room 937, Dallas, TX 75202 | www.ecikc.ohs.acf.hhs.gov

August 13, 2018

Ramon Garcia, County Judge
Hidalgo County Head Start Program
1901 W State Highway 107
McAllen, TX 78504

Re: Grant No. 06CH010420

Dear Mr. Garcia:

A grant application must be completed for the upcoming budget period. Please consult the grant application instructions to determine the type of application required. The application for the Head Start grant is due 10/01/2018.

The following table reflects the projected funding and enrollment levels for the 01/01/2019 – 12/31/2019 budget period.

Funding Type	Funding Level	Funded Federal Enrollment
Head Start Program Operations	\$26,913,428	3690
Head Start Training and Technical Assistance	\$322,586	
Early Head Start Program Operations		
Early Head Start Training and Technical Assistance		
TOTAL	\$27,236,014	3690

Application Submission Requirements

The application must be prepared and submitted in accordance with the *Head Start Grant Application Instructions with Guidance, Version 3 (Application Instructions)*. It must be submitted on behalf of the Authorizing Official registered in the HSES.

Incomplete applications will not be processed.

The *Application Instructions* are available on the home page of HSES. Please review the instructions carefully prior to preparing the application. Submission guidance can be found in the "Instructions" section of the HSES.

Mr. Garcia
Hidalgo County Head Start Program

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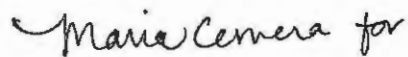
Please contact Heather Colwell, Head Start Program Specialist, at (214) 767-8850 or heather.colwell@acf.hhs.gov or Gerald Scroggins, Grants Management Specialist, at (214) 767-8703 or gerald.scroggins@acf.hhs.gov with questions regarding the *Application Instructions*.

For assistance submitting the application in HSES, contact help@hsesinfo.org or 1-866-771-4737.

Funding is contingent upon the availability of federal funds and satisfactory performance under the terms and conditions of the Head Start grant in the current budget period.

Thank you for your cooperation and timely submission of the grant application.

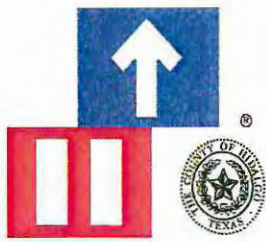
Sincerely,



Region VI Management
Office of Head Start

cc: Teresa Flores, Head Start Director and Executive Director

**B. Budget Memorandum to Hidalgo County
Policy Council and Commissioners' Court
(Grantee Board): (Pages 1-4)**



Hidalgo County Head Start MEMORANDUM

Date: September 10, 2018

To: Hidalgo County Policy Council
Hidalgo County Commissioners' Court

From: Elma P. Carrera, Chief Financial Officer *Elma Carrera*

Thru: Teresa Flores, Executive Director *Teresa Flores*

C.C: Edmundo Garcia, Assistant Program Director
Nora Muñoz, Assistant Program Director

Subject: 2019 Budget - Head Start (Department of Health and Human Services)
2019 Budget - Nutrition (Texas Department of Agriculture)

The Hidalgo County Head Start Program is submitting a Continuation Funding Application for the budget period of 01/01/2019 to 12/31/2019 under Grant No. 06CH010420 to The Administration for Children and Families, Department of Health and Human Services in the amount of \$27,236,014. The Program has also prepared the reimbursement grant under the Child and Adult Care Food Program to the Texas Department of Agriculture totaling \$3,466,977 for nutritional services.

Head Start - (Department of Health and Human Services)

The attached Head Start Program Budget for 2019 reflects the Program's continued commitment to provide high quality services as per Head Start Federal Standards requirements in accordance with the Head Start Act of 2007. This funding will make it possible for the Hidalgo County Head Start Program to serve 3,690 children and families throughout the County Of Hidalgo. All costs are reasonable and conform to CFR45 Part 75 Uniform Administrative Requirements, Cost Principles and Audit Requirements for HHS Awards and Part 1303 Financial Administrative Requirements of the Head Start Standards.

The Head Start Grant requires a twenty percent (20%) non-federal match which as always, will be met through In-kind contributions as a result of volunteer services by parents and community partnerships, allowable under the Head Start Act. These services include volunteers spending time in the classrooms assisting teachers, assisting with meals, reading to the children, and parents continuing the Head Start experience at home with curriculum aligned activities. Community partners provide low rent classroom space, classroom supplies and materials. School districts provide free and low-cost classroom space in addition to 104.5 classroom teachers paid by the districts, and classroom supplies and materials. This year's non-federal match contributions will equal \$6,809,004.

The Budget for the 2019 school year presents an extraordinary and difficult challenge for our Program as we must find the funds to pay for an estimated seven percent (7%) increase in medical premiums with an estimated annual cost of \$310,492 annually.

Due to our great partnerships with the local school districts, this school year, the Program was able to relocate our A-1, McAllen IV, McAllen V, and McAllen VI classrooms to the Theodore Roosevelt Elementary Campus and Navarro Elementary Campus within McAllen Independent School District (ISD). The consolidation of these four Head Start Centers to the public school sites will provide the Program with an annual rental savings for center space costs and will reduce the number of Head Start classrooms from 186 in 2018 to 185 in 2019. This would enable the Program to propose a reduction of one vacant teacher position, one vacant assistant teacher position and one vacant custodian position. In addition to the many benefits of our school partnerships, the Weslaco, Mercedes and Pharr San-Juan Alamo ISD's are also providing transportation services including school district bus drivers and bus aides paid by the district to transport Head Start children to the Farias, Carmen Anaya, Mercedes I and F.D. Roosevelt Head Start Centers. This will also enable the Program to propose a reduction of four vacant full time bus driver positions and four vacant part time bus aide positions.

The proposed initiatives and measures summarized in the categories listed below would enable the Program to meet the 2019 budget constraints of rising employee medical costs without compromising services to the children and families we serve.

Salaries \$17,445,705 - In this category, program staff has reviewed and analyzed the proposed budget allocations and recommends a reduction of four vacant full time bus driver positions and four vacant part time bus aide positions as a result of the transportation services provided by the public schools. In addition, with the consolidation of classrooms to the public school sites, one classroom was eliminated in comparison to last year. Therefore, the recommendation to reduce one vacant full time teacher position, one vacant full time assistant teacher position, and one vacant custodian position is proposed. This plan of reducing eleven budgeted positions would yield a favorable variance of \$254,097 in the salaries category.

This cost category reflects salaries for seven hundred five (725) Head Start positions with no salary increases. Please refer to the "Budgeted Positions" and the "Salary Scale" attached.

Fringe Benefits \$7,570,815 - The fringe benefits category reflects \$310,492 increase in medical premiums for all Head Start employees under Health Human Services funds and a decrease in FICA, Unemployment, Worker's Compensation, Medicare, Pension, and Life Insurance costs of \$94,765 with the recommendation to reduce eleven budgeted positions. This category will show a net increase in fringe benefits costs totaling \$215,727.

Equipment \$0 - There will be no equipment purchases for FY2019.

Supplies \$630,336 - This category reflects no changes and includes costs for office, classroom, maintenance, janitorial, medical and operational supplies. Historically, the Program is able to purchase supplies at the end of the year, due primarily, to unexpended funds for budgeted positions that remained vacant.

Other \$1,589,158 - This category includes costs for Center Space (Rent), Telephone, Utilities, Local Travel, Professional Services, Children’s Dental Services, Children’s Disability Services, Children’s Mental Health Services, Children’s Health Services, Medical Services, Printing, Children’s Liability Insurance, Vehicle Maintenance, Fuel, Equipment Repairs, Small Equipment and T & T A.

In this category, the Program will realize a favorable annual savings of \$44,328 for Center Space rental costs; \$24,149 for Telephone; and \$86,051 for Utilities. This is due to the consolidation of the four Head Start Centers to the public school sites. In addition, the Program will experience an increase in the Children’s Liability Insurance costs of approximately \$4,000. This category will show a net decrease of \$150,528.

Please refer to Attachment I “Budget Analysis” for more information.

Total Budget Allocation from Health and Human Services	\$27,236,014
Total Non-Federal Match Required	<u>\$ 6,809,004</u>
Total Budget	<u>\$34,045,018</u>

Nutrition – (Texas Department of Agriculture)

The attached Texas Department of Agriculture (TDA) Budget for food services reimbursement for the fiscal year 2018-2019 (10/1/2018 to 9/30/2019) under The Child and Adult Care Food Program is in the amount of \$3,466,977. This budget reflects an estimated increase of \$65,553 due to an upward adjustment in the rate of reimbursement from \$6.0925 to \$6.245 per child/per day.

In summary, the major costs categories for our 2019 budget are listed below for your review. Please also see Attachment II "Budget Analysis" for more information.

Salaries \$1,106,976 - This line item reflects the same number of positions as in FY 2018. The increase of \$19,351 when compared to FY 2018 is a result of the 2.6 % Cost of Living Adjustment (COLA).

Fringe Benefits \$545,041 - All fringe benefits are comparable with County benefits. The increase of \$21,643 denotes COLA impact and the 7% anticipated increase in medical premiums.

Total Operating Expenses \$1,814,960 - This category includes expenses for the following: Food, Vehicles, Equipment, Non-Food Supplies, Office Supplies, Rent, Equipment Maintenance, Vehicle Maintenance, Vehicle Fuel, Utilities, Telephone, Subscriptions, Printing, Local Travel and T & TA.

Last year, the Program was able to purchase one walk-in cooler/freezer for the Palmview Kitchen and one cargo van that was declared a total loss due to a vehicle accident. This year we are proposing to purchase one more walk-in cooler/freezer for the Edcouch Kitchen and one 2002 cargo van that is fully depreciated and has 149,697 miles. The total operating expenses show an increase of \$24,558 from the previous year due to anticipated rising costs for food, telephone and local travel expenses.

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

Total Reimbursements from TDA

\$3,466,977

C. Attachment I: Head Start Budget Analysis

Hidalgo County Head Start Program

2019 Budget Analysis

Description	2018 Budget	2019 Proposed Budg	Variance	Comments/Notes
Salaries/Fringes				
Salaries	17,699,801.15	17,445,704.51	(254,096.64)	Net change in salaries
T&TA	(188,897.63)	-	188,897.63	Salaries budgeted from T&TA in 2018
Fringes/Pension Costs	7,355,087.56	7,570,815.28	215,727.72	7% Increase for Health Ins/Rate decrease U/E by .0011
Total Salaries/Fringes	24,865,991.08	25,016,519.79	150,528.71	
Out of Town Travel	-	-	-	
Equipment (Over \$5K)				
Equipment	-	-	-	
Vehicles	-	-	-	
Total Equipment	-	-	-	
Supplies				
Office	67,104.05	67,104.05	-	
Classroom	288,215.71	288,215.71	-	
Maintenance	140,898.53	140,898.53	-	
Janitorial	62,236.85	62,236.85	-	
Medical	5,398.00	5,398.00	-	
Operational	66,483.00	66,483.00	-	
Total Supplies	630,336.14	630,336.14	-	
Other				
Center Space	147,492.00	103,164.00	(44,328.00)	Relocated A-1, Mc 4, Mc 5, & Mc 6 to McAllen ISD
Telephone	328,585.00	304,435.79	(24,149.21)	Anticipated reduction costs for consolidation of centers
Utilities	317,923.78	231,872.28	(86,051.50)	Anticipated reduction costs for consolidation of centers
Local Travel	48,500.00	48,500.00	-	
Professional Services	72,550.00	72,550.00	-	
Dental Serv	1,050.00	1,050.00	-	
Disability Serv	5,600.00	5,600.00	-	
Mental Health	30,000.00	30,000.00	-	
Medical Services	500.00	500.00	-	
Printing Center	29,600.00	29,600.00	-	
Insurance	193,000.00	197,000.00	4,000.00	Realigned expenditures with actual costs
Vehicle Maintenance	95,000.00	95,000.00	-	
Fuel	75,000.00	75,000.00	-	
Equip. Repair	33,000.00	33,000.00	-	
Small Equipment	39,300.00	39,300.00	-	
T & T A	322,586.00	322,586.00	-	
Total Other	1,739,686.78	1,589,158.07	(150,528.71)	
Total Budget	27,236,014.00	27,236,014.00	0.00	

D. Attachment II: TDA (Nutrition) Budget Analysis

**Texas Department of Agriculture (TDA)
Budget Analysis**

Description	2017-2018	2018-2019	Difference	Comments/Notes
Salaries/Fringes				
Salaries	1,087,625.34	1,106,976.31	19,350.97	Net change due to 2.6% COLA & 1 less Custodian
Fringes/Pension Adm Costs	523,397.73	545,041.29	21,643.56	7% Increase for Employee Health Insurance
Total Salaries/Fringes	1,611,023.07	1,652,017.60	40,994.53	
Food	1,394,889.30	1,419,962.60	25,073.30	Rising Food Cost
Supplies and Equipment				
Vehicles	-	-	-	
Equipment	64,935.00	68,000.00	3,065.00	Walk In Cooler/Freezer Combo & 1 Cargo Van
Non-Food Supplies	140,497.32	140,497.32	-	
Office Supplies	7,499.80	7,499.80	-	
Purchased Services				
Rent	6,000.00	6,000.00	-	
Equipment Maintenance	30,000.00	30,000.00	-	
Vehicle Maintenance	8,500.00	8,500.00	-	
Vehicle Fuel	12,000.00	12,000.00	-	
Utilities	75,000.00	75,000.00	-	
Telephone	12,000.00	17,000.00	5,000.00	Realigned expenditures with actual costs
Subscriptions	2,000.00	2,000.00	-	
Printing	2,000.00	2,000.00	-	
Media Costs				
Organization Costs				
Local Travel	3,999.98	4,500.00	500.02	Realigned expenditures with actual costs
T & TA	31,080.00	22,000.00	(9,080.00)	Realigned expenditures with actual costs
Total Operating Expenses	1,790,401.40	1,814,959.72	24,558.32	
Total Budget	3,401,424.47	3,466,977.32	65,552.85	<i>Rate per meal increased from \$6.0925 to \$6.245 for 2018-2019.</i>

Reimbursement Formula:

177 Service Days x 3,690 Children x 85% ADA x \$6.245 Reimbursement Rate = \$3,466,977.32

Reimbursement Rate is Calculated as follows:

Breakfast	1.79
Lunch	3.31
Snack	0.91
Cash-in-Lieu of Commodities:	<u>0.235</u>
Reimbursement Rate	6.245

E. Attachment III: Employee Pay Scale

2019 Hidalgo County Head Start Program Salary Scale

Position - Title	Annual Salary
Administrator for Education - Masters	\$72,003.86
Administrator for Human Resources - Masters	\$72,003.86
Assistant Administrator for Human Resources	\$48,379.59
Assistant Bookkeeper - Procurement & Finance	\$25,672.98
Assistant Director for Operations	\$87,539.96
Assistant Director for Programmatic Services- Masters	\$88,436.28
Assistant Teacher	\$21,255.44
Bookkeeper - Finance	\$31,093.55
Bus Aide/Substitute	\$21,255.44
Part Time Bus Aide/Classroom (PTE's)	\$8,653.69
Bus Driver/Maintenance	\$21,255.44
Center Manager (Associates)	\$32,843.49
Center Manager (Masters)	\$39,309.75
Center Manager (Bachelors)	\$38,105.60
Chief Financial Officer - Bachelors	\$71,918.50
Clerk/Receptionist - Administration	\$21,255.44
Coordinator - Associates (LVN's)	\$37,538.47
Coordinator - Bachelors	\$41,081.04
Coordinator - Non Degree	\$34,870.87
Courier (Warehouse)	\$21,255.44
Crew Leader- Non Degree	\$30,282.60
Custodian - Administration & Center	\$21,255.44
Department Director - Non Degree - MIS	\$60,522.51
Department Director - Non Degree - Field Operations	\$62,741.95
Director - Bachelor	\$61,674.91
Director - Masters	\$63,296.81
Disability Classroom Assistant	\$21,255.44
Electrician Technician	\$32,395.33
Executive Director - Masters	\$107,643.00
Executive Secretary	\$38,669.53
Executive Secretary	\$40,910.31
Facilitator - Associates	\$32,395.33
Facilitator - Non Degree	\$30,282.60
Maintenance Worker	\$21,255.44
Mental Health Counselor	\$51,068.53
Nurse (RN) - Bachelors	\$49,809.43
Secretary	\$23,923.04
Secretary	\$21,874.32
Specialist - Masters	\$45,690.65
Support Service Facilitator (Center) - A.A.	\$32,406.40
Support Service Facilitator (Center) - Non Degree	\$27,572.31
Support Service Assistants	\$21,255.44
Teacher (Associates)	\$28,468.63
Teacher (Bachelors)	\$32,395.33

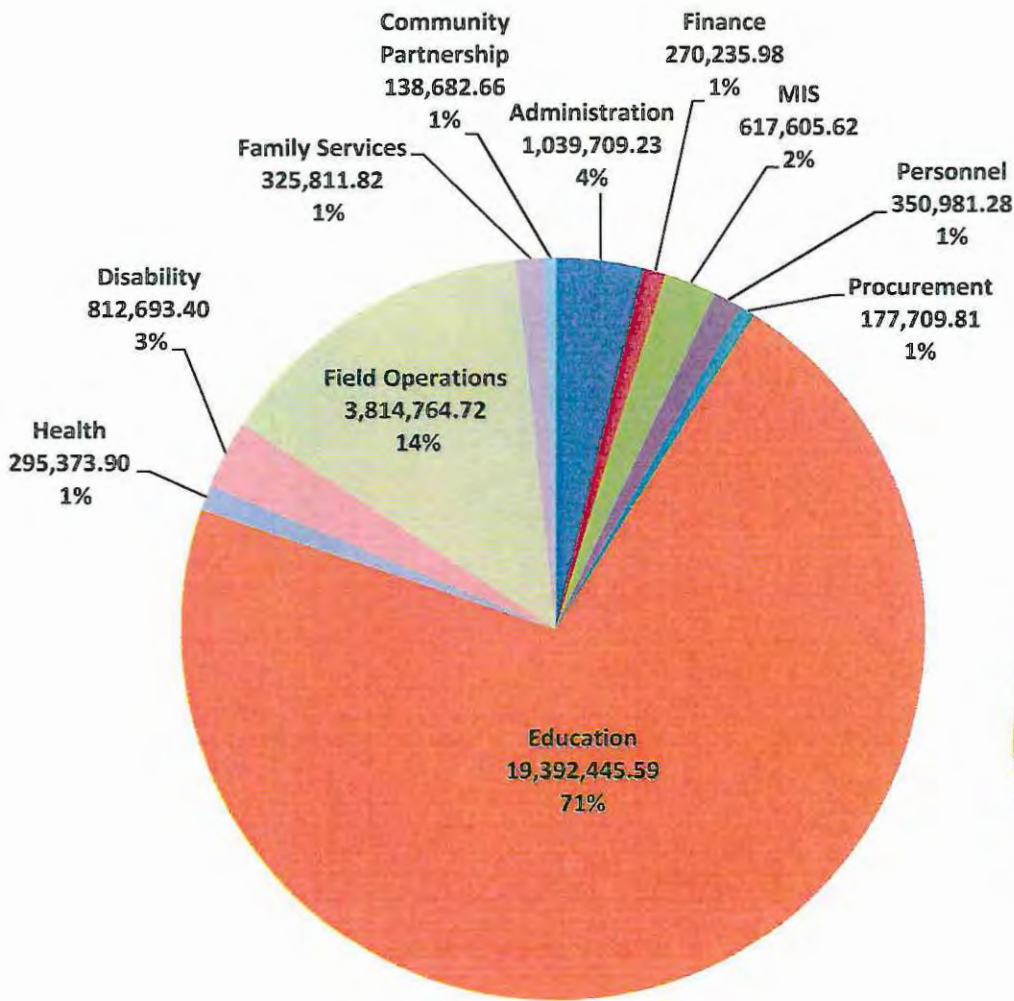
F. Attachment IV:

Graph: Budget by Department – Head Start

Graph: Budget by Department – TDA

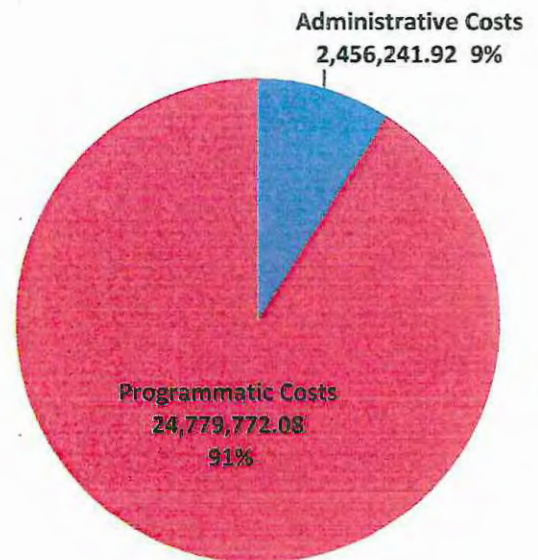
Hidalgo County Head Start Program 2019 - Department Budgets

Department:	Salaries	Fringes	Supplies	Other	Totals
Administration	421,528.83	120,145.35	26,754.05	471,281.00	1,039,709.23
Finance	195,439.05	67,196.93	5,500.00	2,100.00	270,235.98
MIS	168,891.09	56,095.74	59,983.00	332,635.79	617,605.62
Personnel	229,136.17	80,045.11	15,000.00	26,800.00	350,981.28
Procurement	128,428.93	42,130.88	4,150.00	3,000.00	177,709.81
Education	13,201,597.92	5,762,696.96	287,915.71	140,235.00	19,392,445.59
Health	208,435.59	70,008.67	6,879.63	10,050.00	295,373.90
Disability	547,690.29	248,803.10	7,000.00	9,200.00	812,693.40
Field Operations	2,042,093.47	1,025,099.59	209,385.38	538,186.28	3,814,764.72
Family Services	208,392.91	69,090.54	5,318.37	43,010.00	325,811.82
Community Partnership	94,070.25	29,502.41	2,450.00	12,660.00	138,682.66
Totals	17,445,704.51	7,570,815.28	630,336.14	1,589,158.07	27,236,014.00
<i>Percentage in categories</i>	64.1%	27.8%	2.3%	5.8%	100.0%



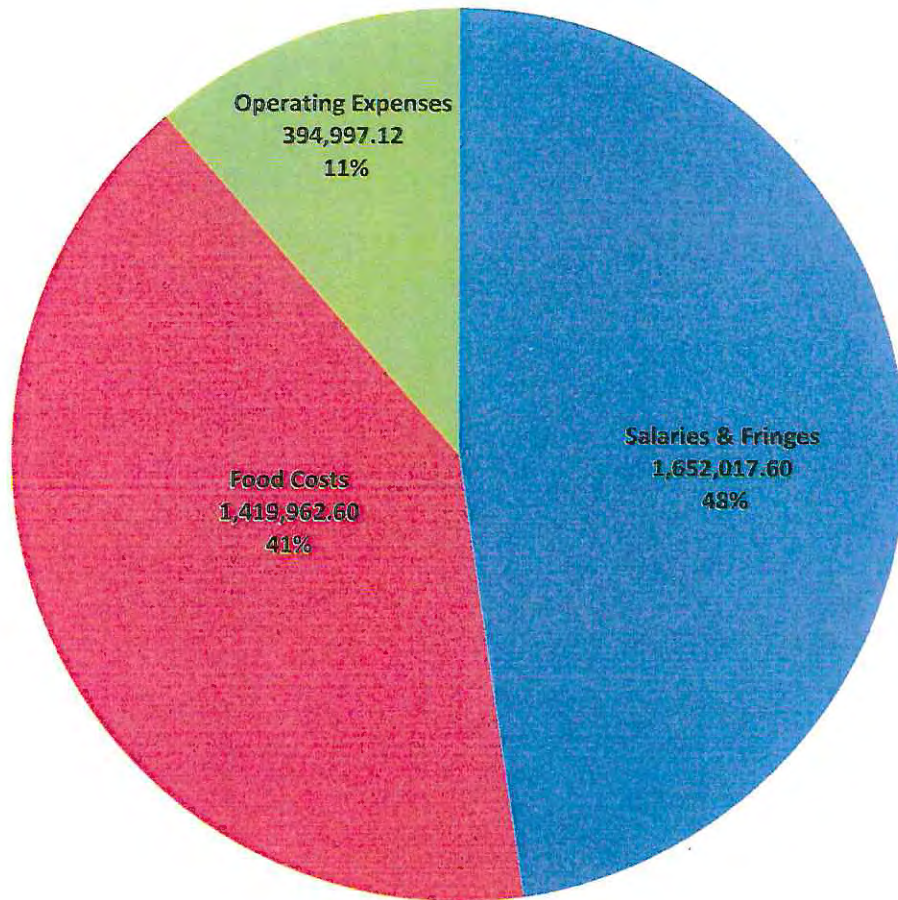
Administrative Costs:
Administration; Finance; MIS; Personnel; Procurement

Programmatic Costs:
Education; Health; Disability; Field Operations; Family Services; Community Partnership



**Texas Department of Agriculture
Child Nutrition Services
2018 - 2019 Budget**

Description:	Budget Amount
Salaries & Fringes	1,652,017.60
Food Costs	1,419,962.60
Operating Expenses	394,997.12
Totals	3,466,977.32



**G. Attachment V:
Budgeted Positions by Department**

Hidalgo County HeadStart Program (HS) & Texas Department of Agriculture (TDA)

Positions Budgeted from January 1, 2019 through December 31, 2019

Administration (105)		Finance (110)		MIS (115)		Personnel (120)		Procurement (125)	
Positions:	No:	Positions:	No:	Positions:	No:	Positions:	No:	Positions:	No:
Executive Director	1	Chief Financial Officer	1	Director	1	Administrator for HR	1	Director	1
Assistant Program Director	2	Coordinator	1	MIS Facilitator Tech I	2	Assistant Admin for HR	1	Coordinator	1
Executive Secretary	2	Bookkeeper	1	Records Specialist	1	Coordinator	1	Assistant Bookkeeper	1
Secretary	1	Assistant Bookkeeper	2			Secretary	3		
Receptionist	1								
	7		5		4		6		3
Education (205)		Health (305)		Disability (405)		Family Serv (605)		Community Partnership (610)	
Positions:	No:	Positions:	No:	Positions:	No:	Positions:	No:	Positions:	No:
Administrator for Education	1	Director	1	Director	1	Director	1	Director	1
Area Director	4	Registered Nurse	1	Coordinator	2	Coordinator	3	Facilitator	1
Compliance Monitor	1	Coordinator/LVN	2	Clerk	1	Secretary	1		
Mental Health Counselor	1	Secretary	1	Disability Aide	18				
Secretary	1								
Center Manager	36								
Teacher	185								
Assistant Teacher	185								
SS Facilitator	5								
SS Assistant	74								
Staff Development Director	1								
Education Coordinator	2								
	496		5		22		5		2
Field Operations (505)		Part Time Positions		TDA (705)		Total # of Budgeted Positions			
Positions:	No:	Positions:	No:						
Director	1	Field Operations Bus Aides	8			Director	1	Head Start	
Coordinator	2	Education Substitute Teachers	54			Coordinator	2	HS Budgeted Positions	663
Electrician Technician	1					Bookkeeper	1	Field Operations Bus Aides	8
Crew Leader	2					Secretary	1	Education Substitute Teachers	54
Bus Driver Maintenance	23					Head Cook	2	# of HS Positions	725
Bus Aide Substitute	15					Assistant Cook	2		
Maintenance Worker	10					Kitchen Helper	10	TDA	
Custodian	49					Food Driver	8	# of TDA Positions	27
Courier	4								
Clerk	1							Grand Total of:	752
	108		62				27		

H. Attachment VI: Yearly Budgeted Positions

Yearly Budgeted Positions

Hidalgo County Head Start Program

Department	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Administration	8	8	8	8	7	8	8	8	8	8	8	8	8	7	7	7
Finance	8	8	7	7	7	7	7	7	7	6	5	5	5	5	5	5
MIS	8	7	5	5	5	4	4	5	5	5	4	4	4	4	3	4
Personnel	5	5	5	5	5	5	5	5	5	5	3	4	4	6	6	6
Procurement	4	4	4	4	4	4	4	4	4	4	4	3	3	3	3	3
Public Relations	1	1	1	1	1	1	1	1	1	1	0	0	0	0	0	0
Risk Management	2	2	2	1	1	1	1	1	1	1	1	1	1	1	0	0
Education	470	525	525	509	511	511	511	513	509	525	520	519	513	496	497	495
Substitutes	57	57	57	57	57	57	57	57	57	57	54	54	54	54	54	54
Staff Development	3	3	3	3	2	2	2	2	2	2	2	2	2	2	1	1
Health	25	5	5	5	5	5	5	7	7	7	6	6	6	5	5	5
Mental Health	5	3	2	2	2	2	2	0	0	0	0	0	0	0	0	0
Disability	36	26	24	21	21	21	21	20	25	26	22	23	23	23	22	22
Field Operations	158	156	150	147	144	142	142	142	141	149	131	131	128	127	125	116
Family Services	30	5	5	4	4	5	5	5	5	5	5	5	5	5	6	5
Transition Literacy	14	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Total # of Positions	834	817	805	781	778	777	777	779	779	803	767	767	758	740	736	725
# of Children	3570	3570	3570	3570	3570	3570	3570	3570	3570	3690	3690	3690	3690	3690	3690	3690

Texas Department of Agriculture (TDA)

	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Head Cook	3	3	3	2	2	2	2	2	2	2	2	2	2	2	2	2
Assistant Cook	5	5	4	4	4	2	2	2	2	2	2	2	2	2	2	2
Driver	10	10	10	8	7	7	7	7	7	7	7	7	7	8	8	8
Kitchen Helper	21	21	19	15	13	13	10	10	10	10	10	10	10	10	10	10
Food Coordinator	6	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Clerk	2	2	1	1	1	1	1	0	0	0	0	0	0	0	0	0
Bookkeeper	0	0	0	0	0	0	0	1	1	1	1	1	1	1	1	1
Secretary	0	0	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Director	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Total # of Positions	48	44	41	34	31	29	26	26	26	26	26	26	26	27	27	27