



Hidalgo County Head Start Program

Policy Council Regular Meeting

DATE: June 17, 2019

SUBJECT: Discussion and Approval of Disposition of the Mercedes Head Start Modular Building in Accordance to Federal Regulations, ACF-IM-HS 12-08, 45CFR 1309.31(c) and 45 CFR 74.318, to be Donated to the Texas Valley Communities Foundation, a Non-Profit 501(c) 3 Corporation Supporting Family-School Relationships

RATIONALE/NEED: Weslaco ISD has provided classroom space at their North Bridge Elementary school campus which allows us to serve all families from our Mercedes I Center. This newer facility will accommodate 140 children with plenty of parking and a much improved playground. This move will also facilitate curriculum planning and instruction with the local school district. In addition, moving into the school district campus will reduce our utilities expenses by \$28,000 per year and reduce our rental expenses by \$3,000.

RECOMMENDATION: Administration recommends approval.

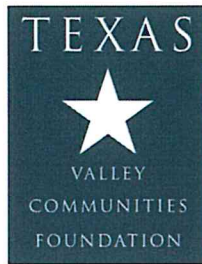
COST: \$0

RELATED INFORMATION INCLUDES: Letter from Texas Valley Communities, Head Start Information Memoranda ACF-IM-HS12-08 and Copy of Disposition Letter to Regional Office Notice of Federal Interest

INITATED BY: Edmundo Garcia, Assistant Program Director

REVIEWED BY: Teresa Flores, Executive Director

EXECUTIVE DIRECTOR'S APPROVAL: 



Texas Valley Communities Foundation

1098 W Expressway 83/PO Box 1168, Mercedes, TX 78570 Ph. 956.903.4231 Fax 956.903.4132
www.tvcof.org

May 28, 2019

Ms. Teresa Flores
Executive Director
Hidalgo County Head Start Program
P.O. Box 0117
Edinburg, Texas 78540-0117

RE: Letter of Interest Requesting Transfer of the Prefabricated Portable Modular Head Start Building Located at 1101 West Expressway 83, Mercedes, TX to the Texas Valley Communities Foundation, a Nonprofit 501(c)3 Tax-Exempt Organization.

Dear Ms. Flores,

Thank you for your letter dated April 4, 2019, wherein you state that “the Policy Council and the Hidalgo County Commissioners’ Court have approved a revised Memorandum of Understanding for your School Readiness Partnership Model with the Weslaco Independent School District which includes relocation of classrooms from the Roosevelt Head Start Center located at 1101 West Expressway 83, Mercedes, TX 78570 to North Bridge Elementary School in Weslaco, TX.”

As the owners of the property where the Roosevelt the Head Start Center Prefabricated Portable Modular Building is physically located, we were happy to allow your organization to continue to operate on the premises to meet the needs of parents in the area. In your letter, you indicated that “occupancy of the Roosevelt Head Start Center will terminate no later than August 31, 2019.”

As per your letter, the Roosevelt Head Start Center facility “was built with Head Start Funds in 1995 (24 years ago) and your organization will not be able to relocate the building and have no use for it.” You also state that “under the terms and conditions of the Office of Head Start, after 15 years such a facility may be disposed of following approval by the Office of Head Start, Commissioners’ Court and the Head Start Policy Council. You further state that the facility “may be transferred to qualifying entities for educational purposes” and since it (the building) is located on property owned by the Texas Valley Communities Foundation, the Hidalgo County Head Start Program would like to know if this is of interest to the Texas Valley Communities Foundation.

Please know that the Texas Valley Communities Foundation is interested in the transfer of this property to our nonprofit 501(c)3 tax-exempt organization. Attached to this letter please find a detailed written request outlining the services that will be provided to the community in this facility.

Sincerely

Dr. Roland S. Arriola, MPA, MPPA, Ed.D.
President

c: Edmundo Garcia
Nora Muñoz

**WRITTEN REQUEST FROM THE TEXAS VALLEY COMMUNITIES FOUNDATION TO THE HIDALGO COUNTY HEAD START PROGRAM
OUTLINING THE SERVICES THAT THE TEXAS VALLEY COMMUNITIES FOUNDATION WILL BE PROVIDING TO THE COMMUNITY**

WHEREAS, It is our understanding that the Roosevelt Head Start Center Modular facility was built with Head Start Funds in 1995 (24 years ago) and your organization will not be able to relocate the building and has no further use for it.

WHEREAS, The Hidalgo Head Start Program Executive Director has identified a method of disposal for the modular unit other than abandonment because abandonment of a modular unit is not an acceptable method of disposition since it continues risk of liability for the modular unit.

WHEREAS, We understand that under the terms and conditions of the Office of Head Start, after 15 years such a facility may be disposed of following approval by the Office of Head Start, Commissioners' Court and the Head Start Policy Council.

WHEREAS, We further understand that the facility may be transferred to qualifying entities for educational purposes and since it (the building) is located on property owned by the Texas Valley Communities Foundation, the Hidalgo County Head Start Program would like to know if this is of interest to the Texas Valley Communities Foundation.

WHEREAS, The Texas Valley Communities, a non-profit 501(c)3 tax-exempt organization that provides educational services in the Rio Grande Valley of Texas, is interested in utilizing the 24-year-old old prefabricated modular building for educational purposes.

NOW THEREFORE, The following is a description of the educational services that will be provided to the community in the event that the modular facility is transferred to the Texas Valley Community Foundation for no value received.

The Texas Valley Communities Foundation received funding in 2008 from the Bill and Melinda Gates Foundation to initiate a program that supports strong family-school relationships that are critical to improving student success in schools. With the funding provided by the Gates Foundation, the Texas Valley Communities Foundation launched the Parent Academy for Success of Schools (PASOS).



If the 24-year-old Head Start prefabricated modular building is transferred to the Texas Valley Communities Foundation, it will house its PASOS program in that facility. The PASOS program, in partnership with affiliated organizations, will provide the following educational services in the former Head Start building:
High quality comprehensive child development services that empower caregivers



and parents to enrich the lives of children, families and communities. These services consist of education, health, nutrition, and family engagement.

Through the PASOS program, parents are also taught strategies for developing a positive, structured environment geared towards the child's success. These strategies include: study habits, parent-child dialogues, establishing regular routines and effective time management and support parents' need to increasingly become involved in home learning activities, as well as finding themselves with opportunities to teach and to guide their children's educational development for the purpose of providing the following services in partnership with affiliated educational organizations.



Hidalgo County Head Start Program Memorandum

Date: May 19, 20019

To: Head Start Policy Council
Commissioner's Court

From: Teresa Flores, Executive Director

Re: Disposition of Mercedes I Modular structure

The Program is requesting disposition instruction for our Mercedes I Modular facility from the Head Start Regional Office as per Head Start IM (Information Memoranda ACF-IM-HS-12-08). These IM established a "simplified disposition process" that grantees can use to request release of federal interest in modular units that are 15 years or older, and are no longer needed for program services. Our Mercedes I unit became operational in 1995. Under this IM grantees can, among other things retain ownership for non-Head Start or Early Head Start use, sell to a third party, donate or transfer for no value received, demolish or remove for salvage value only.

Since our partnership with the Weslaco School District has made available classroom space at their North Bridge Elementary school campus to accommodate all of our children from our Mercedes I center, the Program proposes to donate the modular unit to the Texas Valley Communities Foundation (TVCF), a non-profit corporation 501(c) 3 tax-exempt organization. TVCF provides educational services to support strong family-school relationships in order to improve student success in school. Under management this facility will house their PASOS (Parent Academy for Success of Schools) Program, which offers high quality comprehensive child development service to empower caregivers and parents and enrich the lives of children, families and communities. Through the PASOS program, parents are taught strategies that include: study habits, parent-child dialogues, establishing regular routines and effective time management, and support parents' engagement in home learning activities.

By donating our outdated structure to TVCF and relocating our children to North Bridge, our Program will be taking advantage of newer classroom space a much improved playground and plenty of parking. This move will also facilitate curriculum planning and instructions with the district as we prepare our Head Start children to transition into public school. In addition, moving into the school district campus will reduce our utilities expenses by \$28,000 per year, as well as eliminate a yearly lease of \$3,000.

ACF Administration for Children and Families	U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES	
	1. Log No. ACF-IM-HS-12-08	2. Issuance Date: 11/30/2012
	3. Originating Office: Office of Head Start	
	4. Key Words: Facilities, Modular Unit, Disposition, Federal Interest	

INFORMATION MEMORANDUM

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

FROM: The Office of Head Start

SUBJECT: Disposition of Older Modular Units

INFORMATION:

The Head Start Performance Standards found at 45 CFR Part 1309 address purchase, construction, and major renovation of facilities. The term "modular unit" is defined in 45 CFR §1309.3 as "a portable prefabricated structure made at another location and moved to a site for use by a Head Start grantee to carry out a Head Start program."

Tangible personal property includes equipment and supplies. Equipment is defined by its acquisition cost (\$5,000 or more per unit) and its useful life (greater than 1 year). If the equipment is intended to be "fixed" rather than "movable," it must be classified as "real property." Real property means land, including land improvements, structures, and appurtenances thereto, excluding movable equipment. Consequently, a modular unit may be properly classified as equipment if it is movable, but should be classified as real property if it is fixed or appurtenant (attached) to the land upon which it is located.

The classification of a modular unit as equipment or real property is important when the property is no longer needed for program use. The provisions in 45 CFR §74.32(c) and §92.31(c) apply to the disposition of real property, while the provisions in 45 CFR §74.34(g) and §92.32(e) apply to disposition of equipment.

Modular units which are purchased or undergo major improvements using Head Start funds are subject to a federal interest. For modular units classified as real property, a notice of federal interest must be filed in the appropriate official records for the jurisdiction where the real property is located per 45 CFR §1309.21. Modular units classified as equipment require the posting of a notice of federal interest in a conspicuous location on the unit per 45 CFR §1309.31.

Head Start and Early Head Start programs have purchased and utilize modular units in the delivery of services to children and families. Many modular units currently owned by Head Start and Early Head Start grantees have been in use for a substantial number of years. Some of the units are dilapidated and no longer suitable for program purposes. Determination of the fair market value of these modular units is costly in relation to their value and some are in poor condition and cannot be moved to another location to facilitate sale.

This Memorandum establishes a simplified disposition process that grantees may use to request release of the federal interest in certain older modular units that are no longer needed for program services. This process applies only to modular units that have been in use for at least 15 years since

their acquisition or, if subject to a major renovation, 15 years since their most recent major renovation. This process is available for qualified modular units, regardless of whether they are classified by the grantee as equipment or real property.

PROCESS:

1. The grantee must submit a written request for disposition of the modular unit to the Regional Grants Manager, including:
 - a. A statement, including factual basis for the statement, that the modular unit is no longer needed for program purposes.
 - b. The serial number or other identifying information for the modular unit.
 - c. The date of acquisition of the modular unit.
 - d. The acquisition price of the modular unit.
 - e. The date of any major renovation(s) of the modular unit.
 - f. The total value of any major renovation(s) of the modular unit.
 - g. The completion date of any major renovation(s) to the modular unit.
 - h. How the grantee proposes to dispose of the modular unit.
 - Retain ownership for non-Head Start or Early Head Start use (describe use)
 - Sale to a third party
 - Donation or transfer for no value received (identify recipient)
 - Demolition or removal for salvage value only
 - Other (describe)
2. The grantee must also submit a copy of the notice of federal interest currently filed in the official records (if classified as real property) or posted (if classified as equipment) for the modular unit.
3. Upon review of the request for disposition of the modular unit, the Grants Manager is to address the following to determine eligibility for simplified disposition:
 - a. At least 15 years has passed since the grantee acquired the modular unit or since the modular unit underwent its most recent major renovation, if any, whichever last occurred.
 - b. The grantee has demonstrated to the satisfaction of the reviewer that the modular unit is no longer needed for Head Start or Early Head Start program purposes.
 - c. The grantee has identified a method of disposal for the modular unit other than abandonment. Abandonment of a modular unit is not an acceptable method of disposition since it continues risk of liability for the modular unit.
4. If the conditions noted above are met, the Grants Manager shall consent to the proposed disposition of the modular unit, provide the grantee with written consent to disposition, and release the federal interest in the property.
5. Proceeds received from the sale of older modular units are classified as program income and must be reported by the recipient and used only for allowable program costs in accordance with applicable cost principles and the terms and conditions of the award. Proceeds are federal in source and cannot be used as non-federal share.

CITATIONS:

45 CFR Part 1309; 45 CFR §1309.3; 45 CFR §1309.21; 45 CFR §1309.31
45 CFR §74.32(c); 45 CFR §92.31(c); 45 CFR §74.34(g); 45 CFR §92.32(e)

Please direct any questions on this Information Memorandum to your Office of Head Start Regional Office.

/ Yvette Sanchez Fuentes /

Yvette Sanchez Fuentes
Director
Office of Head Start



Hidalgo County Head Start Program

1901 West State Highway 107
McAllen, Texas 78504

¼ Mile West of 10th St. on Hwy 107
P. O. Box 0117
Edinburg, Texas 78540-0117

Telephone (956)383-0706, Fax 956-292-0461

Date

Clinton McGrane,
Director, School Readiness
Department of Health and Human Services,
Administration for Children and Families,
1301 Young Street, Room 945
Dallas, TX 75202

Dear Mr. Bishop.

The Hidalgo County Head Start Program hereby requests disposition instructions under the simplified disposition process as per ACF-IM-HS 12-08,45CFR 1309.31(c) and 45 CFR 74.318, for the modular building (identification number 00001278) located at 1100 W. Expressway 83, Mercedes, Texas. This structure was acquired in 1995 and is approximately 6,652 square feet with an original cost of \$260,529.

The Hidalgo County Head Start Program does not require the use of this Head modular to provide services in the Mercedes/ Weslaco Area. Through our partnership with the Weslaco School District we have secured classroom space at their North Bridge Elementary school campus as well as transportation services. This newer facility will allow us to accommodate 140 children with plenty of parking and a much improved playground. This move will also facilitate curriculum planning and instructions with the district as we prepare our Head Start children to transition into public schools. In addition, moving into the school district campus will reduce our utilities expenses by \$28,000 per year and reduce our yearly rental expenses by \$3,000.

The Hidalgo County Head Start proposes to donate the modular unit to the Texas Valley Communities Foundation, a non-profit corporation 501(c) 3 tax-exempt organization that provides educational services to support strong family-school relationships in order to improve student success in school. This facility will house their PASOS (Parent Academy for Success of Schools) Program, which offers high quality comprehensive child development service to empower caregivers and parents and enrich the lives of children, families and communities. Through the PASOS program, parents are taught strategies that include: study habits, parent-child dialogues, establishing regular routines and effective time management, and support parents' engagement in home learning activities.

This request was approved by the Policy Council on June 19, 2019 and by the Hidalgo County Commissioners' Court (Grantee Board) on June 25, 2019.

Sincerely,

Teresa Flores,
Executive Head Start Director

Attachment: Notice of Federal Interest

NOTICE OF FEDERAL INTEREST

**DEPARTMENT OF HEALTH AND HUMAN SERVICES
ACF-2
ADMINISTRATION FOR CHILDREN AND FAMILIES
OFFICE OF COMMUNITY PROGRAMS
1301 YOUNG STREET, SUITE 937
DALLAS, TEXAS 75202**

Within ten (10) days after receipt of its copy of the Notice of Record, which has a stamp or other indicia of the filing, the grantee must furnish a copy of the document to each of the following:

**DEPARTMENT OF HEALTH AND HUMAN SERVICES
ACF-2
ADMINISTRATION FOR CHILDREN AND FAMILIES
OFFICE OF COMMUNITY PROGRAMS
1301 YOUNG STREET, SUITE 937
DALLAS, TEXAS 75202**

**ADMINISTRATION FOR CHILDREN AND FAMILIES
DIVISION OF DISCRETIONARY GRANTS
HUBERT H. HUMPHREY BUILDING, ROOM 323B
200 INDEPENDENCE AVENUE, S.W.
WASHINGTON, D.C. 20201**

**GRANTEE FACILITY INFORMATION
(To be completed for each facility)**

GRANTEE INFORMATION

**Grant No.: 06CH0183
Name: County of Hidalgo
Address: P.O. Box 0117
City: Edinburg, Texas State: Texas Zip: 78540-0117**

NOTICE OF FEDERAL INTEREST
(Improvements Only)

This is to serve as notice to all potential sellers, purchasers, transferors and grantees of a transfer of the improvements on real property described below as to the Federal government's reversionary interests as set forth in 45 Part CFR 92, (or, if appropriate 45 CFR Part 74) which have arisen as a result of Hidalgo County, Texas and The Hidalgo County Head Start Program receipt and use of Department of Health and Human Services's grant funds in connection with the construction of improvements on said property. The improvements situated on real property to which this notice is applicable is located at 1100 W. Expressway 83, Mercedes, Texas 78570 identified as the improvements on real property situated on 1.49 ACRE TRACT OF LAND BLOCKS 72 and 71 OF ORIGINAL SITE OF MERCEDES, HIDALGO COUNTY, TEXAS AS RECORDED IN VOLUME "U" PAGE 20 OF MAP RECORDS OF HIDALGO COUNTY, TEXAS.

In accordance with 45 CFR Part 92.31, (or, if appropriate, 45 CFR 74.32) the improvements situated on the above described real property may not be sold, leased, transferred, or its title encumbered, without approval from the Department of Health and Human Services. There is a prohibition against the use of these improvements during their useful life for other than the purpose for which the improvements were financed for. These improvements on real property are { } or are not {X} included on the National Register of Historic Properties, nominated to the National Register, or determined eligible for the National Register. If any of these criteria apply, the grantee or subgrantee must submit a statement that it agrees to abide by the provisions of Section 106 of the National Preservation Act of 1996, and all State and local regulations pertaining to historic properties. Further information as to the Federal government's interest referred to above can be obtained from the:

DELEGATE INFORMATION (IF DELEGATE ACQUIRED)

Name: N/A

Address: City: State: Zip:

FACILITY LOCATION:

Name: Mercedes I Head Start Center

Address: 1100 W. Expressway 83

City: Mercedes State: Texas Zip: 78570

Does grantee own or lease the Land? Lease Own (Circle One)

If leased, what is the length of the lease in years? N/A

If leased, have any arrangements been made to ensure long term access? N/A
(Describe briefly) N/A

Does grantee own or lease the building? Lease Own (Circle One)

If leased, what is the length of the lease in years? N/A

If leased, have any arrangements been made to ensure long term access? N/A
(Describe briefly) N/A

Type of project: building - purchase - construction - major renovation - modular
(Circle where applicable)

LAND PURCHASE INFORMATION

TOTAL LAND ACREAGE: N/A

DATE OF ACQUISITION: N/A

TOTAL COST: N/A

LOCATION as identified in the books and records of local government recording agency: N/A

LAND FUNDING SOURCES

(Includes improvements)

SOURCE	AMOUNT	TYPE OF SOURCE
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(Indicate type of source: federal, non-federal, mortgage, other (identify), if mortgage complete the following:

Term began: N/A

Period of amortization: N/A

Total to be amortized: N/A

Amount Monthly Amortized: N/A

Current Monthly (or other period) Payment: N/A

BUILDING PURCHASE INFORMATION

SQUARE FOOTAGE: N/A

DATE OF ACQUISITION:
N/A

TOTAL COST: N/A

BUILDING FUNDING SOURCES

SOURCE	AMOUNT	TYPE OF SOURCE
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(Indicate type of source: federal, non-federal, mortgage, other (identify), if mortgage complete the following:

Term began:	Period of amortization:
Total to be amortized:	Amount monthly amortized:
Current monthly (or other period) payment:	
Brief Description of Building:	

MAJOR RENOVATION OR CONSTRUCTION INFORMATION
(Circle One)

SQUARE FOOTAGE: Approximately 6,652 Ft. DATE OF ACQUISITION: 1995
TOTAL COST: \$260,529.00

FUNDING SOURCES

SOURCE	AMOUNT	TYPE OF SOURCE
HHS	\$260,529.00	Federal

(Indicate type of source: federal, non-federal, mortgage, other (identify), if mortgage complete the following:

Term began: N/A	Period of amortization: N/A
Total to be amortized: N/A	Amount Monthly Amortized: N/A
Current Monthly (or other period) Payment: N/A	
Brief Description of Building:	

Name and telephone number of individual to contact regarding information:

Mail Information To:

Alfredo Huerta, Program Representative
Administration for Children and Families
Office of Community Programs, ACF-02
1301 Young Street, Suite 937
Dallas, Texas 75202
(214)767-8859



Teresa Flores, Executive Director

AFFIDAVIT OF TERESA FLORES

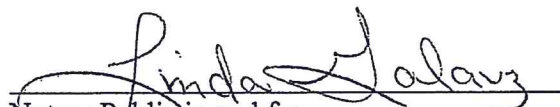
STATE OF TEXAS §
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COUNTY OF HIDALGO §

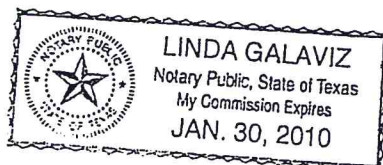
On this day, TERESA FLORES appeared before me, the undersigned notary public, and after I administered an oath to her, upon her oath, she said:

“My name is Teresa Flores, Executive Director of Hidalgo County Head Start Program. I am competent to make this affidavit, and the information on NOTICE OF FEDERAL INTEREST based on my true and personal knowledge are true and correct..“


TERESA FLORES

SWORN TO and SUBSCRIBED before me by TERESA FLORES on October 17, 2007.


Notary Public in and for
the State of Texas



FY 99 Funding Guidance 1/99