Scott County Public School Head Start

Budget Report to School Board

February 7, 2012

Due to the across the board cuts of federal funding (December 19, 2011):

1. Our January 1, 2012 –December 31, 2012 budget has been cut by 1.5%, which represents an immediate reduction of funding of $18,494.
2. This means that the program will be unable to pay the school system any of the $20,000 allocated in the FY2012 budget. We understand this to be a permanent funding cut, therefore it is expected that the school board will honor and accept the limitations understood and agreed to when funds were originally allocated in FY 2011 budget.
3. The federal Head Start grant is the only funding the program receives to operate a full day program and pay 29 staff. Nine of the twenty-nine employees are hourly paid employees and do not receive health insurance or retirement benefits. Hourly employees received a .70 cent per hour increase effective with August 2011 pay period. Salaried employees have not received a step increase since 2003 or a cost of living increase since 2008.
4. Pay cuts of 1.5% for each Head Start employee (salaried and hourly) will be avoided if Board approves the re-allocation of $20,000 of Head Start funds for this purpose. The need for this re-allocation was discussed thoroughly with Policy Council on Thursday, January 19, 2012. As Head Start Director, I request approval of this re-allocation of Head Start funds.
5. The program is implementing belt-tightening measures in the areas of:
   - Supplies
   - Maintenance
   - Utilities
   - Field Trips
   - Transition to Kindergarten costs
6. With regard to meeting the rising cost of health insurance and retirement, we are facing serious concerns. The Head Start program has been in operation in Scott County since the summer of 1965, with the required twenty percent local match coming totally from in-kind (volunteer time) contributions rather than cash. Close to 10,000 Scott County pre-school children have been prepared for kindergarten in the last 46 years – at no local or state cost. In addition, the program has provided employment/benefits to close to 20 employees each year for (relatively) the same length of time. With funding decreasing and costs increasing, it is critical that the locality be involved in funding the Head Start program. As Head Start Director, I request assistance and support from the Board in securing local funding for Head Start to help cover these rising benefits cost.

7. We understand the school system's goal of protecting jobs. Head Start virtually has no jobs that can be cut. The adult-to-child ratio dictates the number of staff we employ. To cut jobs, we would have to cut children – and that would only reduce total funding.
8. The Head Start salary scale is so far below the school system's scale that entry level pay for a Head Start teacher is $7,134 below entry level pay for kindergarten teachers. Moreover, our most tenured teacher's annual salary, with 21 years employment and the same educational qualifications as a kindergarten teacher, remains approximately $2,200 below entry level salary for a kindergarten teacher. The program must budget for and pay fringe benefits at the same cost percentage as the school system.
9. Approximately 62% of Head Start staff is current or former Head Start parents, who, because of this program, have either avoided being on or escaped from public assistance. Many of these employees began their educational journey as a parent volunteer and, with Head Start assistance, earned their child development associate credential for teacher assistants and/or their four year degree in early childhood education for teachers.
10. One hundred percent of Head Start staff is women, with one third being a single parent of a family totally dependent on their salary alone for their family's income.
11. In addition to high quality educational/instructional expectations, Head Start teachers must meet Virginia's child care licensing regulations and over 3,000 Head Start Performance Standards. Classroom teaching staff is responsible for janitorial duties; have no breaks; have no duty-free lunch and provide breakfast and afternoon snacks for twenty children each day. They are required to make at least two home visits per child each year in addition to two parent teacher conferences.
12. Head Start must undergo a federal monitoring review every three years. This review process now includes a stringent assessment of overall classroom quality including teachers' instructional skills. The program must establish and meet school readiness goals for enrolled children that align with the Head Start Child Development and Early Learning Framework, state early learning guidelines and the requirements and expectations of the school system. The board is responsible to ensure there is no "systemic or material failure of the governing body of an agency to fully exercise its legal and fiduciary responsibilities or an unresolved area of non-compliance". These stated requirements are but three of seven identified "triggers" which could ultimately identify our grant for re-competition.
13. Finally, effective December 9, 2011, the Administration for Children and Families (ACF) will convert all continuous Head Start grants into five-year grants. Each grantee will be reviewed to determine if it meets any of the conditions that require re-competition or if the grantee will receive its first five-year grant non-competitively. **Within six months of December 9, 2011, each Head Start grantee wishing to be designated as a high quality Head Start program worthy of renewal for a five year period without competition shall request that status from ACF.** This request must be signed by Board chair. We are awaiting guidance from ACF for specifics as to how to request this designation.

John

DEPARTMENT OF HEALTH & HUMAN SERVICES

ADMINISTRATION FOR CHILDREN AND FAMILIES
Office of Head Start
8th Floor Portal Building
1250 Maryland Avenue, SW
Washington, DC 20024

DEC 28 2011

Dear Grantee,

The enclosed Notice of Award reflects only part of your agency's approved Fiscal Year 2012 base operations and Training and Technical Assistance funding levels for Head Start and/or Early Head Start. Please read the award document carefully, as it delineates the terms and conditions of the award.

The Continuing Resolution for Fiscal Year 2012 passed by Congress includes a government-wide reduction of 1.5 percent from the Fiscal Year 2011 level. Therefore, your agency's Fiscal Year 2012 funding level has been reduced by 1.5 percent, and as you will see in the enclosed Notice of Award, we have reduced each line of your agency's approved budget accordingly. You do not need to submit a revised budget unless you are requesting changes that require prior approval, such as enrollment reductions or changes to program options. If the full year appropriation is higher or lower than this level, your annual budget will be adjusted.

I wish you continued success with your project activities.

Sincerely,

Yvette Sanchez Fuentes
Director, Office of Head Start

1.RECIPIENT

Department of Health and Human Services
Administration for Children and Families
Notice of Award (NOA)

DEC 28 2011

SAI NUMBER:

PMS DOCUMENT NUMBER: 03CH036020

1. AWARDING OFFICE:	2. ASSISTANCE TYPE:	3. AWARD NO.:	4. AMEND. NO.:
OA/OGM/Region III	Discretionary Grant	03CH0360/20	

5. TYPE OF AWARD:	6. TYPE OF ACTION:	7. AWARD AUTHORITY:
SERVICE	Non-competing Continuation	42 USC 9801 ET SEQ.

8. BUDGET PERIOD:	9. PROJECT PERIOD:	10. CAT NO./CFDA:
01/01/2012 THRU 12/31/2012	INDEFINITE	93.600 ...

11. RECIPIENT ORGANIZATION:
Scott County Public Schools
Head Start Program
305 Legion Street
Weber City VA 24290
James K. Jessee, Board Chair

12. PROJECT / PROGRAM TITLE:
HEAD START PROJECTS

13. COUNTY:	14. CONGR. DIST:	15. PRINCIPAL INVESTIGATOR OR PROGRAM DIRECTOR:
SCOTT	09	Helen N Henderson , Head Start Director

16. APPROVED BUDGET:

Personnel	$	309,756
Fringe Benefits	$	94,587
Travel	$	2,290
Equipment	$	0
Supplies	$	12,214
Contractual	$	0
Facilities/Construction	$	0
Other	$	66,917
Direct Costs	$	485,764
Indirect Costs At % of $	$	0
In Kind Contributions	$	0
Total Approved Budget(**)	$	485,764

17. AWARD COMPUTATION:

A. NON-FEDERAL SHARE	$	121,441	20.00 %
B. FEDERAL SHARE	$	485,764	80.00 %

18. FEDERAL SHARE COMPUTATION:

A. TOTAL FEDERAL SHARE	$	485,764
B. UNOBLIGATED BALANCE FEDERAL SHARE	$	
C. FED. SHARE AWARDED THIS BUDGET PERIOD	$	485,764

19. AMOUNT AWARDED THIS ACTION:	$	485,764
20. FEDERAL $ AWARDED THIS PROJECT PERIOD:	$	

21. AUTHORIZED TREATMENT OF PROGRAM INCOME:
ADDITIONAL COSTS

22. APPLICANT EIN:	23. PAYEE EIN:	24. OBJECT CLASS:
1-541573882-A1	1-541573882-A1	41.51

25. FINANCIAL INFORMATION: DUNS: 800963563

ORGN	DOCUMENT NO.	APPROPRIATION	CAN NO.	NEW AMT.	UNOBLIG.	NONFED %
OGM	03CH036020	75-2-1536	2012 G034120	$8,037		
OGM	03CH036020	75-2-1536	2012 G034122	$477,727		

26. REMARKS: (Continued on separate sheets)

Client Population: 173.
Number of Delegates: 0.
Paid by DHHS Payment Management System (PMS), see attached for payment information.
This award is subject to the requirements of the HHS Grants Policy Statement (HHS GPS) that are applicable to you based on your recipient type and the purpose of this award.
This includes requirements in Parts I and II (available at http://www.hhs.gov/grantsnet/adminis/gpd/index.htm) of the HHS GPS.
Although consistent with the HHS GPS, any applicable statutory or regulatory requirements, including 45 CFR Part 74 or 92, directly apply to this award apart from any coverage in the HHS GPS.

27. SIGNATURE - ACF GRANTS OFFICER DATE: 12/15/2011
Patricia L. Fisher

28. SIGNATURE(S) CERTIFYING FUND AVAILABILITY

29. SIGNATURE AND TITLE - PROGRAM OFFICIAL(S) DATE: 12-15-11
Linda M. Savage, Regional Program Manager

1.RECIPIENT

DEPARTMENT OF HEALTH AND HUMAN SERVICES
ADMINISTRATION FOR CHILDREN AND FAMILIES
FINANCIAL ASSISTANCE AWARD

SAI NUMBER:

PMS DOCUMENT NUMBER: 03CH036020

1. AWARDING OFFICE:	2. ASSISTANCE TYPE:	3. AWARD NO.:	4. AMEND. NO.
OA/OGM/Region III	Discretionary Grant	03CH0360/20	

5. TYPE OF AWARD:	6. TYPE OF ACTION:	7. AWARD AUTHORITY:
SERVICE	Non-competing Continuation	42 USC 9801 ET SEQ.

8. BUDGET PERIOD:	9. PROJECT PERIOD:	10. CAT NO./CFDA:
01/01/2012 THRU 12/31/2012	THRU	93.600

11. RECIPIENT ORGANIZATION:
Scott County Public Schools, Head Start Program

26. REMARKS: (Continued from previous page)

This award is subject to the requirements of Section 106 (g) of the Trafficking Victims Protection Act of 2000, as amended (22 U.S.C. 7104).
For the full text of the award term, go to http://www.acf.hhs.gov/grants/award_term.html.
This award is subject to requirements as set forth in 2 CFR 25.110 Central Contractor Registration (CCR) and DATA Universal Number System (DUNS).
For full text go to http://www.acf.hhs.gov/grants/award_term_ccr_duns.html.
This award is subject to requirements as set forth in 2 CFR 25.110.
For full text go to http://www.acf.hhs.gov/grants/msg_sf425.html.
This grant is subject to the requirements as set forth in 45 CFR Part 87.
Attached are terms and conditions, reporting requirements, and payment instructions.
Initial expenditure of funds by the grantee constitutes acceptance of this award.
This award is subject to HHS regulations codified at 45 CFR 1301, 1302, 1303, 1304, 1305, 1306, 1308, 1309 and 1310.
(**) Reflects only federal share of approved budget.
This grant action awards partial funding of Program Accounts (PA) 4120 and 4122 due to funding limitations under the continuing resolution for Fiscal Year (FY) 2012. Your agency¿s FY 2012 funding level has also been reduced by 1.5 percent because the continuing resolution passed by Congress includes a government-wide reduction of 1.5 percent from the FY 2011 level. If the full year appropriation is higher or lower than this level, your annual budget will be adjusted. The balance of the funds will be awarded when funds are available, subject to the final appropriation for the Head Start program for FY 2012.
The HHS GPS (II-56) (see above) and Parts 74.25(c)(2) and 92.30(d)(3) (as applicable) provide the authority to ACF to approve Key Staff of Head Start Grantees. For the purposes of this grant, key staff is defined as the Head Start Director or person carrying out the duties of the Head Start Director if not under that title and the Chief Executive Officer, Executive Director and/or Chief Fiscal Officer if any of those positions is funded, either directly or through indirect cost recovery, more than 50% with Head Start funds.
No funds may be charged to the Head Start grant or to any other Federal program either as a direct cost or any proration as an indirect cost for an employee whose compensation exceeds Executive Level II, which is currently $179,700.
Head Start population: 173 children.
Head Start service area: Scott County, VA.