

Correspondence II



ACF-IM-HS-22-09
Enrollment Reductions
& Conversion of Head
Start Slots to EHS Slots

Administration for Children and Families	U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES	
	1. Log No. ACF-IM-HS-22-09	2. Issuance Date: 11/07/2022
	3. Originating Office: Office of Head Start	
	4. Key Word: Enrollment Reduction; Slot Conversion; Change in Scope Requests	

INFORMATION MEMORANDUM

TO: All Head Start and Early Head Start Grant Recipients

SUBJECT: Enrollment Reductions and Conversion of Head Start Slots to Early Head Start Slots

INFORMATION:

The Head Start program is a national model in the field of early care and education (ECE) for providing high-quality services to children and families most in need. Head Start programs provide comprehensive services and promote progress in children's early learning outcomes in under-resourced communities and support positive family outcomes.

The Office of Head Start (OHS) recognizes that community needs shift over time for various reasons. These reasons may include changes during and after disasters and public health crises, changes in the availability of community resources relied upon to provide program services, and shifts in geographical location of eligible children and families. [Section 640\(g\)\(3\)](#) of the Head Start Act (the Act) allows programs to propose a reduction to their funded enrollment to maintain quality of program services. Additionally, [Section 645\(a\)\(5\)](#) permits a program to convert Head Start slots to Early Head Start slots to better meet community needs. Similarly, Section 640(f)(2) of the Act allows programs to convert part-day slots to full-working day slots to meet community needs.

A request to reduce funded enrollment or convert Head Start slots to Early Head Start slots is considered a change in scope request and requires OHS prior approval. Recipients may submit a change in scope request through a continuation application or as a separate application amendment in the Head Start Enterprise System (HSES). Change in scope requests must be submitted a minimum of 90 days prior to the planned implementation date. This Information Memorandum (IM) provides additional guidance for the development and submission of these requests.

Enrollment reductions and conversions are permanent adjustments to funded enrollment. Therefore, the decision to request a reduction or conversion should be based on actual changes in the community and program adjustments necessary to maintain a high-quality program with qualified staff, supported by data and documented need, and not based on anticipated changes. It is important to consider community partnerships and resources in the service area, short and long-term goals, and program sustainability when considering a change in scope request.

Programs must demonstrate that a change in scope request is data-informed and explain how the requested changes will improve quality of services for children and families, better meet community needs, support staff, and promote a sustainable program.

What to Consider Before Requesting an Enrollment Reduction or Conversion

Prior to submitting an enrollment reduction or conversion request, recipients must consider, at a minimum, the following.

Community Assessment

Programs are required to conduct a community assessment at least once over the five-year grant period and review and update it on an annual basis to reflect any significant changes. When considering a change in scope request, it is essential to demonstrate how the proposed changes will best meet the needs of eligible children and families and consider strengths and resources of the community.

Annual Self-assessment, Program Improvement Plans, and Ongoing Oversight

As described in [45 CFR §1302.102\(a-b\)](#), programs must conduct an annual self-assessment to evaluate: progress in meeting established agency-determined program goals, compliance with the Head Start Program Performance Standards (HSPPS), and the effectiveness of professional development and family engagement systems for improving children's school readiness in alignment with the Head Start Early Learning Child Outcomes Framework. The data collected must be used for continuous improvement, including development and implementation of program improvement plans to strengthen any identified areas of need (45 CFR §1302.102(b-c)). Programs are also required to implement a system with procedures for the ongoing oversight of meeting program requirements in which data is collected to inform the process. Programs must use data from both the annual self-assessment and ongoing oversight, alongside other program data, to inform their program improvement plans.

Staffing and Training

Programs must consider the staffing and training needs for their proposed program design, including necessary compensation and staff supports to implement a sustainable high-quality program. A stable, healthy, highly skilled, and well-compensated workforce is vital to providing the highest quality of services to promote children's development and support families. Programs should consider the availability of qualified staff in their community and the types of training, education, compensation, and supports necessary to attract and retain staff. Further guidance on strategies to support the Head Start workforce can be found in [ACF-IM-HS-22-06 Strategies to Stabilize the Head Start Workforce](#). Programs are expected to use their data on staff, enrollment, and service delivery to inform changes to support a high-quality workforce while not reducing the quality of services for children and families.

Wage Comparability Study

Programs conduct [wage comparability studies](#) to evaluate and set fair compensation rates and support compliance with [Section 653](#) of the Act. Wage comparability studies compare the compensation rates of current Head Start employees and the pay scales for positions in the program to compensation paid for comparable services in the service area or other neighboring

areas, including salaries for ECE and elementary school staff. If requesting a change in scope for the purpose of freeing up funds to increase staff compensation, the program's request should be supported by findings from the wage comparability study or by current data on comparable wages in the community or documented challenges in filling vacancies that impact the program's ability to deliver high-quality services. Programs should focus on positions for which staffing challenges are most pressing and are impacting the program's ability to provide high-quality services to their funded enrollment. Research has shown ethnic and racial disparities in pay exist for the ECE field, so programs are encouraged to consider equity issues in pay and benefits for staff.

Service Delivery Model

When proposing changes to the existing service delivery model, it is critical the process is data-informed and draws upon information from community assessments, annual self-assessments, program improvement plans, ongoing oversight, wage comparability studies, enrollment, and other relevant internal and external data. Programs must carefully review data related to enrollment and recruitment of families, demographic changes in their community, the geography of poverty in the service area, and other factors presenting challenges in meeting community needs or providing high-quality program services. Programs should then review their proposed program design to make sure any requested changes to services and resources are aligned to meet the needs of the children and families in their community and address the underlying issues causing identified challenges.

Service duration should also be considered, as research supports the importance of longer hours of high-quality education and development services in achieving meaningful child outcomes and preparing children for success in school. Programs operating for longer hours may also better support parents' education, job training, and employment opportunities. Programs that received funding to increase service duration in fiscal years 2016 or 2018 must demonstrate they are not eliminating, converting, or reducing the duration of services to enrollment slots supported by duration funding. As a reminder, Head Start center-based programs are required to provide at least 1,020 annual hours of service over a period of at least eight months per year for at least 45% of their center-based enrollment. Family child care and Early Head Start center-based programs are required to provide at least 1,380 annual hours of service for 100% of their enrollment slots. These requirements are found in the HSPPS at [Program Structure, 45 CFR §1302 Subpart B](#).

Administrative and Supervisory Staff Structure

Programs should carefully assess how proposed changes to the program design will impact the administrative and supervisory structure. Depending on the proposed change and overall size of the organization, positions that do not provide direct classroom services may present opportunities to either eliminate or combine other positions with minimal impact on program quality and operations. Programs should also review the reasonableness of the percentage of each administrative staff's compensation which is being charged to the grant and be sure that the percentage is consistent with the amount of time that individual is engaged in Head Start or Early Head Start matters.

Recipients with indirect cost rates need to make sure Head Start and Early Head Start programs are fully benefiting from any costs charged, using these rates, to the grant. As a reminder, complying with the 15% administrative cost limitation does not, in and of itself, mean there are not administrative costs which can be reduced. If proposing salary adjustments for administrative or supervisory staff, please include a justification and listing of the annual salaries and amount charged to the grant.

Equity

Programs are encouraged to carefully consider how the outcomes of the proposed request will affect different demographics. This includes historically marginalized populations, such as Black, Latino, Indigenous and Native American, Asian Americans and Pacific Islanders, and other people of color; children experiencing homelessness; children in foster or kinship care; children with disabilities; and children who are dual language learners. In addition, programs should consider whether the proposed program design will improve or exacerbate existing disparities and how the proposed program design will be perceived by different populations within their service area. Where possible, programs are encouraged to include in the decision-making process those who will be affected by changes to the program.

Ongoing Budget

When considering a change in scope request, programs should first consider their vision and goals for services and construct a budget accordingly. Then, the grant recipient should evaluate their existing program design and enrollment to determine what necessary program and budgetary adjustments are needed to achieve that vision. Considerations of the program's anticipated costs for annual operations, program options, staffing and ratio requirements, as well as differences in equipment and supplies, should be assessed. Staffing ratios must ensure compliance with the HSPPS. For staffing positions that do not have mandated ratios, please include the rationale used to determine the full-time equivalents needed for such positions. In addition, a detailed budget narrative justification for changes within and between each object class category is required. As always, proposed expenses will be evaluated for reasonableness and allowability and how they support high-quality services.

How to Submit a Change in Scope Request

Change in scope requests must be submitted as part of a continuation application or as a separate change in scope application amendment in HSES, at minimum, 90 days prior to the planned implementation date. However, programs are strongly encouraged to work closely with their Regional Office throughout the planning and development of the request. This will make sure the proposal and application meet all the requirements prior to official submission of the request.

All change in scope requests must include complete program schedules, application narratives, and detailed budget narratives. Change in scope requests must demonstrate the proposed program design will deliver the full range of services consistent with [45 CFR §1302.20\(b\)](#). In addition, the requested program design must effectively support the appropriate development and progress in children's early learning outcomes as outlined in [Education and Child Development Program Services, 45 CFR §1302 Subpart C](#). Program and budget narratives for Head Start to Early Head Start conversions must address all items outlined in 45 CFR §1302.20(c) and the

Head Start Grant Application Instructions. Governing body or Tribal Council and Policy Council approvals are required prior to submitting a change in scope request. All change in scope requests are subject to approval by OHS. Additional information outlining critical questions and data to consider as part of the planning and development for both enrollment reduction and conversion requests is detailed in the [Enrollment Reduction and Conversion Appendix](#).

If you have any questions regarding this IM, please contact your regional office. Thank you for the work you do on behalf of children and families.

Sincerely,

/ Katie Hamm /

Katie Hamm
Acting Director
Office of Head Start