

# 1301 Administration - Module One

This Head Start Standards Training Module includes 1301.1 - 1302.31  
Pages 93 - 95

## SUBCHAPTER A—OFFICE OF HUMAN DEVELOPMENT SERVICES, GENERAL PROVISIONS [RESERVED] SUBCHAPTER B—THE ADMINISTRATION FOR CHILDREN, YOUTH AND FAMILIES, HEAD START PROGRAM

### PART 1301—HEAD START GRANT ADMINISTRATION

#### Subpart A—General

Sec.

1301.1 **Purpose and scope.**

1301.2 **Definitions.**

#### Subpart B—General Requirements

1301.10 **General.**

1301.11 **Insurance and bonding.**

1301.12 **Annual audit of Head Start  
programs.**

1301.13 **Accounting system certification.**

#### Subpart C—Federal Financial Assistance

1301.20 **Matching requirements.**

1301.21 **Criteria for increase in Federal  
financial assistance.**

#### Subpart D—Personnel and General Administration

1301.30 **General requirements.**

1301.31 **Personnel policies.**

1301.32 **Limitations on costs  
of development and administration of a  
Head Start program.**

1301.33 **Delegation of program  
operations.**

1301.34 **Grantee appeals.**

AUTHORITY: 42 U.S.C. 9801 et seq.

SOURCE: 44 FR 24061, Apr. 24, 1979,  
unless otherwise noted. assistance (project  
period) is divided for budgetary and  
funding purposes.

**Community** means a city, county, a multi-  
city or multi-county unit within a state, an  
Indian reservation, or any neighborhood or  
other geographic area (irrespective of  
boundaries or political subdivisions) which  
provides a suitable organizational base and  
possesses the commonality of interest  
needed to operate a Head Start program.

**Delegate agency** means a public or private  
non-profit organization or agency to which  
a grantee has delegated all or part of its  
responsibility for operating a Head Start  
program.

**Development and administrative costs** mean costs incurred in accordance with an approved Head Start budget which do not directly relate to the provision of program component services, including services to children with disabilities, as set forth and described in the Head Start program performance standards (45 CFR part 1304).

**Dual benefit costs** mean costs incurred in accordance with an approved Head Start budget which directly relate to both development and administrative functions and to the program component services, including services to children with disabilities, as set forth and described in the Head Start program performance standards (45 CFR part 1304).

**Head Start Agency or “grantee”** means a local public or private nonprofit agency designated to operate a Head Start program by the responsible HHS official, in accordance with part 1302 of this chapter.

**Head Start program** means a program, funded under the Act and carried out by a Head Start agency or a delegate agency, that provides ongoing comprehensive child development services.

**Independent auditor** means an individual accountant or an accounting firm, public or private agency, association, corporation, or partnership, that is sufficiently independent of the agency being audited to render objective and unbiased opinions, conclusions, and judgments.

**"Head Start Agency or “grantee” means a local public or private nonprofit agency designated to operate a Head Start program by the responsible HHS official ..."**

Test Questions:

Select the correct "True" or "False" option.

1. <b>Delegate agency means a private non-profit organization to which a grantee has delegated all of its responsibility for operating a Head Start program.</b> (1301.2)		
<input type="checkbox"/> True	<input type="checkbox"/> False	
2. <b>Administrative costs mean costs incurred in accordance with an approved Head Start budget which do not directly relate to the provision of program component services, except services to children with disabilities.</b> (1301.2)		
<input type="checkbox"/> True	<input type="checkbox"/> False	

§ 1301.10	45 CFR Ch. XIII (10–1–05 Edition)
<p><b>Indirect costs</b> mean those costs of a Head Start agency, as approved by the cognizant agency, the agency which has authority to set the grantee’s indirect cost rate, which are not readily identifiable with a particular project or program but nevertheless are necessary to the general operation of the agency and the conduct of its activities.</p> <p><b>Major disaster</b> means any natural disaster or catastrophe which is of such severity and magnitude as to directly affect the capability of the Head Start agency of agencies providing Head Start programs to the damaged community to continue the programs without an increase in the Federal share above 80 percent.</p> <p><b>Program costs</b> mean costs incurred in accordance with an approved Head Start budget which directly relate to the provision of program component services, including services to children with disabilities, as set forth and described in the Head Start Program Performance Standards (45 CFR part 1304).</p> <p><b>Responsible HHS official</b> means the official of the Department of Health and Human Services who has authority to make grants under the Act.</p> <p><b>Total approved costs</b> mean the sum of all costs of the Head Start program approved for a given budget period by the Administration on Children, Youth and Families, as indicated on the Financial Assistance Award. Total approved costs consist of the Federal share plus any approved non-Federal share, including non-Federal share above the statutory minimum.</p> <p>[44 FR 24061, Apr. 24, 1979, as amended at 57 FR 41884, Sept. 14, 1992]</p>	<p><b>Subpart B—General Requirements</b></p> <p><b>§ 1301.10 General.</b></p> <p>(a) Except as specified in paragraph (b) of this section, the following HHS regulations shall apply to all grants made under the Act:</p> <p>45 CFR part 16 Department grant appeals process (except as provided in § 1301.34)</p> <p>45 CFR part 46 Protection of Human Subjects</p> <p>45 CFR part 74 Administration of grants</p> <p>45 CFR part 75 Informal grant appeals procedures (Indirect cost rates and other cost allocations)</p> <p>45 CFR part 80 Nondiscrimination under programs receiving Federal assistance through the Department of Health and Human Services—Effectuation of title VI of the Civil Rights Act of 1964</p> <p>45 CFR part 81 Practice and procedure for hearings under part 80</p> <p>45 CFR part 84 Nondiscrimination on the basis of handicap in Federally assisted programs.</p> <p>(b) 45 CFR part 74 is superseded as follows:</p> <ol style="list-style-type: none"> <li>(1) Section 1301.11 of this subpart supersedes § 74.15 of part 74 with respect to insurance and bonding of private, non-profit Head Start agencies; and</li> <li>(2) Section 1301.12 of this subpart supersedes § 74.61 of part 74 with respect to audit requirements for all Head Start agencies.</li> </ol> <p><b>§ 1301.11 Insurance and bonding.</b></p> <p>(a) Private nonprofit Head Start agencies and their delegate agencies shall carry reasonable amounts of student\ accident insurance, liability insurance for accidents of their premises, and transportation liability insurance.</p>

<p>(b) Private nonprofit Head Start and delegate agencies shall make arrangements for bonding officials and employees authorized to disburse program funds.</p> <p><b>§ 1301.12 Annual audit of Head Start programs.</b></p> <p>(a) An audit of the Head Start program covering the prior budget period of each Head Start agency and its delegate agencies, if any, shall be made by an independent auditor to determine:</p> <p>(1) Whether the agency's financial statements are accurate;</p>	<p>(2) Whether the agency is complying with the terms and conditions of the grant; and</p> <p>(3) Whether appropriate financial and administrative procedures and controls have been installed and are operating effectively. Head Start agencies shall either include delegate agency audits as a part of their own audits or provide for separate independent audits of their delegate agencies.</p> <p>(b) Upon a written request showing necessity, the responsible HHS official may approve a period other than the prior budget period to be covered by the annual audit.</p>
---	---

Test Questions:

Select the correct "True" or "False" option.

3. **Program costs mean costs incurred in accordance with an approved Head Start budget which directly relate to the provision of program component services.** (1301.2)  
 True                       False

4. **Head Start agencies and their delegate agencies shall carry reasonable amounts of student\ accident insurance, liability insurance for accidents of their premises, and transportation liability insurance.** (1301.11)  
 True                       False

5. **An audit of the Head Start program of each Head Start agency shall be made by an independent auditor every two years.** (1301.12)  
 True                       False

<p><b>Office of Human Development Services, HHS</b></p>	<p><b>§ 1301.31</b></p>
<p>(c) Unless otherwise approved by the</p>	<p><b>Subpart C—Federal Financial</b></p>

responsible HHS official, the report of the audit shall be submitted to the responsible HHS official, in the manner and form prescribed by him or her, within 4 months after the prior budget period.

**§ 1301.13 Accounting system certification.**

(a) Upon request by the responsible HHS official, each Head Start agency or its delegate agency shall submit an accounting system certification, prepared by an independent auditor, stating that the accounting system or systems established by the Head Start agency, or its delegate, has appropriate internal controls for safeguarding assets, checking the accuracy and reliability of accounting data, and promoting operating efficiency.

(b) A Head Start agency shall not delegate any of its Head Start program responsibilities to a delegate agency prior to receiving a certification that the delegate agency's accounting system meets the requirements specified in paragraph (a) of this section.

**"... accounting system certification, prepared by an independent auditor, stating that the accounting system or systems established by the Head Start agency, or its delegate, has appropriate internal controls for safeguarding assets, checking the accuracy and reliability of accounting data, and promoting operating efficiency."**

**Assistance**

**§ 1301.20 Matching requirements.**

(a) Federal financial assistance granted under the act for a Head Start program shall not exceed 80 percent of the total costs of the program, unless:

- (1) An amount in excess of that percentage is approved under section 1301.21; or
- (2) The Head Start agency received Federal financial assistance in excess of 80 percent for any budget period falling within fiscal year 1973 or fiscal year 1974. Under the circumstances described in clause
- (3) Of the preceding sentence, the agency is entitled to receive the same percentage of Federal financial assistance that it received during such budget periods

(b) The non-Federal share will not be required to exceed 20 percent of the total costs of the program.

(c) Federal financial assistance awarded to Head Start grantees for training and technical assistance activities shall be included in the Federal share in determining the total approved costs of the program. Such financial assistance is, therefore, subject to the 20 percent non-Federal matching requirement of this subpart

[44 FR 24061, Apr. 24, 1979, as amended at 57 FR 41884, Sept. 14, 1992]

**§ 1301.21 Criteria for increase in Federal financial assistance.**

The responsible HHS official, on the basis of a written application and any supporting evidence he or she may require, will approve financial assistance in excess of 80 percent if he or she concludes that the Head Start agency has made a reasonable effort to meet its required non-Federal share but is unable to do so; and the Head Start agency is located in a county:

- (a) That has a personal per capita income of less than \$3,000 per year; or
- (b) That has been involved in a major disaster.

**Subpart D—Personnel and General Administration**

**§ 1301.30 General requirements.**

Head Start agencies and delegate agencies shall conduct the Head Start program in an effective and efficient manner, free of political bias or family favoritism. Each agency shall also provide reasonable public access to information and to the agency's records pertaining to the Head Start program.

**§ 1301.31 Personnel policies.**

(a) *Written policies.*

Grantee and delegate agencies must establish and implement written personnel policies for staff, that are approved by the Policy Council or Policy Committee and that are made available to all grantee and delegate agency staff. At a minimum, such policies must include:

- (1) Descriptions of each staff position, addressing, as appropriate, roles and responsibilities, relevant qualifications, salary range, and employee benefits (see 45 CFR 1304.52(c) and (d));
- (2) A description of the procedures for recruitment, selection and termination (see paragraph (b) of this Section, Staff recruitment and selection procedures);

**"Each agency shall also provide reasonable public access to information and to the agency's records pertaining to the Head Start program."**

Test Questions:

**Select the correct "True" or "False" option.**

6. **Federal financial assistance awarded to Head Start grantees for training and technical assistance activities shall not be included in the Federal share in determining the total approved costs of the program.** (1301.20)

- True                       False

7. ***If a Head Start agency has made a reasonable effort to meet its required non-Federal share but is unable to do so; and the Head Start agency is located in a county that has been involved in a major disaster it will be approve for financial assistance in excess of 80 percent.*** (1301.21)

True  False

8. ***Grantee and delegate agencies must establish and implement written personnel policies for staff, that are approved by the Policy Council or Policy Committee.*** (1301.12)

True  False

---

Last Name \_\_\_\_\_

First \_\_\_\_\_ Initial \_\_\_\_\_

Location \_\_\_\_\_

Answers: 1-F, 2-F, 3-T, 4-T, 5-F, 6-F, 7-T, 8-T