



ADMINISTRATION FOR  
**CHILDREN & FAMILIES**

Office of Head Start | 330 C St., SW, 4th Floor, Washington DC 20201 | eclkc.ohs.acf.hhs.gov

March 11, 2021

**Grant No. 05CH010537**

**Dear Head Start Grantee:**

The Consolidated Appropriations Act, 2021, contains an increase of approximately \$123 million for a cost-of-living adjustment (COLA) for all Head Start grantees, inclusive of all Early Head Start - Child Care Partnerships, with the exception of new awards made in fiscal year (FY) 2021. The COLA supports a 1.22 percent increase above FY 2020 funding levels to increase staff salaries and fringe benefits, and offset higher operating costs. The funds are effective with the start of the FY 2021 budget period and are retroactive if this period has already commenced.

The following table reflects the increase(s) available for FY 2021.

<b>Funding Type</b>	<b>Head Start</b>
Cost-of-Living Adjustment (COLA)	\$134,936
<b>Total Funding</b>	<b>\$134,936</b>

Please note, allocations are subject to change if adjustments are made to annual funding levels.

**Submission Requirements**

Program Instruction ACF-PI-HS-21-01 informed grantees and delegate agencies of the intended uses of COLA funds and announced the opportunity for grantees to apply for the funds. Please review the Program Instruction carefully to ensure your supplemental application meets the requirements for funding and contains all of the necessary information.

The supplemental application is due April 15, 2021 and must be submitted in the Head Start Enterprise System (HSES). To apply, please select the **Financials tab, Grant Application tab, Fiscal Year 2021**, and add the **'Supplement - COLA'** amendment type. No other application type for these funds will be accepted.

**Content of 'Supplement - COLA' Application**

Applications must include a narrative and detailed budget justification by program, Head Start and/or Early Head Start and demonstrate the following:

- An increase of no less than 1.22 percent of the current pay scale for Head Start/Early Head Start employees, including unfilled vacancies, subject to the provisions of Sections 653 and 640(j) of the Head Start Act;
- The rationale and documentation detailing agency policies and procedures if employees are receiving less than the 1.22 percent COLA or differential COLA increases;
- The provision of a no less than 1.22 percent increase to all delegate agencies and partners or justification if less than 1.22 percent or differential increases are provided to delegate agencies and partners;
- The planned uses for the balance of the COLA funds to offset higher operating costs.

### **Non-Federal Match**

The budget and detailed budget justification must include each source of non-federal match, including estimated amount per source and the valuation methodology. Flexibilities continue for waiver requests of the non-federal match requirement through the public health emergency for the 2019 novel coronavirus. To request a waiver, enter \$0 in Section C of the SF-424A of the application. No additional justification is required, and the issuance of a notice of award constitutes approval of the request.

### **Supporting Documents**

Signed statements of the Governing Body and Policy Council Chairs along with Governing Body and Policy Council minutes documenting each group's participation in the development and approval of the supplemental application must be provided. Through the public health emergency for the 2019 novel coronavirus, at a minimum a statement confirming the approval of Governing Body and Policy Council members available for contact will be accepted.

The application must be submitted on behalf of the Authorizing Official registered in the HSES.

**Incomplete applications will not be processed.**

Please ensure the application contains all of the required information. If you have any questions or need assistance, please contact John Tschoe, Head Start Program Specialist, at 312-353-8112 or [john.tschoe@acf.hhs.gov](mailto:john.tschoe@acf.hhs.gov) or Frank Olguin, Grants Management Specialist, at 415-437-8415 or [frank.olguin@acf.hhs.gov](mailto:frank.olguin@acf.hhs.gov).

For technical assistance in preparing the application, please contact the HSES Help Desk at [help@hsesinfo.org](mailto:help@hsesinfo.org) or 1-866-771-4737.

Sincerely,

/Karen McNamara/

Karen McNamara  
Regional Program Manager  
Office of Head Start