Exceptions to the Head Start Non-Federal Funding Requirement

Waivers to the Non-Federal Funding Match Can Help Sustain Head Start Programs in Economically Disadvantaged Communities

Head Start legislation specifically requires that federal funds, including training and technical assistance funds, cover no more than 80% of the approved costs of a Head Start program. The Head Start agency must cover the other 20% using non-federal contributions. These contributions may be either in cash or in kind, and they may come from state, local, private, or other sources. For example, contributions may consist of private grants or donations, innovative collaborations that expand services for families, and parent and staff volunteer hours. Exceptions to this requirement may be granted in the form of a waiver. An agency may be eligible for a reduced or waived matching requirement if:

- The HHS Secretary’s determines that additional financial assistance is appropriate. This determination should take into consideration:
  - Lack of resources in the community
  - Impact of a major disaster on a community
  - Impacts of the costs of starting a Head Start program or of unanticipated costs while running the program
  - How the community would be affected if the Head Start agency stopped operating the program
- The program received federal assistance exceeding 80% during fiscal years 1973 or 1974. If so, it is eligible to receive the same percentage of assistance as was received in 1973 or 1974.

Support for Equity

Waivers are not guaranteed and Head Start centers may close when they are unable to produce necessary funds to meet the non-federal match. In addition, some waiver criteria are no longer relevant today. For example, Head Start regulations state that the per capita income of communities eligible for a waiver is $3,000. This threshold was set in 1978 and has never been raised above the original amount, rendering this provision defunct in practical terms. Nevertheless, the waiver criteria represent an effort to direct additional resources towards especially economically disadvantaged communities by considering their lack of resources and the impact of closing down a program.

Sources & notes: