

Report to Congress on Head Start Monitoring



FISCAL YEAR 2016



ADMINISTRATION FOR
CHILDREN & FAMILIES

Office of Head Start
Administration for Children and Families
U.S. Department of Health and Human Services

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Executive Summary

This report presents a summary of the findings of fiscal year (FY) 2016 monitoring reviews, fulfilling the reporting requirement in Section 641A(f) of the Head Start Act. It highlights the enhancements made to the FY 2016 monitoring review system, summarizes grantee review outcomes, and describes the types of findings most commonly identified in FY 2016.

FY 2016 Aligned Monitoring System (AMS)

Head Start monitoring assesses grantee compliance with requirements governing Head Start programs. In FY 2016, the Office of Head Start (OHS) continued to implement the AMS first launched in FY 2015 to address the OHS grant cycle shift from an indefinite to a five-year project period. The AMS was designed to provide OHS with the comprehensive performance data needed by the fourth year of the five-year grant. OHS evaluated the data to determine whether the grantee needed to recompete for continued funding. Additionally, OHS increased its focus on measuring quality along with compliance, and prioritized having more frequent interaction with grantees to provide information to support their continuous improvement in core performance areas. OHS has identified core performance areas as:

- ▶ Environmental Health and Safety (EnvHS)
- ▶ Leadership, Governance, & Management Systems (LGMS)
- ▶ Fiscal Integrity and Eligibility, Recruitment, Selection, Enrollment, and Attendance (ERSEA)
- ▶ Comprehensive Services & School Readiness (CSSR)
- ▶ Teacher-Child Interactions (as addressed through the Classroom Assessment Scoring System[®] (CLASS[®]) observation instrument)

In FY 2016, grantees with five-year grants were monitored using the AMS. OHS designed the AMS to provide two different review processes, based on the grantee's history, which are the Comprehensive Monitoring Process and the Differential Monitoring Process. The monitoring process that a grantee received is determined by whether or not it meets a specific set of criteria. The criteria included:

- ▶ No findings on the previous review cycle.
- ▶ No fiscal findings in the past two review cycles.
- ▶ No findings in the annual audits.
- ▶ No Designation Renewal System (DRS) criteria met.
- ▶ No significant program changes (e.g., changes in program leadership).
- ▶ No concerns identified through input from the Regional Office.

Grantees that did not meet the previously listed criteria received the Comprehensive Monitoring Process. Those grantees that did meet the criteria received the Differential Monitoring Process.

The Comprehensive Monitoring Process comprises five individual review events: EnvHS; Fiscal Integrity and ERSEA; CLASS[®]; LGMS; and CSSR. Individual review events focused only on their respective content areas, giving the grantee and the reviewer a better opportunity to achieve a more in-depth review of the content area.

The Differential Monitoring Process recognizes grantees that have demonstrated a history of compliance. Grantees eligible for this process first received a Head Start Key Indicators-Compliant (HSKI-C) review. The HSKI-C Protocol is a research-based monitoring instrument OHS used to identify grantees eligible for differential monitoring. The HSKI-C Protocol is an abbreviated version of the protocols used in the Comprehensive Monitoring Process. It comprises 27 Compliance Measures selected for how strongly they differentiated between high- and low-performing grantees. The HSKI-C review covered the following review areas:

- ▶ LGMS
- ▶ CSSR
- ▶ Fiscal Integrity

Grantees that were successful in, or passed, the HSKI-C review received only the EnvHS and CLASS[®] review events.¹ Successful grantees will receive the full complement of comprehensive reviews during their next five-year grant cycle. If grantees did not pass the HSKI-C, then they went through the Comprehensive Monitoring Process.

Grantees also received “Targeted” reviews if OHS determined the grantee was at risk.² Any grantee found to be out of compliance with Head Start requirements during any review received a “Follow-up” review to ensure that all findings were corrected.

After each review event, grantees received a report that summarized findings and/or concerns for that specific content area.

Exhibit 1 summarizes the eight types of reviews conducted in FY 2016.

¹ Grantees that passed the HSKI-C review and had Early Head Start (EHS) classrooms received a CSSR-H review to evaluate the classroom activities in those classrooms not eligible for a CLASS[®] observation. This review was designed specifically to evaluate the classroom activities and environment that promote school readiness for children enrolled in EHS. The protocol focuses on teaching and responsive caregiving, use of the Head Start Early Learning Outcomes Framework for Infants and Toddlers, and use and analysis of data that prepare children for kindergarten.

² “Targeted” reviews were termed “Other” reviews in previous fiscal years.

Exhibit 1: Types of FY 2016 Reviews

Type of Review	Description
EnvHS	<ul style="list-style-type: none"> ▶ Monitors the safety of the physical environment and transportation services provided by the grantees, as well as their promotion of healthy practices and routines.
Fiscal/ERSEA	<ul style="list-style-type: none"> ▶ Monitors the grantees' compliance with Head Start and federal cost principle requirements and ensures the grantees have sound internal controls, strong reporting systems, and use federal funds for intended purposes. ▶ Assesses the grantees' practices for verifying the eligibility status of children, families, and pregnant women receiving the program's services; ensuring the appropriate enrollment of children into the program; and monitoring children's attendance.
CLASS®	<ul style="list-style-type: none"> ▶ Evaluates the quality of teacher-child interactions that promote positive child outcomes.
HSKI-C	<ul style="list-style-type: none"> ▶ Identifies grantees that are eligible for differential monitoring.
LGMS	<ul style="list-style-type: none"> ▶ Assesses how Head Start programs: develop plans to achieve their goals and ensure the delivery of high-quality comprehensive services to children and families in healthy and safe environments; coordinate and develop program resources; implement program practices and deliver quality services; and identify areas for ongoing program improvement.
CSSR	<ul style="list-style-type: none"> ▶ Evaluates the program's implementation of services to participating children and families.
Targeted	<ul style="list-style-type: none"> ▶ Conducted for grantees if they are determined to be at risk.
Follow-up	<ul style="list-style-type: none"> ▶ Conducted for grantees found to be out of compliance with Head Start requirements to ensure that all findings are corrected.

Notes: Reviews were conducted by one to two reviewers knowledgeable about the content area and Head Start. Reviewers in each content area are led by a Content Area Lead. To assess grantee compliance, review teams used the Office of Head Start Monitoring Protocols, which employ a standardized approach to assess program services and quality in each content area.

Enhancements to the FY 2016 Review Process

Prior to the launch of the FY 2016 AMS, OHS reviewed the Monitoring Protocols and considered enhancements to reflect changes in policy and procedure and to ensure compliance with the Head Start Act. This section highlights key changes from the FY 2015 protocols. Specific changes included:

- ▶ Implementing the CSSR and LGMS Protocols.

- ▶ Enhancing the Fiscal Integrity Protocol to incorporate the Uniform Guidance requirements that “establish uniform administrative requirements, cost principles, and audit requirements for federal awards to non-federal entities.” (Section 75.100(a)(1))
- ▶ Implementing new eligibility requirements in the ERSEA Protocol.
- ▶ Streamlining and reorganizing the EnvHS Protocol to ensure efficient evidence collection as well as effective evidence analysis and reporting to the grantee.

Outcomes of FY 2016 Monitoring Reviews

Of the 1,215 grantees that received monitoring reviews in FY 2016:³

- ▶ 538 received an EnvHS review.
- ▶ 343 received a Fiscal/ERSEA review.
- ▶ 530 received a CSSR review.
- ▶ 365 received an LGMS review.
- ▶ 319 received a CLASS[®] review.
- ▶ 111 received a Targeted review.
- ▶ 75 received an HSKI-C review.
- ▶ 485 received a Follow-up review.⁴

Monitoring reviews have three possible outcomes: compliant, one or more noncompliance(s) with no deficiencies, or one or more deficiencies. Grantees with one or more deficiencies also may have areas of noncompliance. A “noncompliance” is issued if OHS determines sufficient evidence and documentation exist of a grantee’s failure to comply with a given Head Start Program Performance Standard (HSPPS) or regulation. A “deficiency,” as defined by the Head Start Act, as amended in 2007, is:

(A) Systemic or substantial material failure of an agency in an area of performance that the Secretary determines involves:

- (i) A threat to the health, safety, or civil rights of children or staff;*
- (ii) A denial to parents of the exercise of their full roles and responsibilities related to program operations;*
- (iii) A failure to comply with standards related to early childhood development and health services, family and community partnerships, or program design and management;*
- (iv) The misuse of funds received under this subchapter;*
- (v) Loss of legal status (as determined by the Secretary) or financial viability, loss of permits, debarment from receiving Federal grants or contracts, or the improper use of Federal funds; or*
- (vi) Failure to meet any other Federal or State requirement that the agency has shown an unwillingness or inability to correct, after notice from the Secretary, within the*

³ The sum of the numbers of different review types is greater than the number of reviewed grantees because grantees can receive more than one review during the fiscal year.

⁴ Of the 485 grantees with a Follow-up review completed in FY 2016, 248 (51.1 percent) had follow-ups from reviews completed in previous fiscal years.

period specified;

(B) Systemic or material failure of the governing body of any agency to fully exercise its legal and fiduciary responsibilities; or

(C) An unresolved area of noncompliance.

Observed areas of noncompliance or deficiencies are referred to as “findings.” The determination of a noncompliance or a deficiency is based on evidence collected by the review team during the monitoring review. If there is not sufficient evidence of a noncompliance or a deficiency, then the grantee is considered “compliant.”

Key outcomes of monitoring reviews included:

- ▶ **In each review type, high percentages of reviewed grantees were compliant with the monitored standards.** Of the 538 grantees that underwent an EnvHS review in FY 2016, 75.5 percent were found to be compliant, 18.2 percent were found to have one or more noncompliance(s), and the remaining 6.3 percent were found to have one or more deficiencies (these grantees also may have had noncompliances). Of the 343 grantees that underwent a Fiscal/ERSEA review in FY 2016, 71.1 percent were found to be compliant and 28.6 percent were found to have one or more noncompliance(s). One grantee was found to have a deficiency in Fiscal/ERSEA in FY 2016. Of the 365 grantees that underwent an LGMS review in FY 2016, 72.9 percent were found to be compliant and 27.1 percent were found to have one or more noncompliance(s). Of the 530 grantees that underwent a CSSR review in FY 2016, 87.7 percent were found to be compliant and 12.1 percent were found to have one or more noncompliance(s). One grantee was found to have a deficiency in CSSR in FY 2016.
- ▶ **Grantees corrected nearly all findings on Follow-up reviews.** Among grantees that received Follow-up reviews in FY 2016, 98.8 percent corrected all reviewed findings.
- ▶ **Larger grantees had more performance issues in EnvHS than smaller grantees.** Among those reviewed in FY 2016, grantees with enrollment over 300 children had more performance issues (by percentage) in EnvHS reviews than grantees with enrollment under 300 children.
- ▶ **Head Start program CLASS[®] average scores in FY 2016 were similar to those found in FY2015.** Grantees had average CLASS[®] scores of 6.00 out of 7 for Emotional Support and 5.73 out of 7 for Classroom Organization domains. Scores for Instructional Support also were notably lower, averaging 2.83 out of 7.

Number and Types of Findings Identified in FY 2016

Key trends with respect to the number and types of findings included:

- ▶ **As in FY 2015, in each review type, most FY 2016 grantees with findings had a small number of findings.** Among grantees with only EnvHS noncompliances,

almost all (96.9 percent) had two or fewer findings. Similarly, almost 85 percent (84.7 percent) of grantees with only noncompliances in their Fiscal/ERSEA reviews had two or fewer findings. Among grantees with only LGMS noncompliances, almost 80 percent (79.8 percent) had two or fewer findings. For grantees with only CSSR noncompliances, more than 90 percent (92.2 percent) had two or fewer findings. Across review types, similar patterns are observed among grantees with deficiencies.

- ▶ **In each review type, grantees had a small number of findings per review on average.** In each review type, noncompliant grantees averaged fewer than two noncompliances per review. In each review type, grantees with at least one deficiency averaged approximately one deficiency per review.

Most Common Findings Identified in FY 2016

Most frequently cited issues are summarized in the following bullet points.

- ▶ **Most grantees struggled with Physical Arrangements Consistent with the Health, Safety, and Developmental Needs of Children and Allowable and Allocable Costs.** Similar to FY 2015, “Physical Arrangements Consistent with the Health, Safety, and Developmental Needs of Children” was the most commonly cited EnvHS noncompliance issue in FY 2016, with 46.5 percent of noncompliant grantees having findings in this area. “Allowable and Allocable Costs” was the most commonly cited Fiscal/ERSEA noncompliance issue in FY 2016, with 48.0 percent of noncompliant grantees having findings in this area. In the newly implemented LGMS and CSSR review events, the most commonly cited noncompliance issues were “Reporting to the Governing Body and Policy Council” (49.5 percent of noncompliant grantees) and “Approach to Child Development and Education” (32.3 percent of noncompliant grantees), respectively.
- ▶ **Overall, a small percentage of grantees had identified deficiencies in a review in FY 2016.** Five percent of grantee reviews had an identified deficiency in FY 2016. Of those grantees that had one or more deficiencies, more than 75 percent (88 out of 113; 77.9 percent) had at least 1 deficiency relating to Code of Conduct, which aligns with OHS’s concern for the safety of Head Start and Early Head Start children. Examples of Code of Conduct deficiencies include engaging in corporal punishment or leaving children alone or unsupervised.

Reduced Monitoring Schedule for FY 2017

In September 2016, OHS issued the first holistic revision and complete reorganization of the HSPPS since their original publication in 1975. To provide opportunities for the Head Start community to implement the new HSPPS, OHS modified the FY 2017 review schedule. During the FY 2017 monitoring season, OHS improved the AMS by reducing the number of monitoring events experienced by individual grantees and finding ways to monitor grantee implementation of the new HSPPS effectively. OHS rolled out its plan for monitoring grantees under the new HSPPS in summer 2017.

During this transition time, the only required monitoring events scheduled in FY 2017 were CLASS[®], beginning in October 2016, and ERSEA, beginning in January 2017. Grantees scheduled for these events received notification via letter. OHS continued to conduct Follow-up and Targeted reviews when necessary.

Introduction

Head Start monitoring assesses grantee compliance with requirements governing Head Start programs, including those specified in the Head Start Act (original authorizing legislation in 1965 and its subsequent amendments, most recently in 2007); Head Start Program Performance Standards (HSPPS); and other applicable federal, state, and local regulations. The HSPPS include provisions surrounding education, health, mental health, disabilities, nutrition, family and community partnerships, management, governance, facilities, enrollment, recruitment and selection, and program design.

The Head Start Act mandates that: each Head Start grantee receives a monitoring review at least once every three years; each newly designated grantee be reviewed after the completion of its first year (and then at least once every three years thereafter); and all grantees that “fail to meet the standards” receive Follow-up reviews. Teams of reviewers knowledgeable about Head Start conducted fiscal year (FY) 2016 reviews, with Content Area Leads (CALs) leading each team. Each review is guided by the standardized methodology and the Monitoring Protocols, which guide reviewers’ on-site activities in assessing program performance and compliance.

Grantees with a finding (an area of noncompliance (ANC) or a deficiency) on any monitoring review receive a more targeted Follow-up review to ensure they have corrected any previously identified findings. If a grantee does not correct an ANC within the specified period of time, it becomes a deficiency. Deficiencies must be corrected: immediately, if the Secretary finds the deficiency threatens the health or safety of staff or program participants or the integrity of federal funds; or within a period not to exceed one year, under a Quality Improvement Plan (QIP). If the grantee does not correct the deficiency within one year, then the Office of Head Start (OHS) initiates the termination process or the grantee may relinquish the grant. If a review determines children or staff members are in imminent danger with no immediate solution, then OHS may suspend the program, assign an interim provider so services are not interrupted, and only permit the program to reopen when the grantee has resolved the problem satisfactorily.

This report fulfills the FY 2016 reporting requirement found in Section 641A(f) and 650(c)(2) of the Head Start Act, which requires a summary report be published at the end of each federal fiscal year on the findings of monitoring reviews and outcomes of QIPs.

I. Head Start Program Services

Head Start, created in 1965 under the Head Start Act (42 U.S.C. 9801, et seq.), is a national program that provides comprehensive child development services primarily to low-income children (ages zero to five) and their families. Head Start promotes school readiness by enhancing the physical, social, and cognitive development of children through educational, health, nutritional, social, and other services. It recognizes the primary role of parents, encouraging them to participate in a variety of activities and experiences that support and foster their children's development and learning and help them progress toward their educational, literacy, and employment goals. Head Start also requires programs to provide opportunities for parental involvement in the development, conduct, and governance of local programs through participation in policy groups (e.g., Policy Councils).

Head Start is administered by OHS of the Administration for Children and Families (ACF) within the U.S. Department of Health and Human Services (HHS). The ACF Regional Offices, OHS's American Indian and Alaska Native (AI/AN) Programs branch, and OHS's Migrant and Seasonal Programs branch award grants directly to local public agencies, private organizations, Indian tribes, and school systems for the purpose of operating Head Start programs at the community level.

II. Monitoring of Head Start Grantee Organizations

The following sections describe the basic mechanics of the monitoring process, the reporting system, the steps OHS has taken to improve how the process works, and key monitoring changes OHS implemented in FY 2016.

Basic Mechanics of the Monitoring Process

The monitoring process uses a rigorous, evidence-based approach to confirm that grantees comply with federal legislative, regulatory, and program requirements. In FY 2016, OHS implemented a newly aligned monitoring system to address the OHS grant cycle shift from an indefinite timeframe to a five-year project period. The Aligned Monitoring System (AMS) was designed to provide OHS with comprehensive performance data needed by the fourth year of the five-year grant. OHS evaluated the data to determine whether the grantee needed to recompetete for continued funding. Additionally, OHS increased its focus on measuring quality in addition to compliance, and prioritized having more frequent interaction with grantees to provide information to support their continuous improvement in core performance areas. OHS identified core performance areas as:

- ▶ Environmental Health and Safety (EnvHS)
- ▶ Leadership, Governance, and Management Systems (LGMS)
- ▶ Fiscal Integrity and Eligibility, Recruitment, Selection, Enrollment, and Attendance (ERSEA)
- ▶ Comprehensive Services and School Readiness (CSSR)
- ▶ Teacher-Child Interactions (as addressed through the Classroom Assessment Scoring System[®] (CLASS[®]) observation instrument)

Grantees with five-year grants are monitored using the AMS. Indefinite grants are monitored when they transition to a five-year grant. The AMS provides OHS with comprehensive performance data needed by the fourth year of the five-year grant. OHS evaluates the data to determine whether the grantee will need to recompetete for continued funding.

OHS designed the AMS to provide two different review processes based on the grantee's history, which are the Comprehensive Monitoring Process and the Differential Monitoring Process. The monitoring process that a grantee receives is determined by whether or not it meets a specific set of criteria. The criteria include:

- ▶ No findings on the previous review cycle.
- ▶ No fiscal findings in the past two review cycles.
- ▶ No findings in the annual audits.
- ▶ No Designation Renewal System (DRS) criteria met.
- ▶ No significant program changes (e.g., changes in program leadership).
- ▶ No concerns identified through input from the Regional Office.

Grantees that do not meet the previously listed criteria receive the Comprehensive Monitoring Process. Those grantees that do meet the criteria receive the Differential Monitoring Process.

The Comprehensive Monitoring Process comprises five individual review events: EnvHS; Fiscal Integrity and ERSEA;⁵ CLASS[®]; LGMS; and CSSR. Individual review events focus only on their respective content areas, giving the grantee and the reviewer a better opportunity to achieve a more in-depth review of the content area.

The Differential Monitoring Process recognizes grantees that have demonstrated a history of compliance. Grantees eligible for this process will first receive a Head Start Key Indicators-Compliant (HSKI-C) review. The HSKI-C Protocol is a research-based monitoring instrument OHS uses to identify grantees eligible for differential monitoring. The HSKI-C Protocol is an abbreviated version of the protocols used in the Comprehensive Monitoring System. It comprises 27 Compliance Measures (CMs) selected for how strongly they differentiated between high- and low-performing grantees. The HSKI-C covers the following review areas:

- ▶ LGMS
- ▶ CSSR
- ▶ Fiscal Integrity

Grantees that are successful in, or pass, the HSKI-C review receive only the EnvHS and CLASS[®] review events.⁶ Successful grantees will receive the full complement of comprehensive reviews during their next five-year grant cycle. If grantees do not pass the HSKI-C, then they go through the Comprehensive Monitoring Process. After each review event, grantees receive a report that summarizes findings and/or concerns for that specific content area.

Prior to the start of the fiscal year, OHS sends a letter to all five-year grantees to advise them of the reviews they will receive during the fiscal year. Grantees scheduled for an announced review then receive written notification of the specific date of the review 30 days prior to the on-site review. Soon after receipt of the official written notification of the review date, the CAL contacts the grantee to begin scheduling on-site activities. Prior to the on-site review, team members review grantee documents posted on the OHS monitoring website. In FY 2016, only two review events⁷ were unannounced, allowing OHS to observe grantees during a normal school day. The information gathered from these reviews provides OHS with better insight regarding the day-to-day struggles and successes grantees encounter, and enables OHS to provide more accurate guidance and assistance to grantees.

In the AMS, there are eight main types of reviews:

- ▶ EnvHS
- ▶ Fiscal Integrity/ERSEA
- ▶ CLASS[®]

⁵ In FY 2016, Fiscal Integrity and ERSEA were monitored in the same review event.

⁶ Grantees that passed the HSKI-C review and had Early Head Start (EHS) classrooms received a CSSR-H review to evaluate the classroom activities in those classrooms that were not eligible for a CLASS[®] observation. This review was designed specifically to evaluate the classroom activities and environment that promote school readiness for children enrolled in EHS. The protocol focuses on teaching and responsive caregiving, use of the Head Start Early Learning Outcomes Framework for Infants and Toddlers, and use and analysis of data that prepare children for kindergarten.

⁷ The FY 2016 unannounced reviews were a Targeted review event and a Follow-up review event.

- ▶ HSKI-C
- ▶ LGMS
- ▶ CSSR
- ▶ Follow-up
- ▶ Targeted⁸

Together, these review types represent a comprehensive, year-round monitoring system. Grantees may receive Targeted reviews outside of their review schedule if OHS determines the program to be at risk. These reviews may occur on-site or off-site (remotely, from the Regional Office) depending on the nature of the concern.

Monitoring reviews have three possible outcomes: compliant; one or more noncompliance(s) with no deficiencies; or one or more deficiencies. Grantees with one or more deficiencies also may have areas of noncompliance. A “noncompliance” is issued if OHS determines sufficient evidence and documentation exist of a grantee’s failure to comply with a given HSPPS or regulation. A deficiency, as defined by the Head Start Act, as amended in 2007, is:

(A) Systemic or substantial material failure of an agency in an area of performance that the Secretary determines involves:

- (vii) A threat to the health, safety, or civil rights of children or staff;*
- (viii) A denial to parents of the exercise of their full roles and responsibilities related to program operations;*
- (ix) A failure to comply with standards related to early childhood development and health services, family and community partnerships, or program design and management;*
- (x) The misuse of funds received under this subchapter;*
- (xi) Loss of legal status (as determined by the Secretary) or financial viability, loss of permits, debarment from receiving Federal grants or contracts, or the improper use of Federal funds; or*
- (xii) Failure to meet any other Federal or State requirement that the agency has shown an unwillingness or inability to correct, after notice from the Secretary, within the period specified;*

(B) Systemic or material failure of the governing body of any agency to fully exercise its legal and fiduciary responsibilities; or

(C) An unresolved area of noncompliance.

Observed areas of noncompliance or deficiencies are referred to as “findings.” OHS determines, on the basis of the review, whether grantees are compliant, have areas of noncompliance that do not constitute deficiencies, or have deficiencies. Grantees found to have an ANC or a deficiency receive a Follow-up review to ensure that the finding is corrected.

⁸ “Targeted” reviews were termed “Other” reviews in previous fiscal years.

Each review event is conducted by one or two qualified non-federal consultants, supervised by a CAL, and generally takes place over a three to five-day period. Review team sizes vary depending on the size and complexity of the grantee. For example, larger grantees, including those with delegate agencies and those with complex program designs (e.g., grantees with both Head Start and Early Head Start programs) may require more reviewers. The largest grantees, considered “super grantees,” require both substantially larger review teams and longer review periods.

Once on-site, the review team initiates the information collection process, which is supported by the OHS Monitoring Protocols. Review teams rely on multiple modes of inquiry—interviews with concurrent documentation review, observations, and analysis—to assess grantee compliance with program requirements. Team members share information with their CAL on a routine basis through the OHS Monitoring System (OHSMS) software application, team meetings, email, and telephone communications. The CAL also facilitates nightly team meetings to discuss and document preliminary findings and to identify areas requiring further exploration. The on-site review culminates in the development of a preliminary report of findings submitted to OHS. OHS makes final determinations on the grantee’s compliance and notifies grantees of any areas that require correction.

The Office of Head Start Monitoring Protocols

The OHS Monitoring Protocols are designed to assess the compliance of grantees with the HSPPS and the Head Start Act and to reflect the department’s continued commitment to ensuring that the national monitoring system assesses grantees in a uniform, thorough, and consistent manner. Each review event has its own protocol:

- ▶ EnvHS
- ▶ Fiscal Integrity/ERSEA
- ▶ LGMS
- ▶ CSSR

Each Protocol is organized into Key Performance Areas (KPA), which group together related program requirements for that content area and highlight key objectives that programs should achieve in their service delivery and management system design and implementation (e.g., School Readiness). Each KPA contains one or more CMs, which are linked to specific standards; together the CMs help reviewers assess whether the grantee is meeting the higher level objectives outlined within the KPA statement. Review teams use Targeted Questions (TQs) to gather evidence to support the assessment of compliance for each CM. The TQs indicate the people to interview, questions to ask, information to retrieve from documents, observations to conduct, and management systems to analyze and summarize.

A series of guides were developed to organize the evidence gathering process. These guides, which organize the TQs by method of data collection and source, include:

- ▶ Interview Guides (including Document Reviews)
- ▶ Observation Guides
- ▶ Child and Staff File Review Guides

The evidence collected through each guide is linked to CMs and used to assist review teams in making precise and accurate assessments.

Summary of Key Changes in Program Monitoring Effective in FY 2016

Prior to the launch of the FY 2016 AMS, OHS reviewed the Monitoring Protocols and considered enhancements to reflect changes in policy and procedure and to ensure compliance with the Head Start Act. This section highlights key changes from the FY 2015 Protocol.

Specific changes included:

- ▶ Implementing the CSSR and LGMS Protocols.
- ▶ Enhancing the Fiscal Integrity Protocol to incorporate the Uniform Guidance requirements that “establish uniform administrative requirements, cost principles, and audit requirements for federal awards to non-federal entities.” (Section 75.100(a)(1))
- ▶ Implementing new eligibility requirements in the ERSEA Protocol.
- ▶ Streamlining and reorganizing the EnvHS Protocol to ensure efficient evidence collection as well as effective evidence analysis and reporting to the grantee.

Standardized Methodology and Reviewer Reliability

In an effort to increase consistency, objectivity, and accuracy within the review process, OHS formalized reviewer requirements relating to the on-site review process in FY 2013 and further enhanced these requirements in FY 2016. This formalization served to reinforce the importance of random sampling and review scheduling and to further define the expectations of reviewers while conducting reviews. As a result, reviewers have a clarified set of standards to which they are held accountable and reviews are more uniform across grantees.

Sampling

The FY 2016 Monitoring Protocol continues to use random samples for staff files, child files, and class/group observations (such as CLASS®) to ensure the generalizability of information collected through the review process. The sample size and composition are determined by a probability-driven algorithm that selects a random sample to ensure that monitoring review observations are valid and generalizable to an entire grantee. The sampling algorithm was implemented in the OHS monitoring software to ensure consistency in its implementation.

In FY 2016, EnvHS observations were conducted on every Head Start and Early Head Start classroom and center to better ascertain the safety of every setting that serves children.

Evidence Assessment System

Since FY 2012 and continued in FY 2016, reviewers collected information about grantee performance and reported it through the Evidence Assessment System (EAS). This system allows reviewers to summarize information collected during the review more easily and provide OHS with more detailed information about the scope and materiality of the evidence collected. For each CM, reviewers are asked to match the evidence collected throughout the review to an appropriate threshold that corresponds to the degree to which the grantee is complying with the requirements (e.g., the review selects whether 0 to 5 percent, 6 to 24 percent, or 25 to 50 percent of files reviewed indicate children were not screened within 45 days of enrollment). Prior to the introduction of this system, reviewers only indicated either “Yes” or “No” as to whether the grantee was in compliance. This system standardizes processes around evidence collection to improve consistency in the types and amount of information gathered across review teams.

CLASS®

To gain a better understanding of the quality of Head Start classrooms, grantees with center-based or combination-option classrooms serving preschool-age children receive the CLASS® review. Reviewers use CLASS® as a tool to evaluate the quality of teacher-child interactions that promote positive child outcomes. CLASS® scores range from one to seven, with one indicating the lowest quality interactions and seven indicating the highest quality interactions. One dimension, Negative Climate, is inverse scored, with seven indicating the lowest quality interactions and one indicating the highest quality interactions. In FY 2016, 319 grantees participated in a CLASS® review.

CLASS® dimensions are grouped into three overall domains: Classroom Organization, Emotional Support, and Instructional Support. Reviewers use the dimensions in the Classroom Organization domain to evaluate the way teachers organize and manage students’ behavior, time, and attention in the classroom. Reviewer use the dimensions in the Emotional Support domain to evaluate the ways that teachers support children’s social and emotional functioning in the classroom. Finally, reviewers use the dimensions in the Instructional Support domain to form an index of the instructional value of the classroom. The dimensions are divided among the domains as follows:

Classroom Organization	Emotional Support	Instructional Support
<ul style="list-style-type: none"> ▶ Behavior management ▶ Productivity ▶ Instructional learning formats 	<ul style="list-style-type: none"> ▶ Positive climate ▶ Negative climate ▶ Teacher sensitivity ▶ Regard for student perspective 	<ul style="list-style-type: none"> ▶ Concept development ▶ Feedback quality ▶ Language modeling

Following updates made to the FY 2012 CLASS® Protocol, randomly selected, statistically driven sample sizes continued to be used to identify which grantees’ classes were observed in FY 2016. The monitoring software reflects the classes selected for the sample and provides replacement classrooms as needed. The number of cycles observed per classroom remains at two. Research done by the tool developer supports this number, indicating that for purposes of monitoring and attaining a valid score at the grantee-level, maximizing the number of classrooms observed across the program should take priority over the number of cycles observed within an individual classroom. OHS continues to provide reviewers with rigorous training on implementing OHS’s defined CLASS® methodology (e.g., timing and settings for observations, and conditions under which observations should or should not occur).

Reporting

OHS utilizes a system of exception-based reporting to comply with the federal mandate to inform grantees of findings that should be corrected (Section 641A(e) of the Head Start Act, as amended in 2007). Fundamental to the reporting process is the collection, verification, and substantiation of evidence from multiple sources to corroborate findings of noncompliance. As guided by the Monitoring Protocol, review teams conduct interviews with program staff, Policy Council and board members, parents, and others; observe children and teachers in classroom settings; and review program documents and materials, as well as children’s files, to assess compliance with Head Start requirements.

If, during an on-site review, the CAL identifies a deficiency that requires immediate corrective action, an HHS Responsible Official provides written notice of the deficiency requiring immediate correction and the CAL is authorized to direct the grantee to take immediate corrective action to ensure that staff and/or children are removed from imminent harm or immediate danger and that the cause of the imminent harm or immediate danger is corrected. The corrective action required of the grantee to correct the immediate deficiency is provided in the notice.

Designation Renewal System

In FY 2009 and FY 2010, in response to mandates in the 2007 reauthorization of the Head Start Act, OHS developed regulations that created a Designation Renewal System (DRS). Under the new system, grantees that are found to not be delivering high-quality and comprehensive Head Start programs are subject to recompetition for their grants. HHS issued proposed regulations articulating the details of the proposed DRS in September 2010. On November 9, 2011, the final DRS was published in the *Federal Register* and it became effective on December 9, 2011. The

first cohort of 132 grantees required to recompetete under DRS was announced in December 2011. The second cohort of 122 grantees required to recompetete under DRS was announced in February 2013. The third cohort of 103 grantees required to recompetete under DRS was announced in February 2014. The fourth cohort of 90 grantees required to recompetete under DRS was announced in December 2014. The fifth cohort of 12 grantees required to compete under DRS was announced in March 2016. Details about the sixth DRS cohort based on monitoring reviews in FY 2016 are as follows:

- ▶ The total number of grants subject to recompetition = 55
- ▶ The number of grants subject to recompetition due to low CLASS® scores alone = 21
- ▶ The number of grants subject to recompetition due to deficiencies alone = 30
- ▶ The number of grants subject to recompetition due to low CLASS® scores and deficiencies = 4

As of April 26, 2017, OHS identified 55 grantees required to recompetete for their grant funding based on deficient findings or CLASS® scores.⁹

The Reviewer Pool

OHS ensures that each review is staffed by individuals who are knowledgeable about Head Start programs and monitoring. With the objective of maintaining the integrity of the reviewer pool, OHS has a number of policies and procedures to guide the pre-review preparation, post-review learning, and improvement of reviewers. Reviewers are assigned to review teams under a governing framework that limits the number of reviews that reviewers employed by a Head Start grantee or delegate agency can participate in each year and prevents reviewers from reviewing programs within their home states. OHS also maintains a pre-site process for providing review team members with a standard set of grantee documents for review in advance of the site visit as well as weekly pre- and post-review team briefings. Through post-review briefings, OHS identifies the processes that need to be strengthened and the areas in which additional support are required to facilitate reviewers' work while on site. These efforts continue to maintain the efficiency and effectiveness of the review teams.

Centralized Quality Control and Finalization of Review Reports

To ensure consistency in monitoring, OHS's central office is responsible for the form, content, and issuance of monitoring reports to grantees. OHS assumes responsibility for the quality assurance process to ensure that Head Start review reports submitted by review teams following the on-site review meet rigorous standards for accuracy, clarity, and legal soundness.

Centralization of quality control and the heavy emphasis on evidence-based findings increase consistency in the quality, detail, specificity, and utility of Head Start review reports. A centralized process also increases timeliness in issuing monitoring review reports to grantees, thereby enabling grantees to take corrective action and bring their programs into compliance more quickly.

⁹ Please note that as of April 26, 2017, OHS has not yet finalized the list of grantees in the DRS as not all AMS review events have been completed for OHS to make its final DRS determinations.

III. Grantee Monitoring Review Outcomes

This section presents basic descriptive data on Head Start monitoring reviews conducted in FY 2016, specifically addressing the following:

- ▶ Types of monitoring reviews conducted
- ▶ Grantee review outcomes
- ▶ Number and types of findings identified
- ▶ Most frequently cited areas of noncompliance and areas of deficiency
- ▶ Correction of findings during Follow-up reviews

Types of Monitoring Reviews Conducted

This report to Congress on Head Start Monitoring for FY 2016 focuses on the cohort of grantees who underwent EnvHS, Fiscal/ERSEA, CLASS®, HSKI-C, CSSR, LGMS, Targeted, and Follow-up reviews and who received review reports in FY 2016. **Exhibit 2** summarizes the eight types of reviews conducted in FY 2016.

Exhibit 2: Types of FY 2016 Reviews

Type of Review	Description
EnvHS	<ul style="list-style-type: none"> ▶ Monitors the safety of the physical environment and transportation services provided by the grantees, as well as their promotion of healthy practices and routines.
Fiscal/ERSEA	<ul style="list-style-type: none"> ▶ Monitors the grantees' compliance with Head Start and federal cost principle requirements and ensures the grantees have sound internal controls and strong reporting systems and use federal funds for intended purposes. ▶ Assesses the grantees' practices for verifying the eligibility status of children, families, and pregnant women receiving the program's services; ensuring the appropriate enrollment of children into the program; and monitoring children's attendance.
CLASS®	<ul style="list-style-type: none"> ▶ Evaluates the quality of teacher-child interactions that promote positive child outcomes.
HSKI-C	<ul style="list-style-type: none"> ▶ Identifies grantees that are eligible for differential monitoring.
LGMS	<ul style="list-style-type: none"> ▶ Assesses how Head Start programs: develop plans to achieve their goals and ensure the delivery of high-quality comprehensive services to children and families in healthy and safe environments; coordinate and develop program resources; implement program practices and deliver quality services; and identify areas for ongoing program improvement.
CSSR	<ul style="list-style-type: none"> ▶ Evaluates the program's implementation of services to participating children and families.
Targeted	<ul style="list-style-type: none"> ▶ Conducted for grantees if they are determined to be at risk.

Follow-up

- ▶ Conducted for grantees found to be out of compliance with Head Start requirements to ensure that all findings are corrected.

This report also includes information on Follow-up reviews for all grantees with outstanding findings that were reviewed in FY 2016, including grantees with findings that originated in previous fiscal years.

In total, 1,215 grantees¹⁰ received final reports from 2,782 EnvHS, Fiscal/ERSEA, HSKI-C, CLASS®, CSSR, LGMS, Targeted, and Follow-up reviews completed in FY 2016.¹¹

Grantee Review Outcomes

After a review is completed, OHS issues a Head Start Review Report to each grantee. The report indicates the compliance outcome of the review and the Head Start program requirement(s) for which OHS found the grantee to be out of compliance. The compliance outcome is a function of the final determination made by OHS on each of the findings documented by the review team during the review. Each finding issued by OHS will be one of two types: noncompliant or deficient.

Grantees with no findings receive a review determination of “compliant.” If a grantee is found to only have areas of noncompliance, then it receives a review determination of “noncompliant,” which is referred to throughout this report as “having one or more noncompliance(s).” If a grantee is found to have one or more deficiencies, regardless of whether it also has noncompliances, then it receives a review determination of “deficient,” referred to throughout this report as “having one or more deficiencies.” Grantees also can be cited with an immediate deficiency finding on their reviews. These findings affect the grantee’s status in the same way as a deficient finding. However, unlike a deficient finding, if an immediate deficiency is found, the grantee receives a separate report and is required to correct the issue immediately upon receipt.

Of the 1,215 grantees that received monitoring reviews in FY 2016:¹²

- ▶ 538 received an EnvHS review.
- ▶ 343 received a Fiscal/ERSEA review.
- ▶ 530 received a CSSR review.
- ▶ 365 received an LGMS review.
- ▶ 319 received a CLASS® review.
- ▶ 111 received a Targeted review.
- ▶ 75 received an HSKI-C review.
- ▶ 485 received a Follow-up review.¹³

¹⁰ Throughout this report, the term “grantees” is equivalent to the term “grants” as our analyses were conducted at the individual grant level (rather than at the agency level where some agencies can be awarded multiple grants).

¹¹ This report presents data that are current as of March 27, 2017.

¹² The sum of the numbers of different review types is greater than the number of reviewed grantees because grantees can receive more than one review during the fiscal year.

¹³ Of the 485 grantees with a Follow-up review completed in FY 2016, 248 (51.1 percent) had follow-ups from reviews completed in previous fiscal years.

Exhibits 3–19 present outcomes for grantees that received EnvHS, Fiscal/ERSEA, LGMS, CSSR, and Targeted reviews. **Exhibit 20** presents outcomes for grantees receiving a Follow-up review. A glossary at the end of this report provides a full definition of each type of review.

Exhibit 3 displays review types and outcomes for grantees receiving those reviews in FY 2016. In FY 2016, compliant review outcomes were found for 75.5 percent of grantees receiving an EnvHS review, 71.1 percent of grantees receiving a Fiscal/ERSEA review, 72.9 percent of grantees receiving an LGMS review, and 87.7 percent of grantees receiving a CSSR review. Across all reviews, a small proportion (5.0 percent) of grantees was found deficient. On EnvHS reviews, only 6.3 percent of grantees were found deficient. Deficiencies were found most often in Targeted reviews, which monitor grantee performance outside of the scheduled reviews. On a Targeted review, Regional Office staff or local community members request that OHS focus a review on known or suspected issues.

Exhibit 3: FY 2016 Review Outcomes for Grant by Review Type

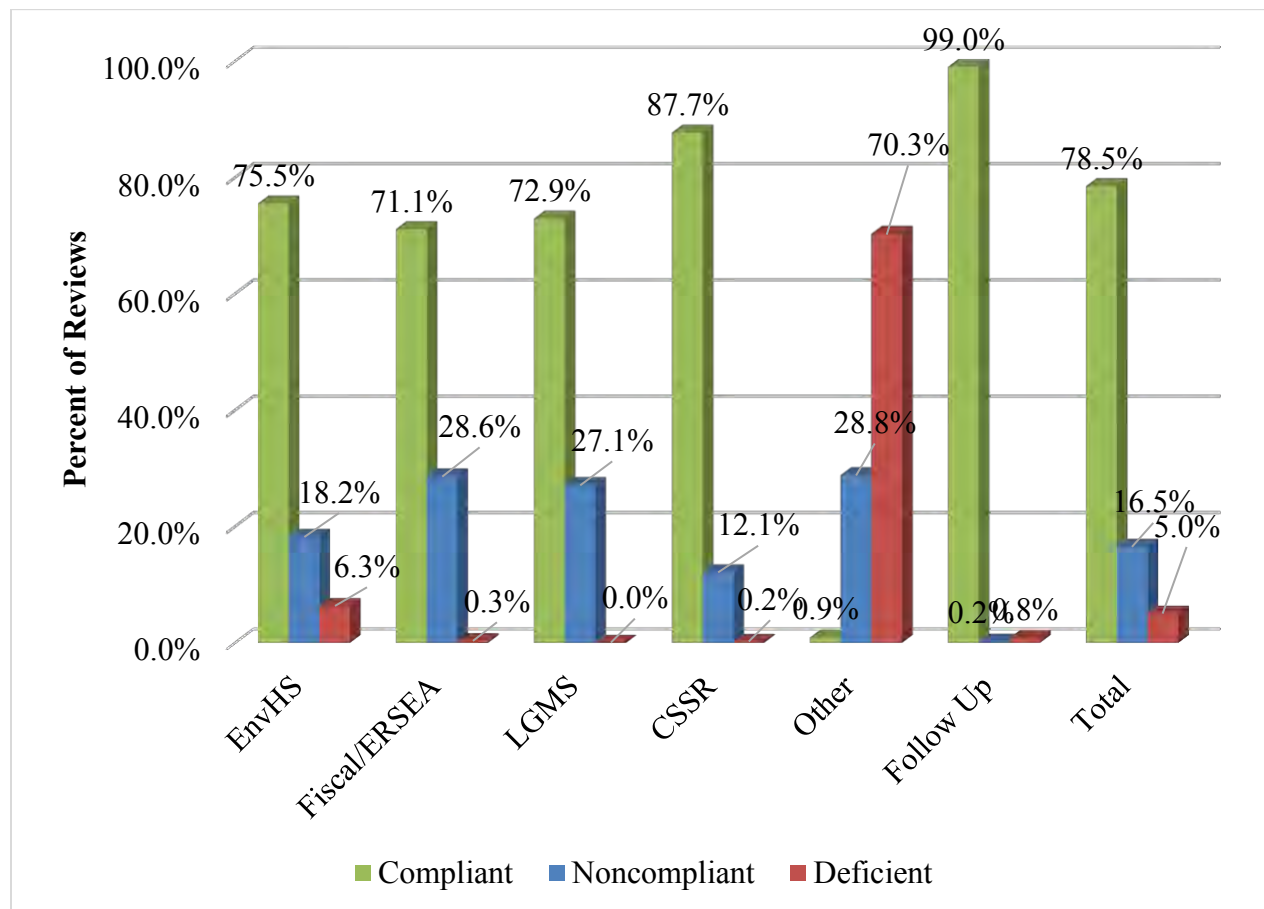
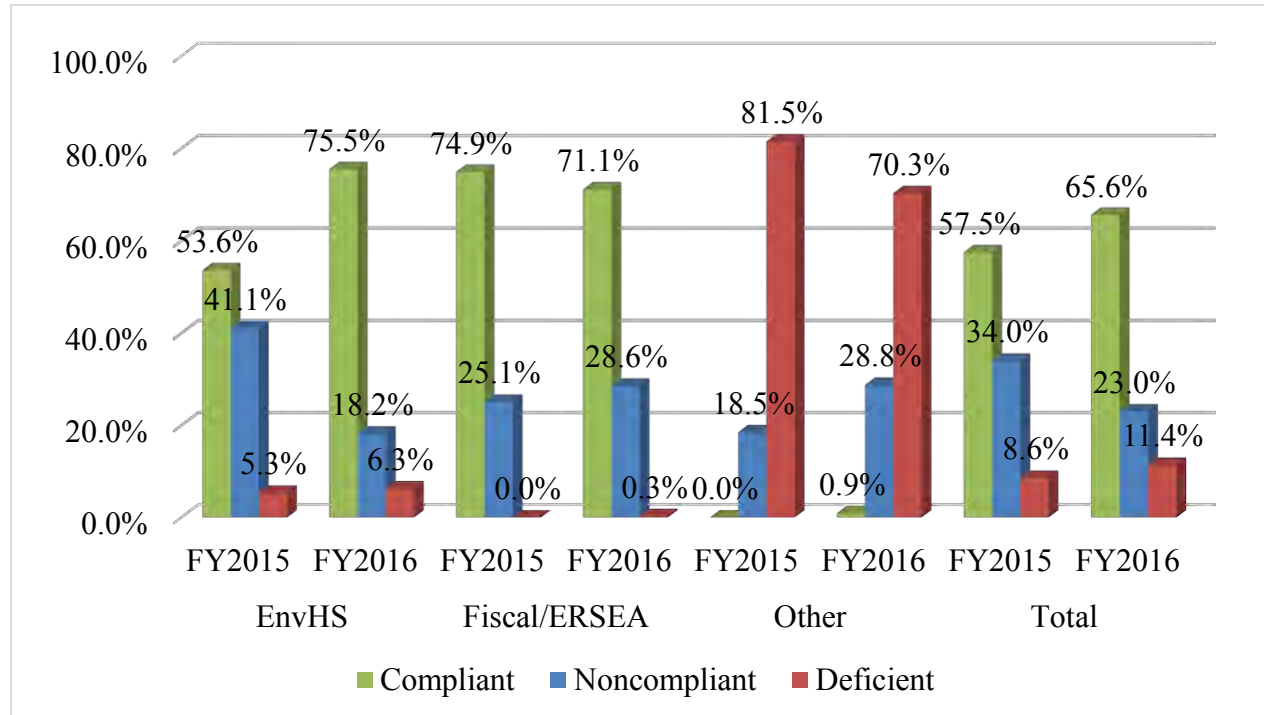


Exhibit 4 looks at outcomes for similar content areas across fiscal years 2015 and 2016. Overall, findings decreased from FY 2015 to FY 2016, most notably in the EnvHS reviews. In FY 2015, approximately half of grantees had a noncompliance or deficiency in EnvHS. That proportion decreased to under one-quarter of grantees in FY 2016. The percent of grantees with

findings in Fiscal/ERSEA slightly increased from FY 2015 (25.1 percent) to FY 2016 (28.6 percent). Between FY 2015 and FY 2016, there were more compliant reviews overall, increasing from 57.5 percent to 65.6 percent.

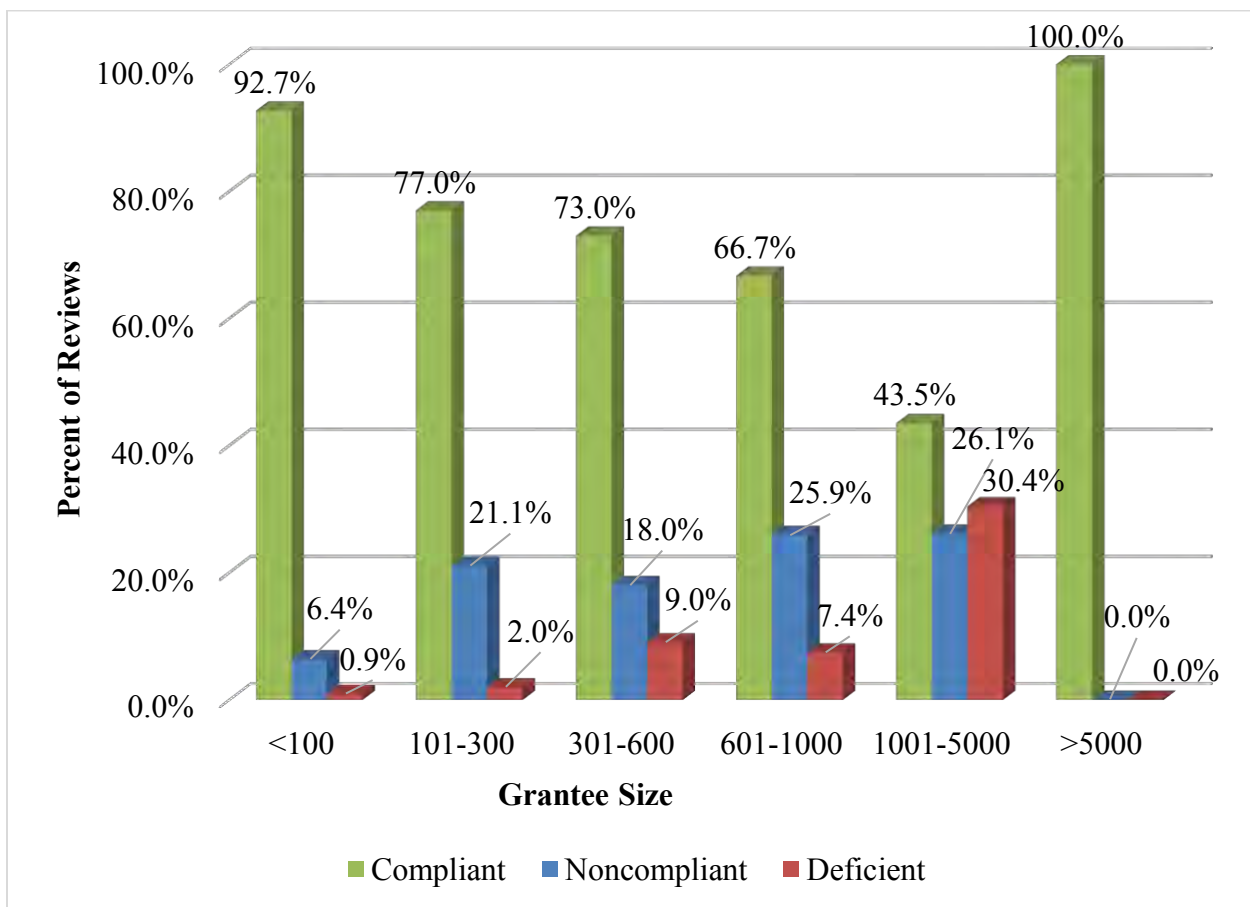
Exhibit 4: Review Outcomes by Review Type and Fiscal Year



The next set of exhibits shows how review outcomes in EnvHS (**Exhibit 5**), Fiscal/ERSEA (**Exhibit 6**), LGMS (**Exhibit 7**), and CSSR (**Exhibit 8**) vary by grantee size.

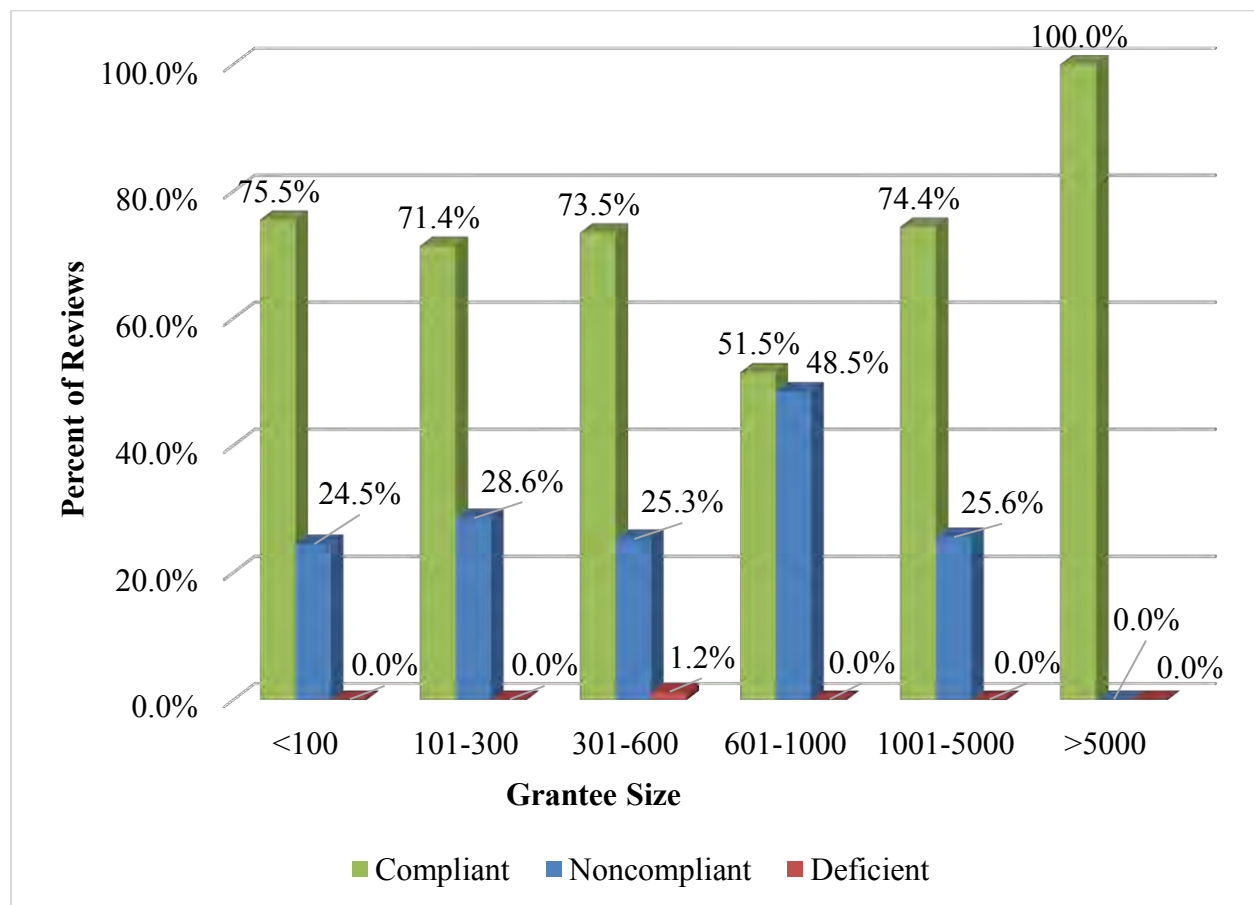
In FY 2016, larger grantees were cited for more deficiencies in EnvHS than smaller grantees by a sizeable margin (see **Exhibit 5**). For grantees with 600 or fewer students enrolled, anywhere from approximately 1 to 9 percent were cited for at least 1 deficiency. Comparatively, excepting super grantees, approximately 30 percent of grantees with more than 1,000 students were cited with at least 1 deficiency. Similarly, smaller grantees were slightly less likely to be noncompliant compared to larger grantees. Less than 22 percent of grantees with 600 students or fewer had noncompliant reviews, while approximately 26 percent of grantees with more than 600 students were cited for one or more areas of noncompliance (not including super grantees). Super grantees are grantees with an enrollment greater than 5,000 students.

Exhibit 5: FY 2016 EnvHS Review Outcomes by Grantee Size

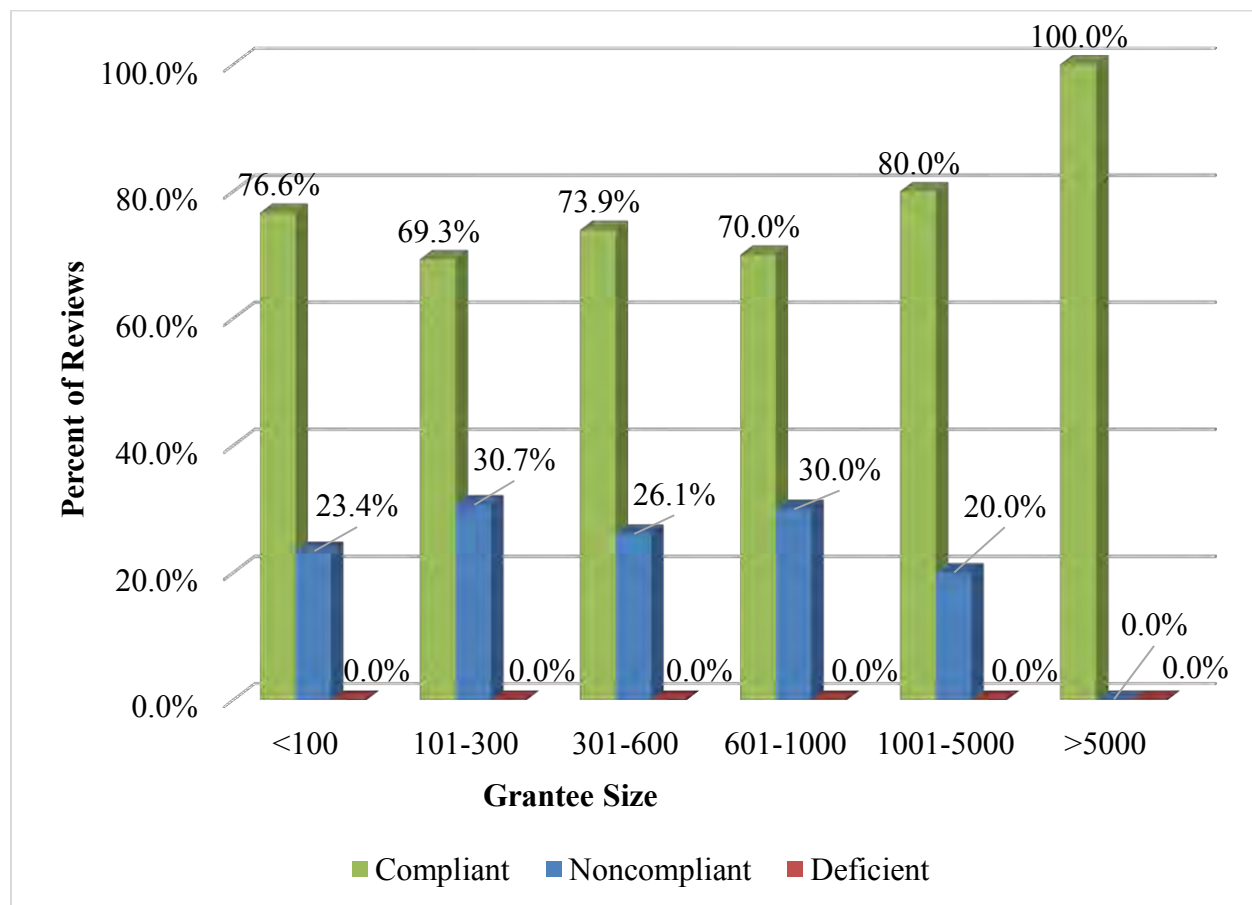


The grantee size trends for Fiscal/ERSEA findings are less clear (see **Exhibit 6**). In FY 2016, approximately 49 percent of grantees with 601 and 1,000 students were cited for noncompliances in Fiscal/ERSEA reviews. For grantees in the other size categories (not including super grantees), the percentage of noncompliant reviews were all between 24 and 29 percent.

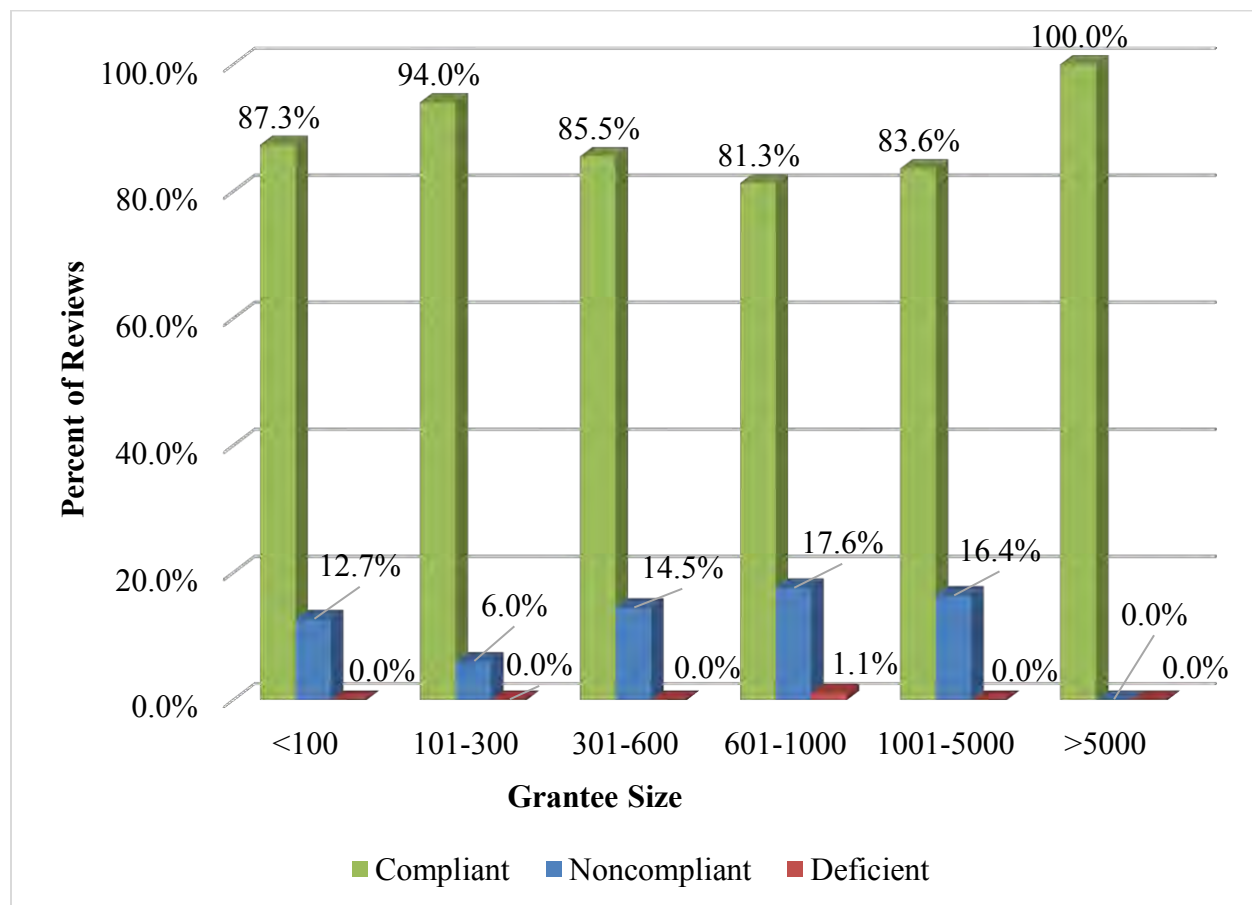
Exhibit 6: FY 2016 Fiscal/ERSEA Review Outcomes by Grantee Size



In FY 2016, there did not appear to be notable grantee size trends in LGMS findings (see **Exhibit 7**). Regardless of grantee size, noncompliant reviews were all between 20 and 31 percent (not including super grantees). There were no deficiencies identified from LGMS reviews in FY 2016.

Exhibit 7: FY 2016 LGMS Review Outcomes by Grantee Size

In FY 2016 CSSR reviews, larger grantees were cited for more noncompliances than smaller grantees by a slight margin (see **Exhibit 8**). Among grantees with 600 students or fewer, noncompliant reviews were all between 6 and 15 percent, while approximately 16 to 18 percent of grantees with more than 600 students were cited for one or more areas of noncompliance (not including super grantees).

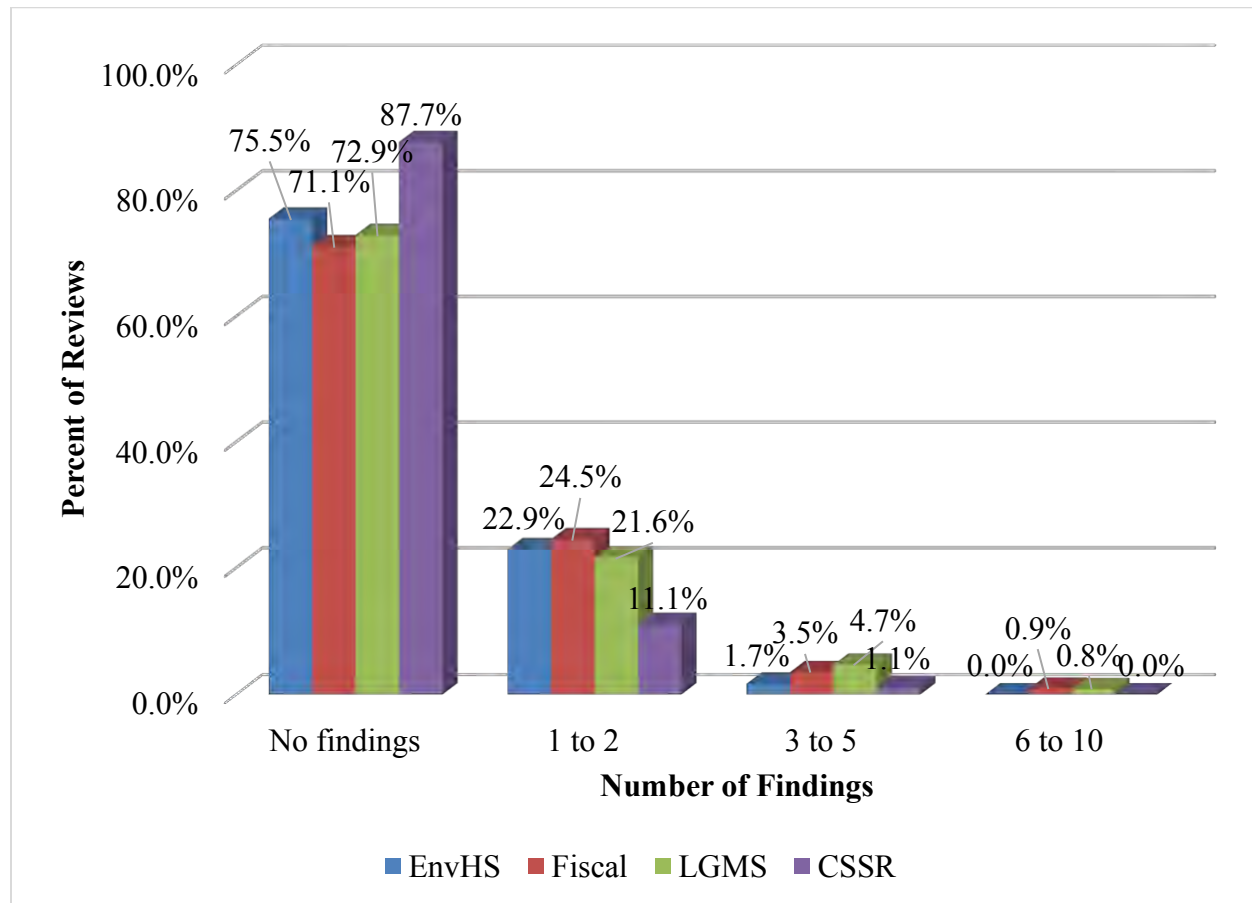
Exhibit 8: FY 2016 CSSR Review Outcomes by Grantee Size

Number and Types of Findings Identified

Number of Findings per Review

Exhibit 9 shows the number of findings, either noncompliances or deficiencies, per grantee by review type in FY 2016. In each of the review types (EnvHS, Fiscal/ERSEA, LGMS, and CSSR), high percentages of grantees had no findings. Almost 90 percent of grantees (87.7 percent) had no findings in their CSSR review, and approximately three-quarters of grantees (75.5 percent) reviewed had no findings in their EnvHS review.

Approximately one-quarter of grantees (24.5 percent) had only one or two findings total in their Fiscal/ERSEA review. Slightly smaller proportions were observed for grantees with one or two findings in their EnvHS or LGMS reviews. Less than 12 percent of grantees had 1 or 2 findings in their CSSR reviews. At the other end of the spectrum, less than 1 percent of grantees reviewed had six or more findings across the respective review types. No grantees had 11 or more total findings.

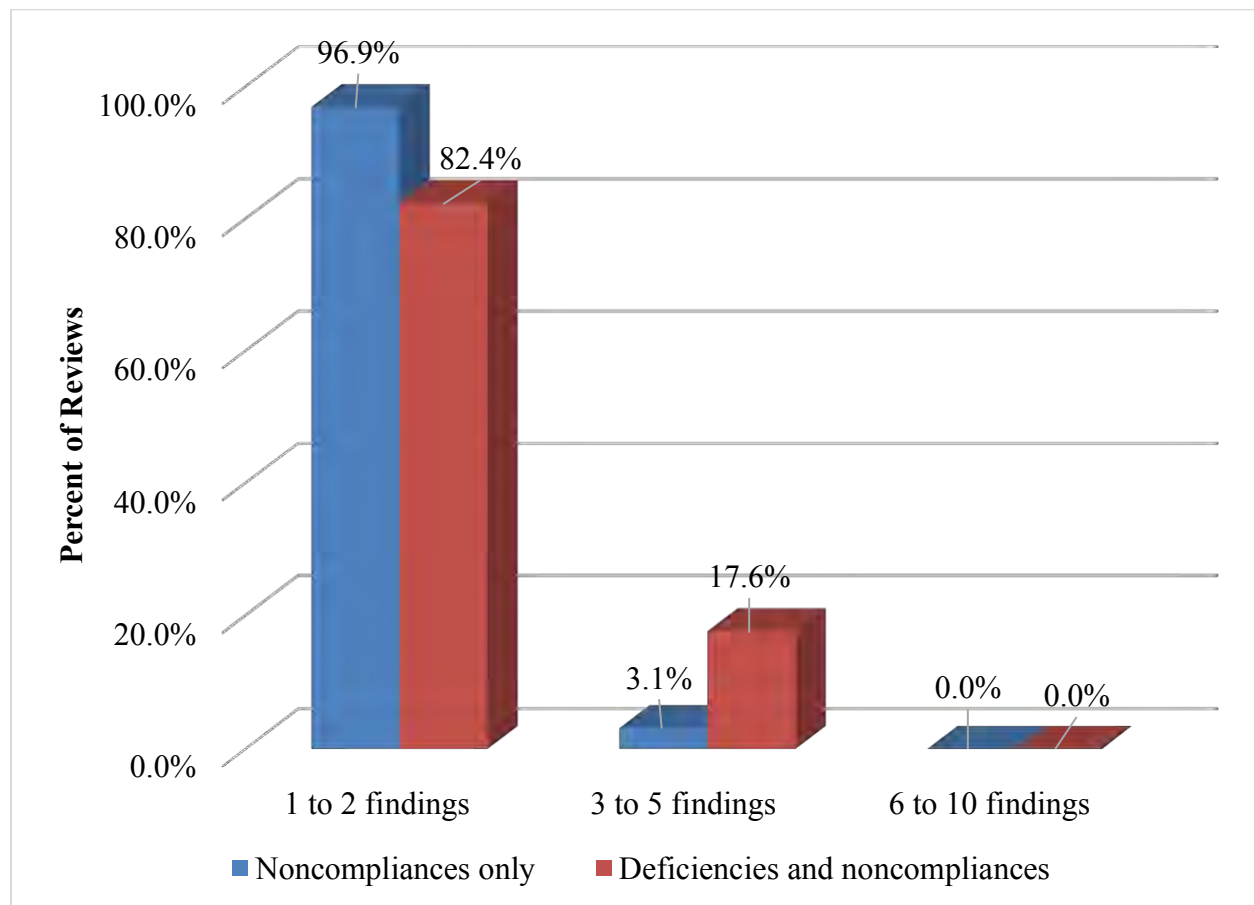
Exhibit 9: FY 2016 Distribution of Reviewed Grantees by Number of Findings and Review Type

The next set of exhibits shows how the review outcomes in EnvHS (**Exhibit 10**), Fiscal/ERSEA (**Exhibit 11**), LGMS (**Exhibit 12**), and CSSR (**Exhibit 13**) vary by the total number of findings.

Exhibit 10 shows that the overwhelming majority of grantees with an EnvHS noncompliance or deficiency in FY 2016 had only one or two EnvHS findings in total. More than 95 percent of the grantees (96.9 percent) with an EnvHS noncompliant review outcome had only 1 or 2 findings, while more than 80 percent of the grantees (82.4 percent) with a deficient review outcome had only 1 or 2 findings. All grantees had five or fewer EnvHS findings.

Overall, among grantees with at least one finding, reviews cited an average of 1.1 noncompliances and 0.3 deficiencies per grantee. Among noncompliant grantees, there was an average of 1.3 noncompliant findings per grantee. Among grantees cited for at least one deficiency, grantees had, on average, 0.6 noncompliant findings and 1.2 deficient findings.

Exhibit 10: FY 2016 Distribution of Reviewed Grantees with EnvHS Findings by Total Number of Findings



Similarly, **Exhibit 11** shows that the overwhelming majority of grantees with a Fiscal/ERSEA noncompliance or deficiency in FY 2016 had only one or two Fiscal/ERSEA findings in total. Almost 85 percent of the grantees (84.7 percent) with a Fiscal/ERSEA noncompliant review outcome had only 1 or 2 findings, while all grantees with a deficient review outcome had only 1 or 2 findings.

Almost all grantees (96.9 percent) with noncompliant Fiscal/ERSEA reviews had five or fewer findings. Less than 5 percent of grantees (3.1 percent) with noncompliant EnvHS reviews were cited for six or more findings total.

Among noncompliant grantees, there was an average of 1.7 noncompliant findings per grantee. Among deficient grantees, there was an average of 1.0 deficient findings and 0.0 noncompliant findings per grantee. There were no noncompliant findings among deficient grantees.

Exhibit 11: FY 2016 Distribution of Reviewed Grantees with Fiscal/ERSEA Findings by Total Number of Findings

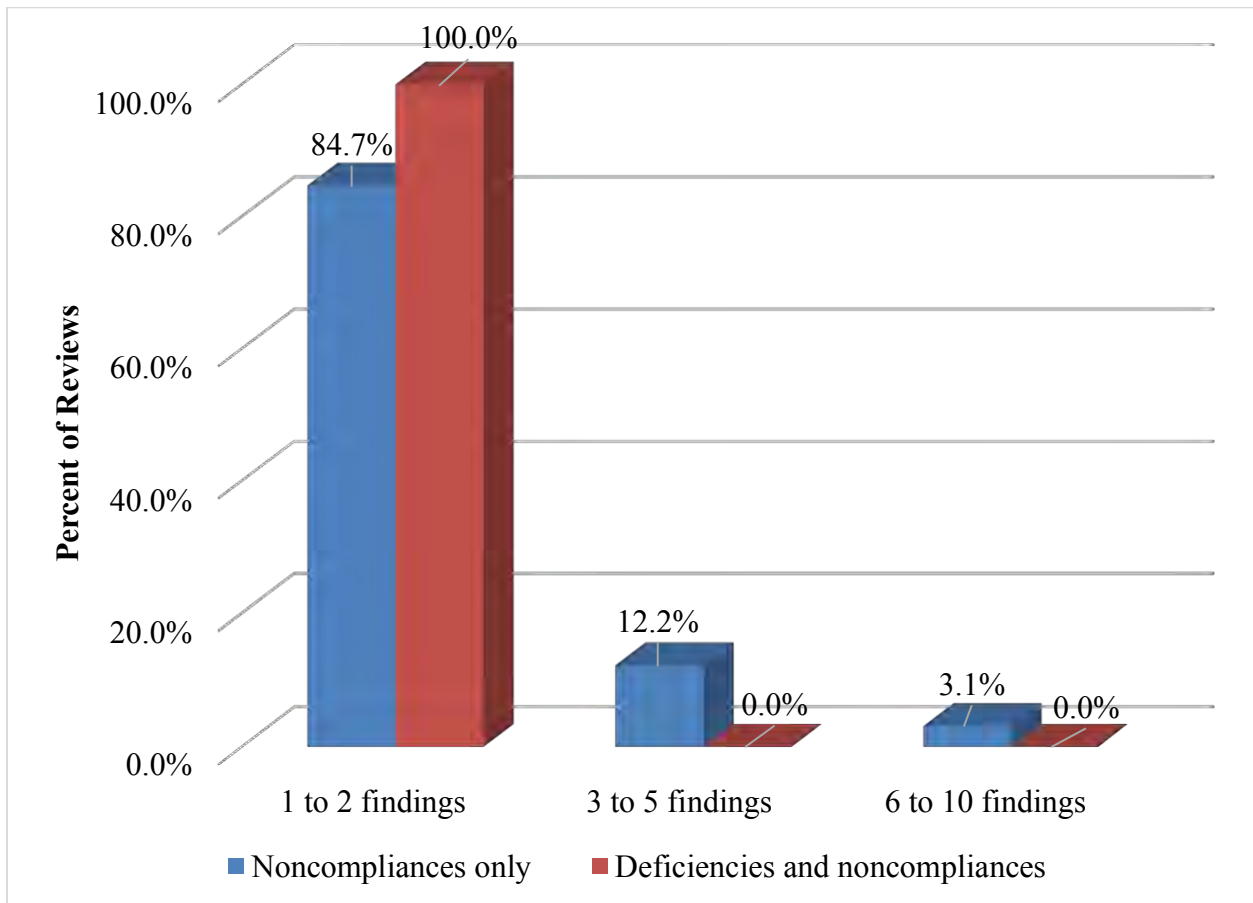


Exhibit 12 shows that almost 80 percent of grantees (79.8 percent) with an LGMS noncompliance in FY 2016 had only 1 or 2 LGMS findings in total. There were no FY 2016 grantees with a deficient LGMS review.

More than 95 percent of grantees (97.0 percent) with noncompliant LGMS reviews had five or fewer findings and approximately 3 percent of grantees (3.1 percent) with noncompliant LGMS reviews were cited for six or more findings total.

Among the noncompliant grantees, there was an average of 1.8 noncompliant findings per grantee.

Exhibit 12: FY 2016 Distribution of Reviewed Grantees with LGMS Findings by Total Number of Findings

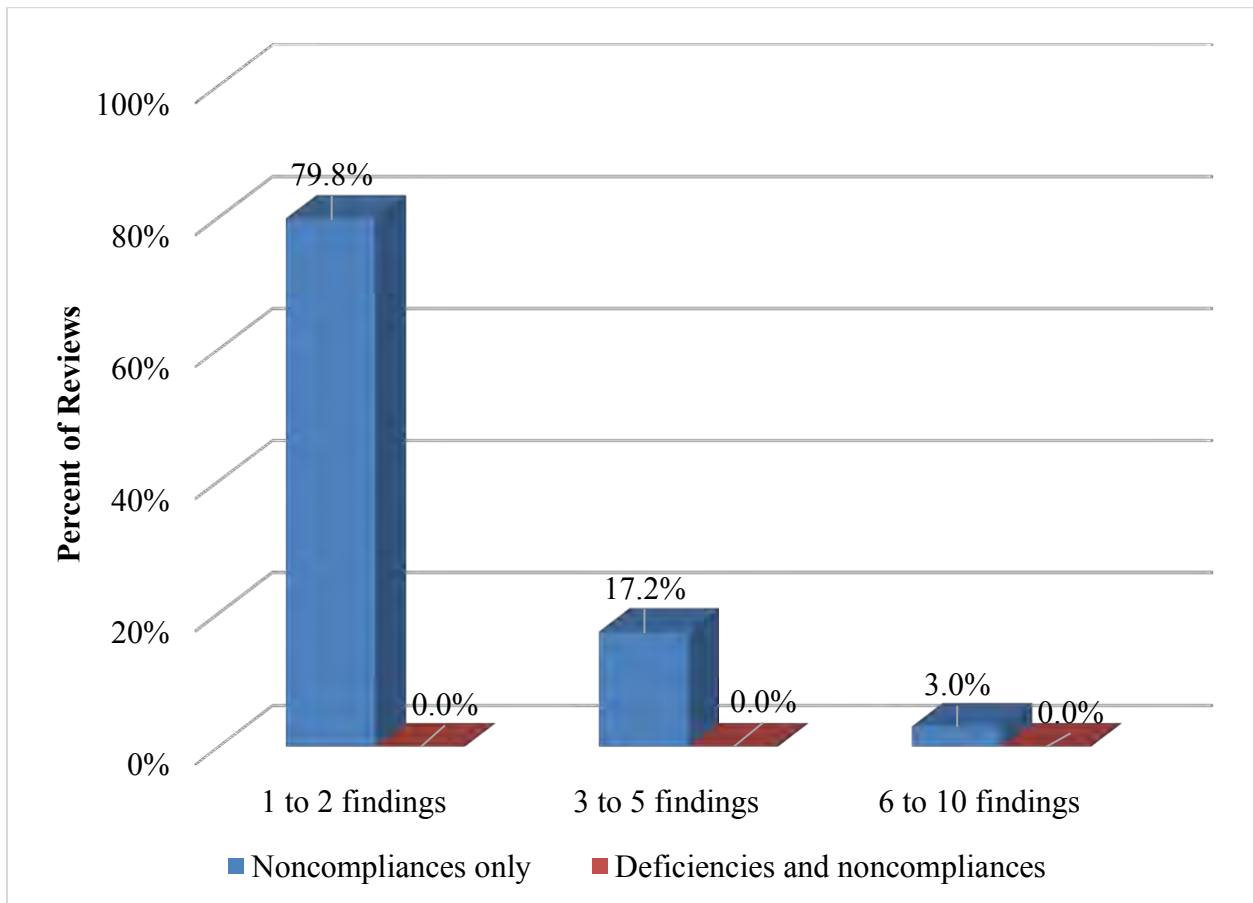
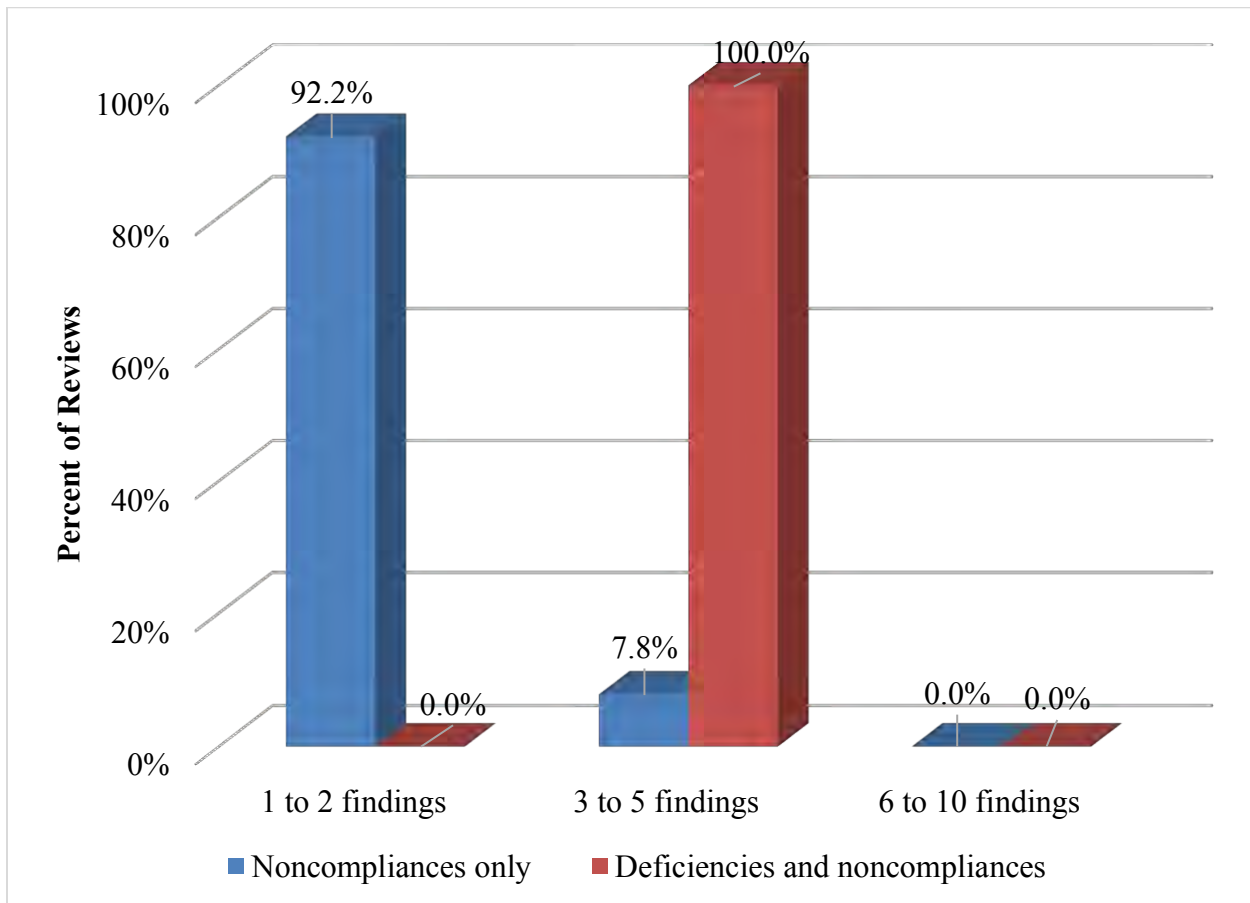


Exhibit 13 shows that more than 90 percent of grantees (92.2 percent) with a CSSR noncompliance in FY 2016 had only 1 or 2 CSSR findings in total. Only one grantee had a deficiency in CSSR—that grantee had four CSSR findings total. All grantees with at least one finding had five or fewer CSSR findings.

Overall, among grantees with at least one finding, reviews cited an average of 1.3 noncompliances and 0.02 deficiencies per grantee. Among noncompliant grantees, there was an average of 1.3 noncompliant findings per grantee.

Exhibit 13: FY 2016 Distribution of Reviewed Grantees with CSSR Findings by Total Number of Findings



Most Frequently Cited Areas of Noncompliance and Areas of Deficiency

Most Frequently Cited Areas of Noncompliance

Exhibit 14 displays the most frequently cited areas of noncompliance in FY 2016 EnvHS reviews. In FY2016, “Physical Arrangements Consistent with the Health, Safety, and Developmental Needs of Children” was the issue most frequently cited as noncompliant during EnvHS reviews; almost half (53 out of 114, 46.5 percent) of all grantees with EnvHS findings were cited in this area. “Code of Conduct” was the second most frequently cited issue, with nearly one-quarter of grantees (26 out of 114, 22.8 percent) cited with noncompliant EnvHS findings for at least one standard related to the issue. The third most frequently cited issue was

“Criminal Record Checks,” with over 20 percent of grantees (25 out of 114, 21.9 percent) found to be noncompliant for at least 1 standard related to this issue.

Exhibit 14: Performance Issues Most Frequently Cited among Areas of Noncompliance in FY 2016 EnvHS Reviews (n = 114)

Rank	Issue	Grantees Reviewed With Noncompliant EnvHS Citations	
		n	%
1	Physical Arrangements Consistent with the Health, Safety, and Developmental Needs of Children	53	46.5%
2	Code of Conduct	26	22.8%
3	Criminal Record Checks	25	21.9%
4	Maintenance, Repair, Safety, and Security of all Facilities, Materials, and Equipment	18	15.8%
5	Health Emergency Procedures	9	7.9%
6	Medication Administration	7	6.1%
7	Classroom Size and Staffing	5	4.4%
7	Developmentally Appropriate and Safe Equipment, Toys, Materials, and Furniture	5	4.4%
9	Vehicular Safety	4	3.5%
9	Children Only Released to a Parent or Legal Guardian	4	3.5%
11	Driver and Bus Monitor Training	3	2.6%
11	Food Safety and Sanitation	3	2.6%
13	Developmentally and Nutritionally Appropriate Foods	2	1.8%
14	Licensing Requirements	1	0.9%

Note: Grantees may be cited for multiple citations. As a result, there will be overlap in the categories and the sum of the number of “Grantees Reviewed with Noncompliant EnvHS Citations” will be greater than 114.

Exhibit 15 displays the most frequently cited areas of noncompliance in FY 2016 Fiscal/ERSEA reviews. In FY 2016, “Allowable and Allocable Costs” was the issue most frequently cited as noncompliant during Fiscal/ERSEA reviews; almost half (47 out of 98, 48.0 percent) of all grantees with Fiscal/ERSEA findings were cited in this area. “Financial Management Systems” was the second most frequently cited issue, with almost one-quarter of grantees (23 out of 98,

23.5 percent) cited with noncompliant Fiscal/ERSEA findings for at least one standard related to the issue. The third most frequently cited issue was “Recruitment and Enrollment of Children with Disabilities,” with almost 18 percent of grantees (17 out of 98, 17.3 percent) found to be noncompliant for at least 1 standard related to this issue.

Exhibit 15: Performance Issues Most Frequently Cited among Areas of Noncompliance in FY 2016 Fiscal/ERSEA Reviews (n = 98)

Rank	Issue	Grantees Reviewed With Noncompliant Fiscal/ERSEA Citations	
		n	%
1	Allowable and Allocable Costs	47	48.0%
2	Financial Management Systems	23	23.5%
3	Recruitment and Enrollment of Children with Disabilities	17	17.3%
4	Davis-Bacon Act	16	16.3%
5	Rental Costs	9	9.2%
6	Payroll Records and Procedures	7	7.1%
7	Period of Availability of Funds	6	6.1%
7	Reporting to the Governing Body and Policy Council	6	6.1%
9	Procurement Procedures	5	5.1%
10	Eligibility	4	4.1%
11	Comparability of Wages	3	3.1%
12	Equipment Records	2	2.0%
12	Recording of Federal Interest and Other Protection of Federal Interest.	2	2.0%
12	Limitations on Costs of Development and Administration	2	2.0%
12	Revision of Budget and Program Plans	2	2.0%
16	Developmentally and Nutritionally Appropriate Foods	1	1.0%
16	Insurance and Bonding	1	1.0%
16	Depreciation and Use Allowance	1	1.0%
16	Indirect Cost Rates and Proposals	1	1.0%

Note: Grantees may be cited for multiple citations. As a result, there will be overlap in the categories and the sum of the number of “Grantees Reviewed with Noncompliant Fiscal/ERSEA Citations” will be greater than 98.

Exhibit 16 displays the most frequently cited areas of noncompliance in FY 2016 LGMS reviews. In FY 2016, “Reporting to the Governing Body and Policy Council” was the issue most frequently cited as noncompliant during LGMS reviews; almost half (49 out of 99, 49.5 percent) of all grantees with LGMS findings were cited in this area. “Ongoing Monitoring of Grantee Operations and Delegates” was the second most frequently cited issue, with more than one-third of grantees (35 out of 99, 35.4 percent) cited with noncompliant LGMS findings for at least one standard related to the issue. The third most frequently cited issue was “Governing Body Responsibilities,” with more than one-third of grantees (34 out of 99, 34.3 percent) found to be noncompliant for at least one standard related to this issue.

Exhibit 16: Performance Issues Most Frequently Cited among Areas of Noncompliance in FY 2016 LGMS Reviews (n = 99)

Rank	Issue	Grantees Reviewed With Noncompliant LGMS Citations	
		n	%
1	Reporting to the Governing Body and Policy Council	49	49.5%
2	Ongoing Monitoring of Grantee Operations and Delegates	35	35.4%
3	Governing Body Responsibilities	34	34.3%
4	Program Planning	27	27.3%
5	Annual Report to the Public	21	21.2%
6	Governing Body and Policy Council Training and Technical Assistance	18	18.2%
7	Policy Council Responsibilities	11	11.1%
8	Self Assessment	9	9.1%
8	Record-Keeping Systems	9	9.1%
10	Policy Council/Committee Structure and Composition	8	8.1%
10	Organizational Structure/Staffing	8	8.1%
12	Communication with Staff and Families	6	6.1%
13	Financial Reporting	2	2.0%

Note: Grantees may be cited for multiple citations. As a result, there will be overlap in the categories and the sum of the number of “Grantees Reviewed with Noncompliant LGMS Citations” will be greater than 99.

Exhibit 17 displays the most frequently cited areas of noncompliance in FY 2016 CSSR reviews. In FY 2016, “Approach to Child Development and Education” was the issue most frequently cited as noncompliant during CSSR reviews; almost one-third (21 out of 65, 32.3 percent) of all grantees with CSSR findings were cited in this area. “School Readiness” was the second most frequently cited issue, with more than one-quarter of grantees (18 out of 65, 27.7 percent) cited with noncompliant CSSR findings for at least one standard related to the issue. The third most frequently cited issue was “Determining Child Health Status,” with more than one-quarter of grantees (17 out of 65, 26.2 percent) found to be noncompliant for at least one standard related to this issue.

Exhibit 17: Performance Issues Most Frequently Cited among Areas of Noncompliance in FY 2016 CSSR Reviews (n = 65)

Rank	Issue	Grantees Reviewed With Noncompliant CSSR Citations	
		n	%
1	Approach to Child Development and Education	21	32.3%
2	School Readiness	18	27.7%
3	Determining Child Health Status	17	26.2%
4	Screening for Developmental, Health, Sensory, and Behavioral Concerns	12	18.5%
5	Staff Qualifications	6	9.2%
6	Family Partnerships: Parent Involvement	5	7.7%
7	Teacher Qualifications	3	4.6%
7	Home Visits	3	4.6%
9	Providing Mental Health Services	1	1.5%
9	FCC Provider Qualifications	1	1.5%
9	Physical Development	1	1.5%
9	Social and Emotional Development	1	1.5%
9	Quality Standards, Curricula, and Assessment	1	1.5%

Note: Grantees may be cited for multiple citations. As a result, there will be overlap in the categories and the sum of the number of “Grantees Reviewed with Noncompliant CSSR Citations” will be greater than 65.

Most Frequently Cited Areas of Deficiency

According to the Head Start Act, a deficiency can fall into one of six categories: a threat to the health, safety, or civil rights of children or staff; a denial to parents of the exercise of their full roles and responsibilities related to program governance; a failure to perform substantially the requirements related to Early Childhood Development and Health Services, Family and Community Partnerships, or Program Design and Management; the misuse of Head Start grant funds; the loss of legal status or financial viability; or any other violation of federal or state requirements.

Exhibits 18 and 19 display the most frequently cited areas of deficiency in FY 2016 reviews. In FY 2016, deficiencies were identified primarily through EnvHS and Targeted reviews. There was only one “Eligibility” deficiency cited from Fiscal/ERSEA reviews, and one “Determining Child Health Status” deficiency from CSSR reviews in FY 2016. There were no deficiencies identified from LGMS reviews in FY 2016.

Almost 80 percent (27 out of 34, 79.4 percent) of grantees with EnvHS deficiencies were cited for a “Code of Conduct” deficiency, a category which primarily consists of leaving children unattended or unsupervised. Issues pertaining to “Physical Arrangements Consistent with the Health, Safety, and Developmental Needs of Children” and “Maintenance, Repair, Safety, and Security of all Facilities, Materials, and Equipment” were the second most common deficiency with more than 20 percent (7 out of 34, 20.6 percent) of deficient grantees cited.

Exhibit 18: Performance Issues Most Frequently Cited as Deficient in FY 2016 EnvHS Reviews (n = 34)

Rank	Issue	Grantees Reviewed With Deficient Citations	
		n	%
1	Code of Conduct	27	79.4%
2	Physical Arrangements Consistent with the Health, Safety, and Developmental Needs of Children	7	20.6%
2	Maintenance, Repair, Safety, and Security of all Facilities, Materials, and Equipment	7	20.6%
4	Children are Only Released to a Parent or Legal Guardian	2	5.9%
5	Developmentally Appropriate and Safe Equipment, Toys, Materials, and Furniture	1	2.9%

Note: Grantees may be cited for multiple citations. As a result, there will be overlap in the categories and the sum of the number of “Grantees Reviewed with Deficient EnvHS Citations” will be greater than 34.

Almost 80 percent (61 out of 77, 79.2 percent) of grantees with deficiencies from Targeted reviews were cited for a “Code of Conduct” deficiency. Issues pertaining to “Children are Only Released to a Parent or Legal Guardian” was the second most common deficiency with more than 15 percent (12 out of 77, 15.6 percent) percent of deficient grantees cited. Issues pertaining to “Governing Body Responsibilities” was the third most common deficiency with less than 5 percent (3 out of 77, 3.9 percent) of deficient grantees cited.

Exhibit 19: Performance Issues Most Frequently Cited as Deficient in FY 2016 Targeted Reviews (n = 77)

Rank	Issue	Grantees Reviewed With Deficient Citations	
		n	%
1	Code of Conduct	61	79.2%
2	Children are Only Released to a Parent or Legal Guardian	12	15.6%
3	Governing Body Responsibilities	3	3.9%
4	Maintenance, Repair, Safety, and Security of all Facilities, Materials, and Equipment	2	2.6%
4	Developmentally Appropriate and Safe Equipment, Toys, Materials, and Furniture	2	2.6%
4	Reporting to the Governing Body and Policy Council	2	2.6%
4	Financial Management Systems	2	2.6%
8	Licensing Requirements	1	1.3%
8	Approach to Child Development and Education	1	1.3%
8	Comparability of Wages	1	1.3%
8	Health Emergency Procedures	1	1.3%
8	School Readiness	1	1.3%
8	Governing Body Composition	1	1.3%
8	Recording of Federal Interest and Other Protection of Federal Interest	1	1.3%
8	Procurement Procedures	1	1.3%

Rank	Issue	Grantees Reviewed With Deficient Citations	
		n	%
8	Financial Reporting	1	1.3%
8	Physical Arrangements Consistent with the Health, Safety and Developmental Needs of Children	1	1.3%
8	Allowable and Allocable Costs	1	1.3%
8	Annual Report to the Public	1	1.3%
8	Payroll Records and Procedures	1	1.3%
8	Organizational Structure/Staffing	1	1.3%

Note: Grantees may be cited for multiple citations. As a result, there will be overlap in the categories and the sum of the number of “Grantees Reviewed with Deficient Targeted Citations” will be greater than 77.

Review Outcomes for Follow-up Reviews (Correction of Findings)

Overall, grantees were successful in correcting their findings on follow-up. Of the 485 findings reviewed on FY 2016 Follow-up reviews, 479 (98.8 percent) were corrected on their first review in FY 2016; 6 (1.2 percent) were not corrected and were, therefore, elevated to deficiencies.

Exhibit 20 displays the most frequently cited elevated findings in FY 2016 reviews. Among FY 2016 reviews, the most commonly elevated findings were for issues related to “Code of Conduct” (4 out of 6, 66.7 percent). Note that the number of elevated findings is small so caution must be taken when making conclusions with these data.

Exhibit 20: Performance Issues Most Frequently Elevated, FY 2016 (n = 6)

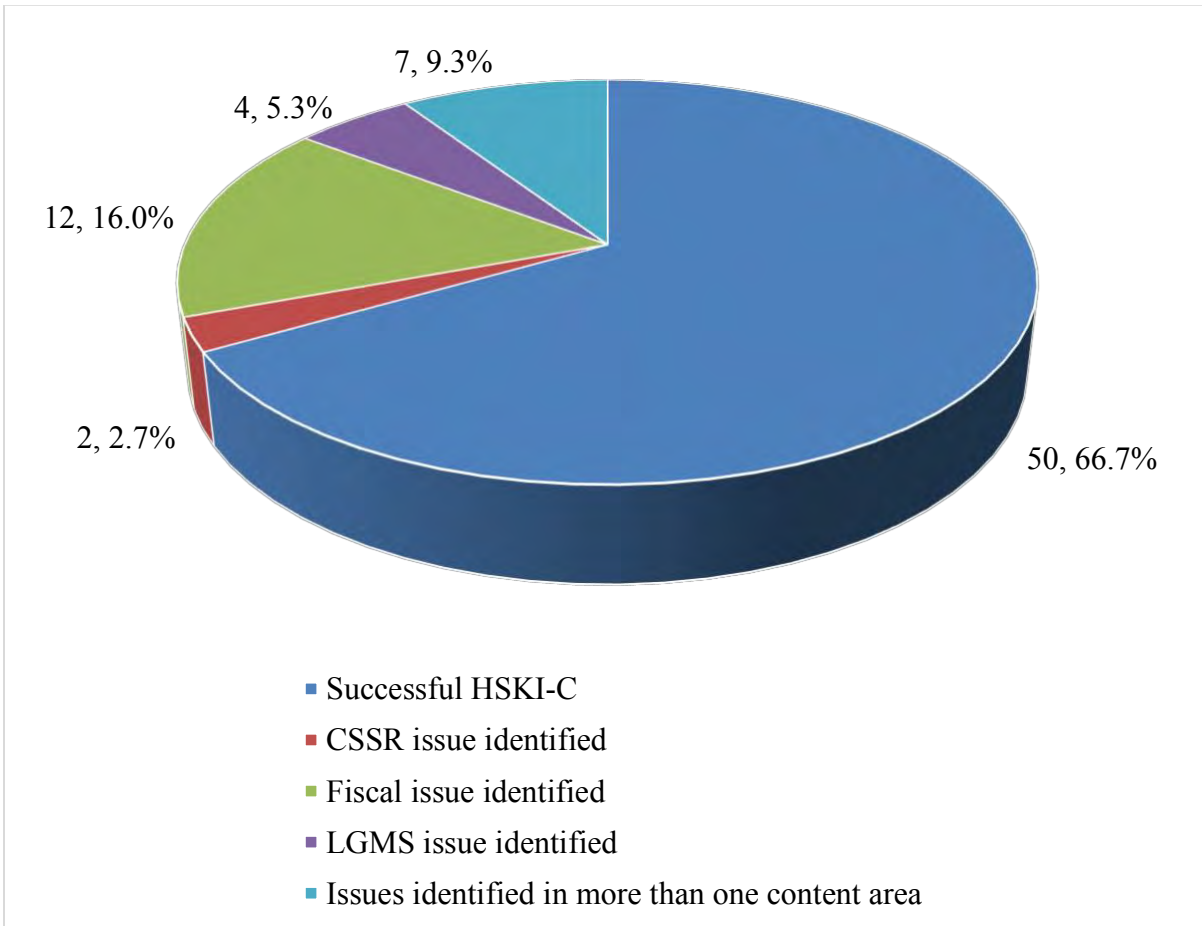
Rank	Issue	Grantees Reviewed with Elevated Findings	
		n	%
1	Code of Conduct	4	66.7%
2	Allowable and Allocable Costs	2	33.3%
3	School Readiness	1	16.7%

Note: Grantees may be cited for multiple citations. As a result, there will be overlap in the categories and the sum of the number of “Grantees Reviewed with Elevated Findings” will be greater than 6.

HSKI-C Results

In FY 2016, 75 grantees qualified for an HSKI-C review. Of those, 50 grantees (66.7 percent) had a successful HSKI-C review and received review events in the *differential monitoring* path (see **Exhibit 21**). Issues were identified during the HSKI-C review events for the remaining 25 (33.3 percent) grantees. These included issues related to Fiscal Integrity; CSSR; and LGMS. Seven grantees had issues in more than one content area. As a result of the unsuccessful HSKI-C, these 25 grantees received all the review events in the *comprehensive monitoring* path.

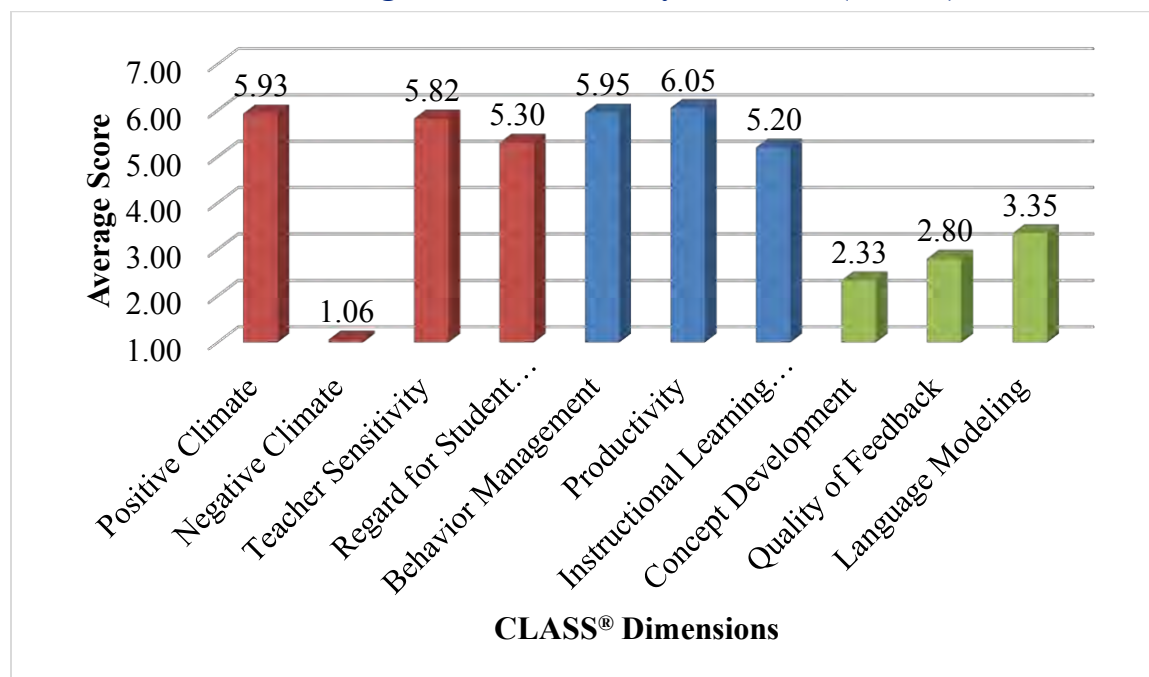
Exhibit 21: FY 2016 HSKI-C Results (n = 75)



V. CLASS®

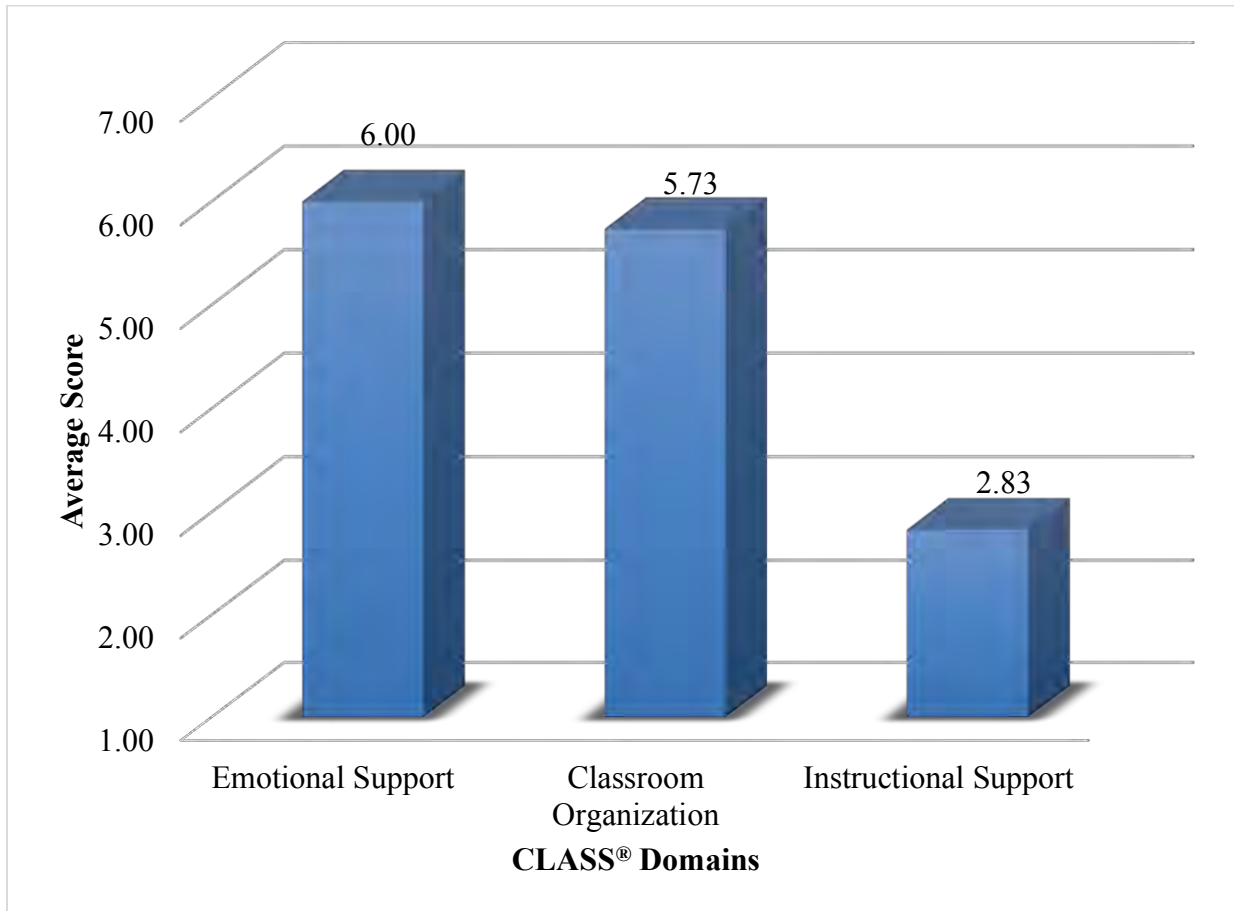
As noted in Section II of this report, CLASS® dimensions are grouped into three main domains—Classroom Organization, Emotional Support, and Instructional Support—that assess the various ways teachers and students interact. In FY 2016, grantees generally scored in the high-quality range in the Emotional Support and Classroom Organization dimensions (see **Exhibit 22**). Note that average scores for negative climate also fell in the high-quality range, approaching the highest possible score of 1, meaning negative climates were not observed frequently (Negative Climate is coded in the opposite direction of all the other dimensions). For the dimensions within Instructional Support, however, grantees scored in the low- to middle-quality range.

Exhibit 22: FY 2016 Average CLASS® Scores by Dimension (n = 319)



Dimensions are grouped together and averaged to create an average domain score. Across domains, scores were notably higher in the Emotional Support and Classroom Organization domains than in the Instructional Support dimensions (see **Exhibit 23**), a similar pattern to FY 2015. As it relates to DRS, grantees in the bottom 10 percent of grantees in any of the three domains are required to recompute for continued funding.

Exhibit 23: FY 2016 Average CLASS® Scores by Domain

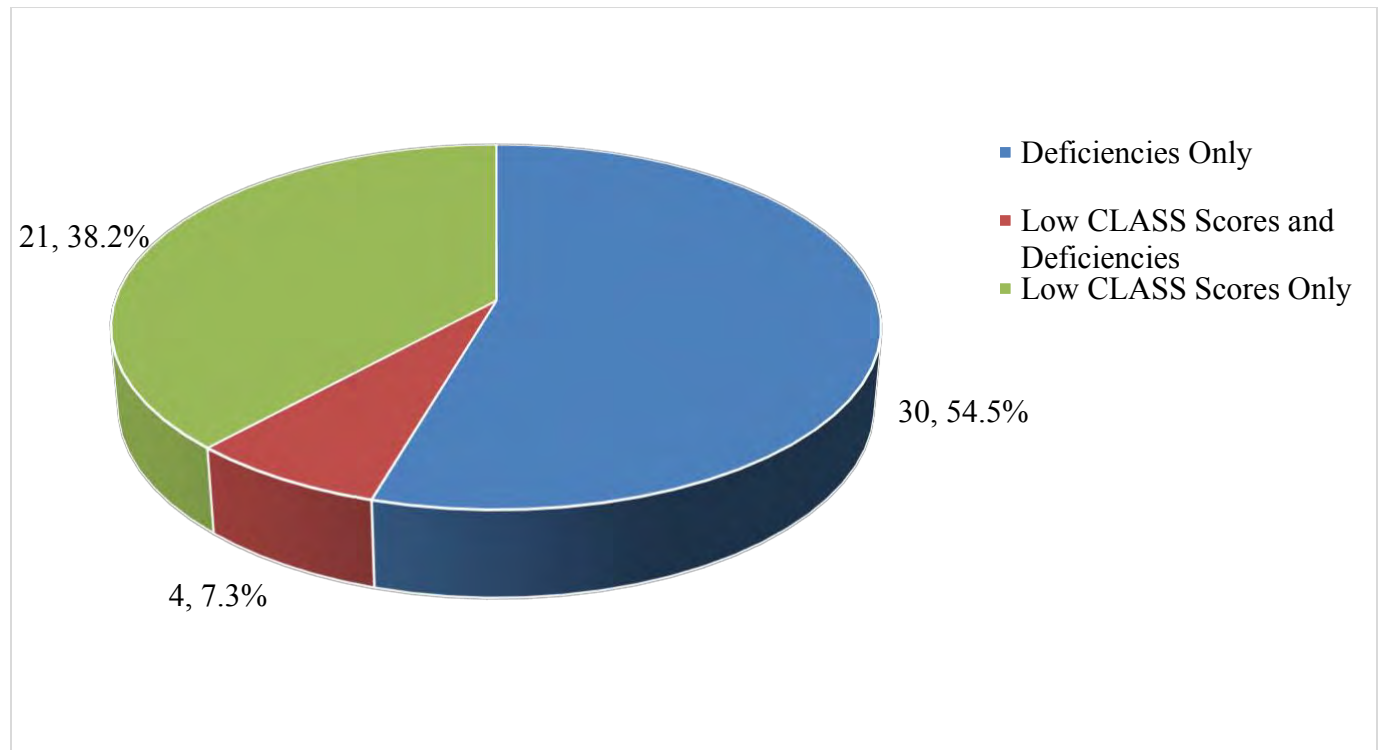


NOTE: The score for Negative Climate was inverted to calculate the average Emotional Support score (i.e., a score of one became a score of seven).

VI. Designation Renewal System Results

OHS has so far identified 55 grants that are required to compete for renewed grant funding based on low CLASS[®] scores or deficient findings. Of those 55 grants, 30 (54.5 percent) qualified based solely on elevated findings, immediate deficiencies, or deficiencies identified during FY 2016 reviews. An additional 21 grants (38.2 percent) qualified based on low CLASS[®] scores alone and 4 (7.3 percent) qualified based on low CLASS[®] scores and deficiencies identified during FY 2016 reviews. Grantees can also be required to re compete for their grants for non-monitoring reasons. In FY 2016, no grantees were required to re compete for continued funding for non-monitoring reasons. **Exhibit 24** presents the number of grantees in the DRS cohort and the reasons for their inclusion in the cohort.

Exhibit 24: FY 2016 Number of Grants Subject to Recompensation under the DRS and Reason for Inclusion (n = 55)



NOTE: As of April 26, 2017, OHS has not yet finalized the list of grantees in the DRS as not all AMS review events have been completed for OHS to make its final DRS determinations.

VII. Annual Review of the FY 2016 Fiscal Monitoring Procedures

Section 650(c) of the Head Start Act requires OHS complete an annual review of fiscal monitoring procedures to “assess whether the design and implementation of the triennial reviews described in Section 641A(c) include compliance procedures that provide reasonable assurances that Head Start agencies are complying with applicable fiscal laws and regulations.” This Fiscal Monitoring Assessment demonstrates the OHS fiscal monitoring process provides a complete and accurate picture of grantee fiscal integrity and required compliance with laws and regulations.

The Fiscal Integrity Protocol was developed by OHS and individuals with expertise in grantee fiscal operations (i.e., Head Start Regional Office staff and fiscal subject matter experts, including certified public accountants and attorneys). It supports consistency in evidence collection and examination and ensures even-handed treatment with regard to the overall assessment of grantee fiscal operations. The Head Start Act specifically requires that OHS include as part of the monitoring review a protocol for fiscal management to assess compliance with program requirements for:

- ▶ Using federal funds appropriately.
- ▶ Using federal funds specifically to purchase property (consistent with Section 644(f) of the Head Start Act) and to compensate personnel.
- ▶ Securing and using qualified financial officer support.
- ▶ Reporting financial information and implementing appropriate internal controls to safeguard federal funds.

The key areas of the Fiscal Integrity Protocol take into account the requirements of the Head Start Act as well as additional fiscal compliance requirements found in other fiscal laws and regulations, including the HSPPS and other regulations implemented at 45 CFR 1301 to 1311¹⁴. The Fiscal Integrity Protocol frameworks include financial management systems, reporting, procurement, compensation, indirect costs and cost allocation, non-federal share, cost principles, facilities, and property. Fiscal compliance is assessed through review of designated pre-site documents submitted by the grantee, Regional Office fiscal information, on-site observations and review of documents, transactions, agreements, and interviews, including governing body and Policy Council members and key fiscal personnel.

FY 2016 Fiscal Integrity Protocol

The Protocol organizes elements of HSPPS and other regulations into a tool to monitor grantees in a standardized way. Prior to the launch of the FY 2016 monitoring process, OHS reviewed the FY 2015 Fiscal Integrity Protocol and considered enhancements to reflect changes in policy and procedure and to ensure compliance with the Head Start Act. As substantial enhancements were made prior to the FY 2011 reviews, there were relatively few changes between the FY 2015 and FY 2016 Fiscal Integrity Protocols. The pre-site Fiscal Information Form (FIFO) implemented since FY 2011 continued to be used in FY 2016. The FIFO is completed using

¹⁴ Please note that these HSPPS citations correspond to the previous version of the HSPPS that were in effect in FY 2016. They do not correspond with the updated HSPPS that went into effect in August 2017.

VII. Annual Review of the FY 2016 Fiscal Monitoring Procedures

information from the Regional Office grants managers and is available to reviewers along with the pre-site documents provided by the grantee for review in advance of on-site activities. The FIFO informs on-site activities by providing reviewers with information related to the significant fiscal issues a grantee may be encountering.

VIII. Reduced Monitoring Schedule for FY 2017

In September 2016, OHS released the first holistic revision and complete reorganization of the HSPPS since they were originally published in 1975. To provide opportunities for the Head Start community to implement the new HSPPS, OHS modified the FY 2017 review schedule. During the FY 2017 monitoring season, OHS improved the AMS by reducing the number of monitoring events experienced by individual grantees and finding ways to effectively monitor grantee implementation of the new HSPPS. OHS rolled out its plan for monitoring grantees under the new HSPPS in summer 2017.

During this time of transition, the only required monitoring events scheduled in FY 2017 were CLASS[®], beginning in October 2016, and ERSEA, beginning in January 2017. Grantees scheduled for these events received notification via letter. OHS continued to conduct Follow-up and Targeted reviews when necessary.

Appendix: Glossary

Term	Definition
<p><i>Administration for Children and Families (ACF)</i></p>	<p>Division of the U.S. Department of Health and Human Services (includes the Regional Offices).</p>
<p><i>Aligned Monitoring System (AMS)</i></p>	<p>The aligned monitoring system was designed to provide OHS with comprehensive performance data needed by the fourth year of the five-year grant. OHS will evaluate the data to determine whether the grantee will need to re compete. Additionally, OHS increased its focus on measuring quality along with compliance, and prioritized having more frequent interaction with grantees to provide information to support their continuous improvement in core performance areas. OHS has identified core performance areas as:</p> <ul style="list-style-type: none"> ▶ Environmental Health and Safety (EnvHS) ▶ Leadership, Governance, and Management Systems (LGMS) ▶ Fiscal Integrity and Eligibility, Recruitment, Selection, Enrollment, and Attendance (ERSEA) ▶ Comprehensive Services and School Readiness (CSSR) ▶ Teacher-Child Interactions (as addressed through the CLASS[®] observation instrument)
<p><i>Area of Noncompliance (ANC)</i></p>	<p>An ANC is a type of review decision recorded in a complete Head Start Review Report that documents a grantee’s lack of compliance with one or more Head Start program requirements. Depending on the documented severity of the grantee’s lack of compliance and the degree to which the situation poses a threat to the safety and well-being of enrolled children, an ANC may become partial or sole justification for a deficiency determination or for a noncompliance determination.</p> <p>An ANC begins as a Preliminary ANC (PANC) identified by the review team in the field. A PANC becomes an ANC when OHS decides the PANC has sufficient evidentiary support to justify a noncompliance or deficiency determination.</p> <p>Related Terms: Citation, Deficiency, Determination, Noncompliance, Preliminary Area of Noncompliance, Head Start Program Performance Standards, Head Start Program Requirements, Noncompliance, and Review Decision</p>
<p><i>Citation</i></p>	<p>A citation is a performance standard referenced on a Preliminary Area of Noncompliance or an Area of Noncompliance.</p>

Term	Definition
	<p>Related Terms: Area of Noncompliance, Head Start Program Performance Standards, and Preliminary Area of Noncompliance</p>
<p><i>CLASS® Review</i></p>	<p>The CLASS® review event evaluates the quality of teacher-child interactions in three overall domains that promote positive child outcomes: Classroom Organization, Emotional Support, and Instructional Support. Evaluations are based on observations of teacher-child interactions in a randomly selected, statistically driven sample of eligible center-based classrooms.</p> <p>Related Terms: Monitoring Reviews</p>
<p><i>Comprehensive Monitoring Process</i></p>	<p>The Comprehensive Monitoring Process comprises six individual review events: Environmental Health and Safety (EnvHS); Fiscal Integrity/ Eligibility, Recruitment, Selection, Enrollment, and Attendance (ERSEA); CLASS®; Leadership, Governance, and Management Systems (LGMS); and Comprehensive Services and School Readiness (CSSR). Grantees engage in the Comprehensive Monitoring Process if they:</p> <ul style="list-style-type: none"> ▶ Do not meet the required criteria for Differential Monitoring Process. ▶ Have an unsuccessful Head Start Key Indicators-Compliant review. <p>Related Terms: Differential Monitoring Process, Head Start Key Indicators-Compliance Review, Monitoring Reviews</p>
<p><i>Comprehensive Services and School Readiness (CSSR) Review</i></p>	<p>The CSSR Protocol is designed to evaluate the program’s implementation of services as children and families participate by focusing on how Head Start programs:</p> <ul style="list-style-type: none"> ▶ Identify child and family strengths and needs, through building relationships with families and collecting data about the child and family. ▶ Address family and child needs by individualizing services for children and families and providing follow-up that illustrates effective delivery of services. ▶ Provide high-quality teaching and learning with qualified teaching staff, implement the Head Start Early Learning Outcomes Framework, and use and analyze data to prepare children for school. ▶ Plan for transition to kindergarten through educating and empowering each family to understand and advocate for its child’s needs.

Term	Definition
<p><i>Comprehensive Services and School Readiness-H (CSSR-H) Review</i></p>	<p>Grantees that passed the HSKI-C review and had Early Head Start classrooms received a CSSR-H review to evaluate the classroom activities in those classrooms that were not eligible for a CLASS[®] observation. This review was designed specifically to evaluate the classroom activities and environment that promote school readiness for children enrolled in Early Head Start. The protocol focuses on teaching and responsive caregiving, use of the Head Start Early Learning Outcomes Framework for Infants and Toddlers, and use and analysis of data that prepare children for kindergarten.</p>
<p><i>Content Area Lead (CAL)</i></p>	<p>Staff person who leads the monitoring review team. The CAL delegates tasks, assigns reviewers to complete sections of the Protocol, and facilitates and coordinates interaction between grantee staff and review team members.</p> <p>Related Terms: Monitoring Reviews</p>

Term	Definition
<p>Deficiency</p>	<p>The Head Start Act, as amended in 2007, defines a deficiency (Section 637 [42 U.S.C. 9832]) as follows:</p> <p>(A) <i>Systemic or substantial material failure of an agency in an area of performance that the Secretary determines involves:</i></p> <p>(i) <i>A threat to the health, safety, or civil rights of children or staff;</i></p> <p>(ii) <i>A denial to parents of the exercise of their full roles and responsibilities related to program operations;</i></p> <p>(iii) <i>A failure to comply with standards related to early childhood development and health services, family and community partnerships, or program design and management;</i></p> <p>(iv) <i>The misuse of funds received under this subchapter;</i></p> <p>(v) <i>Loss of legal status (as determined by the Secretary) or financial viability, loss of permits, debarment from receiving Federal grants or contracts, or the improper use of Federal funds; or</i></p> <p>(vi) <i>Failure to meet any other Federal or State requirement that the agency has shown an unwillingness or inability to correct, after notice from the Secretary, within the period specified;</i></p> <p>(B) <i>Systemic or material failure of the governing body of any agency to fully exercise its legal and fiduciary responsibilities; or</i></p> <p>(C) <i>An unresolved area of noncompliance.</i></p> <p><i>Deficiency is an OHS determination that a grantee has failed to substantially to provide the required services or to substantially implement required procedures.</i></p> <p>A deficiency [determination] is documented in a final Review Report and includes one or more Areas of Noncompliance. In a report, a statement of a deficiency determination includes a corrective action timeframe (of 30 days or 180 days depending on the severity), a finding category or deficiency type, and required corrective actions (Follow-up review and/or Quality Improvement Plan (QIP)).</p> <p>Related Terms: Area of Noncompliance, Determination, Grantee, Head Start Review Report, Quality Improvement Plan , Review Decision</p>
<p>Delegate Agency</p>	<p>A delegate agency is a public or private nonprofit or for-profit organization or agency to which a Head Start grantee has delegated by written agreement the carrying out of all or part of its responsibility for operating a Head Start program or programs.</p>

Term	Definition
	Related Terms: Grantee and Head Start Program
<i>Determination</i>	<p>A determination is an OHS decision regarding a grantee’s lack of compliance with state and/or federal requirements. A determination is documented in the Head Start Review Report and is supported by one or more Areas of Noncompliance each citing one or more performance standards. There are two types of determinations: Deficiency Determinations and Noncompliance Determinations. A determination statement indicates the type of determination, the corrective action timeframe, and the required corrective actions (Follow-up review and/or QIP).</p>
	Related Terms: Area of Noncompliance, Deficiency, Head Start Review Report, Noncompliance, Preliminary Area of Noncompliance, and Quality Improvement Plan
<i>Differential Monitoring Process</i>	<p>The Differential Monitoring Process recognizes grantees that have demonstrated a history of compliance, defined as:</p> <ul style="list-style-type: none"> ▶ No findings on the previous review cycle ▶ No fiscal findings in the past two review cycles ▶ No findings in the annual audits ▶ No Designation Renewal System criteria met ▶ No significant program changes (e.g., changes in program leadership) ▶ No concerns identified through input from the Regional Office. <p>Grantees eligible for this process first received a Head Start Key Indicators-Compliant (or HSKI-C) review. Grantees that are successful in, or pass, the HSKI-C review only receive the Environmental Health and Safety and CLASS® review events (Differential Monitoring). Grantees that do not pass the HSKI-C go through the Comprehensive Monitoring Process.</p>
	Related Terms: Comprehensive Monitoring Process and Head Start Key Indicators-Compliant review
<i>Early Head Start Program</i>	<p>An agency or delegate agency funded under the Head Start Act to provide comprehensive child development services to children from birth to three years of age and pregnant women.</p>
	Related Terms: Delegate Agency and Head Start Program

Term	Definition
<p><i>Environmental Health and Safety (EnvHS) Review</i></p>	<p>The EnvHS Protocol is designed to ensure that all Head Start programs are implementing and promoting healthy practices and routines, as well as providing safe and supportive environments in which children can learn and grow. The EnvHS Protocol is also used to review the safety of physical environments and transportation services provided by the program.</p> <p>The EnvHS review consists of interviews with the director and service area coordinators, and direct-service staff. In addition, observations are conducted on every Head Start and Early Head Start classroom and center, family child care home, and socialization center to ascertain the safety of every setting that serves children.</p> <p>Related Terms: Monitoring Reviews</p>
<p><i>Fiscal Integrity /Eligibility, Recruitment, Selection, Enrollment, and Attendance (ERSEA) Review</i></p>	<p>In FY 2016, Fiscal Integrity and ERSEA were monitored in the same review event. The Fiscal Integrity Protocol facilitates assessment of the program’s compliance with Head Start and federal cost principle requirements. The instrument is designed to help OHS ensure programs have sound internal controls and strong reporting systems and use federal funds for intended purposes.</p> <p>This ERSEA Protocol guides the assessment of a program’s practices for verifying the eligibility status of children, families, and pregnant women receiving the program’s services and ensuring the appropriate enrollment of children into the program. The protocol also assesses how the program monitors children’s attendance and offering families support, as needed, when attendance is an issue.</p> <p>Related Terms: Monitoring Reviews</p>
<p><i>Fiscal Year (FY)</i></p>	<p>Twelve-month accounting period (federal FY 2016 began on October 1, 2015 and ended on September 30, 2016).</p>
<p><i>Follow-up Review</i></p>	<p>Return visits made to grantees to verify whether corrective actions have been implemented. Determinations in Environmental Health and Safety (EnvHS); Fiscal/Eligibility, Recruitment, Selection, Enrollment, and Attendance (ERSEA); or Targeted reviews indicate whether or not a Follow-up review is required, and the timeframe within which the grantee must correct the Areas of Noncompliance (ANCs). If the initial Follow-up review team identifies that one or more ANCs have not been corrected, OHS may decide a second Follow-up review is required. Less often, a third or fourth Follow-up review is conducted.</p> <p>Related Terms: Environmental Health and Safety Review; Fiscal/Eligibility, Recruitment, Selection, Enrollment, and Attendance Review; Monitoring Reviews; Targeted Review; and Triennial Review</p>

Term	Definition
Grant	A federally funded monetary award that is provided to an agency to perform Head Start (Early Head Start or Head Start/Early Head Start) services either directly or through delegate agencies.
	Related Terms: Grantee and Head Start Program
Grantee	An agency (i.e., public or private nonprofit, school system) that has been awarded one or more grants by the Administration for Children and Families to administer one or more Head Start programs (Early Head Start or Head Start/Early Head Start) or to oversee the programs administered by a delegate agency.
	Related Terms: Delegate Agency, Noncompliance, Preliminary Area of Noncompliance, and Program Type
Grantee Compliance Status	<p>The final determination made on the grantee by the Office of Head Start (OHS) based on the results of the on-site monitoring review. The status is one of the following:</p> <ol style="list-style-type: none"> (1) Compliant: Grantees without a noncompliant or deficient finding. (2) Having one or more noncompliance(s): Grantees with one or more noncompliant findings. (3) Having one or more deficiencies: Grantees with one or more deficient findings. Deficient grantees may have one or more noncompliant findings in addition to one or more deficient findings
	Related terms: Deficiency and Noncompliance
Head Start Key Indicator-Compliant (HSKI-C) Review	<p>The HSKI-C review event identifies high performing grantees that are eligible for the Differential Monitoring Process. Grantees that are successful in, or pass, the HSKI-C review only receive the Environmental Health and Safety and CLASS[®] review events (see Differential Monitoring Process). Grantees do not pass the HSKI-C go through the Comprehensive Monitoring Process. The HSKI-C review consists of interviews and staff file reviews.</p>
	Related Terms: Comprehensive Monitoring Process, Differential Monitoring Process, and Monitoring Reviews
Head Start Program	An agency or delegate agency funded under the Head Start Act to provide comprehensive child development services.
	Related Terms: Delegate Agency, Early Head Start Program, and Program Type

Term	Definition
<i>Head Start Program Performance Standards and Other Regulations</i>	<p>Regulations applicable to program administration and grants management for all Head Start program grants under the Act. The regulations encompass requirements to provide education, health, mental health, nutrition, and family and community engagement services, as well as rules for local program governance and aspects of federal administration of the program.</p> <p>Related Terms: Area of Noncompliance, Head Start Program Requirements, and Monitoring Reviews</p>
<i>Head Start Program Requirements</i>	<p>The Head Start Program Requirements include the Head Start Program Performance Standards and applicable laws, regulations, and policy requirements to which all grantees operating a Head Start program must adhere. During the on-site monitoring review, review teams assess a grantee’s compliance with the Head Start Program Requirements.</p> <p>Related Terms: Area of Noncompliance, Head Start Program Performance Standards, and Monitoring Reviews</p>
<i>Head Start Review Report</i>	<p>The Head Start Review Report serves as legal notice to a Head Start grantee of the results of the monitoring review. It provides the grantee with detailed information on the areas in which the grantee is not meeting Head Start program requirements. The Head Start Review Report also documents the corrective action timeframes that the grantee has to resolve the issues addressed in the report.</p> <p>Related Terms: Completed Review, Deficiency, Preliminary Area of Noncompliance, and Noncompliance</p>
<i>Health and Human Services (HHS)</i>	<p>The federal government agency that oversees the Administration for Children and Families.</p>
<i>Leadership, Governance, and Management Systems (LGMS) Review</i>	<p>The LGMS Protocol is organized to comprehensively assess how Head Start programs:</p> <ul style="list-style-type: none"> ▶ Develop plans to achieve their goals and ensure the delivery of high-quality comprehensive services to children and families in healthy and safe environments. ▶ Coordinate and develop program resources. ▶ Implement program practices and deliver quality services. ▶ Identify areas for ongoing program improvement. <p>The LGMS review consists of interviews with governing body members, Policy Council members, the Director, service area coordinators, and direct-service staff.</p>

Term	Definition
	Related Terms: Monitoring Reviews
<i>Monitoring Reviews</i>	<p>In FY 2016, there were eight main types of monitoring reviews or review types: Environmental Health and Safety (EnvHS); Fiscal Integrity/Eligibility, Recruitment, Selection, Enrollment, and Attendance (ERSEA); CLASS®; Head Start Key Indicators-Compliant (HSKI-C); Leadership, Governance, and Management Systems (LGMS); Comprehensive Services and School Readiness (CSSR); Targeted; and Follow-up.</p> <p>Programs that are not in compliance with Head Start federal regulations and requirements during the on-site monitoring review are required to have a Follow-up review to verify whether corrective actions have been implemented.</p> <p>Related Terms: CLASS® Review; Comprehensive Services and School Readiness Review; Content Area Lead; Environmental Health and Safety Review; Fiscal Integrity/ Eligibility, Recruitment, Selection, Enrollment, and Attendance Review; Follow-up Review; Head Start Key Indicators-Compliant Review; Head Start Program Performance Standards, Head Start Program Requirements; Leadership, Governance, and Management Systems Review; Review Decision; Targeted Review; and Triennial Review</p>
<i>Noncompliance</i>	<p>A noncompliance is an area of noncompliance (ANC) citing one or more performance standards and related to a noncompliance determination in the completed Head Start Review Report.</p> <p>Related Terms: Area of Noncompliance, Determination, Grantee, Head Start Review Report, Quality Improvement Plan, and Review Decision</p>
<i>Office of Head Start (OHS)</i>	<p>Within the Administration for Children and Families in the U.S. Department of Health and Human Services, the OHS serves as the principal advisory unit to the Assistant Secretary on issues regarding the Head Start program. OHS provides leadership, coordinates activities, develops legislative and budgetary proposals, and presents objectives and initiatives for the Head Start program.</p> <p>Related Terms: Administration for Children and Families, Health and Human Services</p>
<i>Office of Head Start Monitoring System Software</i>	<p>An integrated technology solution supporting a broad spectrum of monitoring review activities: pre-site planning and document-sharing, on-site review coordination and documentation, and post-review corrective action activities.</p>

Term	Definition
<p><i>Preliminary Area of Noncompliance (PANC)</i></p>	<p>A preliminary conclusion of a grantee’s failure to comply with a given Head Start program performance standard or regulation. This conclusion is based on evidence collected by the review team during the monitoring review. A PANC becomes an Area of Noncompliance in a final Review Report if OHS determines that the PANC has sufficient evidence and documentation.</p>
	<p>Related Terms: Area of Noncompliance, Citation, Determination, Grantee, and Head Start Review Report</p>
<p><i>Program Type</i></p>	<p>Program type describes the category of services (i.e., Early Head Start or Head Start) that a Head Start program provides. There are three program types: Head Start, Early Head Start, and Head Start/Early Head Start.</p>
	<p>Related Terms: Early Head Start, Head Start, Early Head Start/Head Start Program</p>
<p><i>Protocol</i></p>	<p>In the Aligned Monitoring System, each review event has a monitoring protocol designed to assess the performance and compliance of Head Start grantees in a specific content area. In FY 2016, separate monitoring protocols focused on areas such as Fiscal Integrity; Eligibility, Recruitment, Selection, Enrollment, and Attendance (ERSEA); Leadership, Governance, and Management Systems (LGMS); Comprehensive Services and School Readiness (CSSR); and Environmental Health and Safety (EnvHS). Each protocol contains a set of compliance questions that are linked directly to a regulation; therefore, any review activity including interviews, observations, or document review relates to a clearly defined performance requirement. Review teams are required to adhere to a uniform and defined set of compliance questions, increasing focus, efficiency, fairness and comprehensiveness of the scope of the review.</p>
<p><i>Quality Improvement Plan (QIP)</i></p>	<p>Once a grantee is determined to have one or more deficiencies, the grantee must submit for approval a QIP to the Regional Office outlining the deficiencies to be corrected, the actions to be taken to correct each deficiency, and the timeframe for accomplishing the corrective actions specified</p>
	<p>Related Terms: Deficiency, Determination, and Noncompliance</p>
<p><i>Review Decision</i></p>	<p>Decision about a grantee’s compliance with applicable laws and regulations based on evidence collected during the monitoring review. (Review decisions include “no areas of noncompliance,” “areas of noncompliance,” and deficiency determinations.)</p>

Term	Definition
	<p>Related Terms: Area of Noncompliance, Deficiency, Determination, Monitoring Reviews, and Noncompliance</p>
<p><i>Reviewer</i></p>	<p>Member of a monitoring review team who, under the guidance of the monitoring Content Area Lead (CAL), gathers evidence through observations, interviews and document review to assess the performance of a Head Start grantee being reviewed.</p>
	<p>Related Terms: Content Area Lead and Monitoring Reviews</p>
<p><i>Targeted Review</i></p>	<p>Alerted to a potential performance issue or concern with a grantee, OHS may resolve to conduct an out-of-cycle review, referred to as a Targeted review. Targeted reviews, unlike Environmental Health and Safety; Fiscal/Eligibility, Recruitment, Selection, Enrollment, and Attendance; Leadership, Governance, and Management Systems; Comprehensive Services and School Readiness; or Classroom Assessment Scoring System® reviews, are non-routine in nature.</p>
	<p>Related Terms: Follow-up Review, Monitoring Reviews, and Triennial Review</p>
<p><i>Triennial Review</i></p>	<p>In the previous Office of Head Start Monitoring System, Head Start grantees underwent monitoring reviews every three years. These types of reviews were referred to as “Triennial” reviews. Triennial reviews were implemented prior to FY 2015. Starting in FY 2015, OHS no longer conducted Triennial reviews and implemented the new Aligned Monitoring System, which conducts specific content area reviews (e.g., Environmental Health and Safety (EnvHS), Fiscal/Eligibility, Recruitment, Selection, Enrollment, and Attendance (ERSEA) across the first three years of a grantee’s 5-year grant cycle.</p>
	<p>Related Terms: Follow-up Review, Monitoring Reviews, and Targeted Review</p>

Appendix: Tables

The following appendix tables present the most frequently cited Head Start Program Performance Standards (HSPPS) for each review type. Please note that the HSPPS citations listed in these tables correspond to the previous version of the HSPPS that were in effect in FY 2016.

EnvHS: Performance Standards Most Frequently Cited as Noncompliant			
Performance Standard	Standard Description	Grantees Reviewed with Noncompliant EnvHS Citations	
		n	%
1304.52(i)(1)(iii)	Code of conduct specifies that children are not unsupervised or left alone	22	19.3%
648A(g)(3)(A)	Criminal record checks	20	17.5%
1304.53(a)(10)(vii)	Exits and evacuation routes	18	15.8%
1304.53(a)(7)	Grantee must provide for the maintenance, repair, safety, and security of all facilities, materials and equipment	18	15.8%
1304.53(a)(10)(x)	Playground equipment and surfaces	18	15.8%
648A(g)(3)(C)	Criminal record checks	17	14.9%
1304.53(a)(10)(vii i)	Cleaning of indoor and outdoor premises	16	14.0%
648A(g)(3)(B)	Criminal record checks	16	14.0%
1304.22(c)(1)	Labeling and storage of medications	7	6.1%
1304.53(a)(5)	Centers must have at least 35 square feet of usable indoor space per child and at least 75 square feet of outdoor space per child	6	5.3%
1304.52(i)(1)(iv)	The program's standards of conduct must specify that they will use positive methods of child guidance and will not engage in corporal punishment, emotional or physical abuse, or humiliation	6	5.3%
1304.53(a)(10)(xi v)	Handwashing, diapering, and toilet practices	6	5.3%
1304.22(a)(3)	Posted emergency evacuation routes and other safety procedures for emergencies	6	5.3%
1304.53(a)(10)(xi)	Electrical outlets	5	4.4%
1304.53(a)(10)(v)	Fire extinguishers	5	4.4%

EnvHS: Performance Standards Most Frequently Cited as Noncompliant			
Performance Standard	Standard Description	Grantees Reviewed with Noncompliant EnvHS Citations	
		n	%
1304.22(a)(1)	Health Emergency Procedures. Grantee and delegate agencies operating center-based programs must establish and implement policies and procedures to respond to medical and dental health emergencies with which all staff are familiar and trained. At a minimum, these policies and procedures must include: Posted policies and plans of action for emergencies that require rapid response on the part of staff (e.g., a child choking) or immediate medical or dental attention	5	4.4%
1304.22(c)(3)	Obtaining physicians' instructions and parental consent for all medications administered by staff	5	4.4%
1310.10(g)	Each agency must ensure that children are released only to a parent or legal guardian, or other individual identified in writing by the parent or legal guardian	4	3.5%
1304.53(a)(10)(iii)	Storage and labeling of medication and storage of hazardous materials	4	3.5%
1304.22(c)(2)	Designation of a training staff member for handling and storing medications	3	2.6%
1304.23(e)(2)	For programs serving infants and toddlers, facilities must be available for the proper storage and handling of breast milk and formula	3	2.6%
1304.53(b)(1)(iii)	Head Start Equipment, Toys, Materials, and Furniture: Age-appropriate, safe, and supportive of abilities	3	2.6%
1304.53(a)(10)(i)	Heating and cooling systems	3	2.6%
1304.22(c)(4)	Maintaining individual records of all medications dispensed and reviewing records with parents	3	2.6%
1304.53(a)(10)(vi)	Smoke detectors	3	2.6%

EnvHS: Performance Standards Most Frequently Cited as Noncompliant			
Performance Standard	Standard Description	Grantees Reviewed with Noncompliant EnvHS Citations	
		n	%
1310.17(f)(2)	Bus monitoring training in boarding and exiting procedures, use of child restraint systems, paperwork, responses to emergencies, use of special equipment, child pick-up and release procedures and pre- and post-trip vehicle check	2	1.8%
1304.52(g)(4)	Each teacher working exclusively with infants and toddlers has responsibility for no more than four infants and toddlers and that no more than eight infants and toddlers are placed in any one group	2	1.8%
1310.10(d)(2)	Fire extinguishers and safety equipment	2	1.8%
1306.32(a)(5)	For classes serving 3-year-old children, the average class size must be between 15 and 17 children.	2	1.8%
1304.53(a)(10)(ix)	Lead paint	2	1.8%
1310.10(d)(4)	Seat belt cutter	2	1.8%
1310.12(b)(2)	Vehicle is equipped with a reverse beeper.	2	1.8%
1304.53(a)(10)(xii)	Windows and glass doors	2	1.8%
1306.20(g)(2)	One family child care provider may care for up to four infants and toddlers, with no more than two of the four children under the age of 18 months	1	0.9%
1304.53(a)(10)	Annual safety inspection to ensure facility's space, light, ventilation, heat, and other physical arrangements consistent with health, safety and developmental needs of children	1	0.9%
1304.23(b)(1)	Design and implementation of a nutrition program	1	0.9%
1304.53(a)(10)(xvi)	Disposal of sewage and storage of trash	1	0.9%

EnvHS: Performance Standards Most Frequently Cited as Noncompliant			
Performance Standard	Standard Description	Grantees Reviewed with Noncompliant EnvHS Citations	
		n	%
1310.12(a)	Effective January 18, 2006, each agency providing transportation services must ensure that children enrolled in its program are transported in school buses or allowable alternate vehicles that are equipped for use of height- and weight-appropriate child restraint systems, and that have reverse beepers (does not apply to transportation services to children served under the home-based option for Head Start and Early Head Start)	1	0.9%
1304.53(a)(8)	Environment is free of air pollutants as well as soil and water contaminants	1	0.9%
1304.53(b)(1)(vi)	Equipment, toys, materials, and furniture owned or operated by the grantee or delegate agency must be safe, durable, and kept in good condition	1	0.9%
1304.22(a)(5)	Health Emergency Procedures. Grantee and delegate agencies operating center-based programs must establish and implement policies and procedures to respond to medical and dental health emergencies with which all staff are familiar and trained. At a minimum, these policies and procedures must include: Established methods for handling cases of suspected or known child abuse and neglect that are in compliance with applicable federal, state, or tribal laws.	1	0.9%
1304.23(b)(1)(iv)	Infant/toddler food developmentally appropriate	1	0.9%
1304.53(b)(3)	To reduce the risk of Sudden Infant Death Syndrome (SIDS), all sleeping arrangements for infants must use firm mattresses and avoid soft bedding materials such as comforters, pillows, fluffy blankets or stuffed toys	1	0.9%
1310.17(b)(3)	Transportation staff training for first aid	1	0.9%
1310.17(b)(2)	Transportation staff training for routing	1	0.9%
1310.17(b)(1)	Transportation staff training for vehicle operation	1	0.9%

EnvHS: Performance Standards Most Frequently Cited as Noncompliant			
Performance Standard	Standard Description	Grantees Reviewed with Noncompliant EnvHS Citations	
		n	%
1306.30(c)	Facilities used must comply with state and local requirements concerning licensing	1	0.9%

Fiscal Integrity/ERSEA: Performance Standards Most Frequently Cited as Noncompliant			
Performance Standard	Standard Description	Grantees Reviewed with Noncompliant Fiscal/ERSEA Citations	
		n	%
640(d)(1)	The Secretary shall establish policies and procedures to assure that, for FY 2009 and thereafter, not less than 10 percent of the total number of children actually enrolled by each Head Start agency and each delegate agency will be children with disabilities who are determined to be eligible for special education and related services, or early intervention services	17	17.3%
1309.54	Contractors working on construction or renovation of Head Start facilities shall be paid wages prevailing wage for similar work in the locality	16	16.3%
74.21(b)(3)	Financial management systems shall provide for effective control over and accountability for all funds, property and other assets	11	11.2%
92.20(b)(3)	Standards for financial management systems: Internal controls	10	10.2%
230, App A(A)(4)(a)(2)	A cost is allocable to a federal award if it benefits both the award and other work and can be distributed in reasonable proportion	7	7.1%
74.23(a)(1)	Cost sharing or matching contributions must be verifiable from the recipient's records	7	7.1%
92.24(b)(6)	Matching or cost sharing: Records	6	6.1%
92.20(b)(1)	Standards for financial management systems: Financial reporting	6	6.1%
75.306(b)(1)	For all federal awards, any shared costs or matching funds and all contributions, including cash and third party in-kind contributions, must be accepted as part of the non-federal entity's cost sharing or matching when such contributions are verifiable from the non-federal entity's records	5	5.1%

Fiscal Integrity/ERSEA: Performance Standards Most Frequently Cited as Noncompliant			
Performance Standard	Standard Description	Grantees Reviewed with Noncompliant Fiscal/ERSEA Citations	
		n	%
74.23(a)(3)	Cost sharing or matching contributions must be necessary and reasonable for proper and efficient accomplishment of project or program objectives	5	5.1%
74.23(h)(3)	Value of donated space shall not exceed the fair rental value of comparable space as established by an independent appraisal	5	5.1%
75.302(b)(2)	Accurate, current, and complete disclosure of the financial results of each federal award or program in accordance with the reporting requirements set forth in Sections 75.341 and 75.342. If an HHS awarding agency requires reporting on an accrual basis from a recipient that maintains its records on other than an accrual basis, then the recipient must not be required to establish an accrual accounting system. This recipient may develop accrual data for its reports on the basis of an analysis of the documentation on hand. Similarly, a pass-through entity must not require a sub-recipient to establish an accrual accounting system and must allow the sub-recipient to develop accrual data for its reports on the basis of analysis of the documentation on hand	4	4.1%
75.302(b)(4)	Effective control over, and accountability for, all funds, property, and other assets. The non-federal entity must adequately safeguard all assets and ensure they are used solely for authorized purposes	4	4.1%
75.306(i)(3)	The value of donated space must not exceed the fair rental value of comparable space as established by an independent appraisal of comparable space and facilities in a privately-owned building in the same locality.	4	4.1%
75.306(b)(3)	For all federal awards, any shared costs or matching funds and all contributions, including cash and third party in-kind contributions, must be accepted as part of the non-federal entity's cost sharing or matching when such	3	3.1%

Fiscal Integrity/ERSEA: Performance Standards Most Frequently Cited as Noncompliant			
Performance Standard	Standard Description	Grantees Reviewed with Noncompliant Fiscal/ERSEA Citations	
		n	%
	contributions meet all of the following criteria: Are necessary and reasonable for accomplishment of project or program objectives		
74.28	A recipient may charge to the award only allowable costs resulting from obligations incurred during the funding period	3	3.1%
74.43	All procurement transactions shall be conducted in a manner to provide, to the maximum extent practical, open and free competition	3	3.1%
74.23(a)(4)	Cost-sharing or matching contributions must be allowable under the applicable cost principles	3	3.1%
92.23(a)	Grantee can charge to the award only costs resulting from obligations of the funding period	3	3.1%
75.306(e)	Volunteer services furnished by third-party professional and technical personnel, consultants, and other skilled and unskilled labor may be counted as cost sharing or matching if the service is an integral and necessary part of an approved project or program. Rates for third-party volunteer services must be consistent with those paid for similar work by the non-federal entity. In those instances in which the required skills are not found in the non-federal entity, rates must be consistent with those paid for similar work in the labor market in which the non-federal entity competes for the kind of services involved. In either case, paid fringe benefits that are reasonable, necessary, allocable, and otherwise allowable may be included in the valuation.	2	2.0%
75.309(a)	A non-federal entity may charge to the federal award only allowable costs incurred during the period of performance (except as described in §75.461) and any costs incurred before the HHS awarding agency or pass-through entity made the federal award that were authorized by the federal	2	2.0%

Fiscal Integrity/ERSEA: Performance Standards Most Frequently Cited as Noncompliant			
Performance Standard	Standard Description	Grantees Reviewed with Noncompliant Fiscal/ERSEA Citations	
		n	%
	awarding agency or pass-through entity. Funds available to pay allowable costs during the period of performance include both federal funds awarded and carryover balances		
75.403(g)	Except where otherwise authorized by statute, costs must be adequately documented	2	2.0%
75.405(a)(2)	A cost is allocable to a particular federal award or other cost objective if the goods or services involved are chargeable or assignable to that federal award or cost objective in accordance with relative benefits received. This standard is met if the cost benefits both the federal award and other work of the non-federal entity and can be distributed in proportions that may be approximated using reasonable methods	2	2.0%
75.430(i)(1)(vii)	Charges to federal awards for salaries and wages must be based on records that accurately reflect the work performed. These records must support the distribution of the employee's salary or wages among specific activities or cost objectives if the employee works on more than one federal award; a federal award and non-federal award; an indirect cost activity and a direct cost activity; two or more indirect activities which are allocated using different allocation bases; or an unallowable activity and a direct or indirect cost activity	2	2.0%
75.436(a)	Depreciation is the method for allocating the cost of fixed assets to periods benefitting from asset use. The non-federal entity may be compensated for the use of its buildings, capital improvements, equipment, and software projects capitalized in accordance with GAAP, provided that they are used, needed in the non-federal entity's	2	2.0%

Fiscal Integrity/ERSEA: Performance Standards Most Frequently Cited as Noncompliant			
Performance Standard	Standard Description	Grantees Reviewed with Noncompliant Fiscal/ERSEA Citations	
		n	%
	activities, and properly allocated to federal awards. Such compensation must be made by computing depreciation		
1305.4(e)	A signed statement identifying which documents was examined to verify income eligibility must be maintained	2	2.0%
230, App B(43)(c)	Allowability of rental costs under less-than-arm's-length leases	2	2.0%
74.23(a)(5)	Cost sharing or matching contributions must not be from another federal source, except where authorized	2	2.0%
230, App A(A)(2)(g)	Factors affecting allowability of costs include adequate documentation	2	2.0%
74.21(b)(1)	Financial management system shall provide accurate and complete disclosure of financial results of each HHS-sponsored project or program	2	2.0%
642(d)(2)(A)	Monthly financial statements	2	2.0%
225, App B(8)(h)(5)(a)	Personnel activity reports or equivalent documentation must reflect an after-the-fact distribution of the actual activity of each employee	2	2.0%
1305.4(l)	Age of children and family income eligibility records	1	1.0%
230, App B(16)	Costs of fines and penalties resulting from violations of, or failure of the organization to comply with federal, state, and local laws and regulations are unallowable except when incurred as a result of compliance with specific provisions of an award or instructions in writing from the awarding agency	1	1.0%
230, App B(22)(a)(3)	Actual losses which could have been covered by permissible insurance (through the purchase of insurance or a self-insurance program) are unallowable unless expressly provided for in the award	1	1.0%

Fiscal Integrity/ERSEA: Performance Standards Most Frequently Cited as Noncompliant			
Performance Standard	Standard Description	Grantees Reviewed with Noncompliant Fiscal/ERSEA Citations	
		n	%
644(g)(3)	All laborers and mechanics employed by contractors or subcontractors in the construction or renovation of facilities to be used to carry out Head Start programs shall be paid wages at not less than those prevailing on similar construction in the locality, as determined by the Secretary of Labor in accordance with the Act of March 3, 1931, as amended (40 U.S.C. 276a et seq., commonly known as the Davis-Bacon Act)	1	1.0%
645(a)(1)(B)(iii)(I)	Programs assisted under this subchapter may include to a reasonable extent (but not to exceed 10 percent of participants), participation of children in the area served who would benefit from such programs but who are not eligible under clause (i) or (ii)	1	1.0%
75.302(b)(3)	Records that identify adequately the source and application of funds for federally funded activities. These records must contain information pertaining to federal awards, authorizations, obligations, unobligated balances, assets, expenditures, income and interest and be supported by source documentation	1	1.0%
75.306(b)(4)	For all federal awards, any shared costs or matching funds and all contributions, including cash and third party in-kind contributions, must be accepted as part of the non-federal entity's cost sharing or matching when such contributions meet all of the following criteria: Are allowable under subpart E of this part	1	1.0%
75.308(c)(2)	For non-construction federal awards, recipients must request prior approvals from HHS awarding agencies for a change in a key person specified in the application or the federal award	1	1.0%
75.320(a)(2)	Subject to the obligations and conditions set forth in this section, title to equipment acquired under a federal award	1	1.0%

Fiscal Integrity/ERSEA: Performance Standards Most Frequently Cited as Noncompliant			
Performance Standard	Standard Description	Grantees Reviewed with Noncompliant Fiscal/ERSEA Citations	
		n	%
	will vest upon acquisition in the non-federal entity. Unless a statute specifically authorizes the federal agency to vest title in the non-federal entity without further obligation to the federal government, and the federal agency elects to do so, the title must be a conditional title. Title must vest in the non-federal entity subject to the following conditions: Not encumber the property without approval of the HHS awarding agency or pass-through entity		
75.403(b)	Conform to any limitations or exclusions set forth in these principles or in the federal award as to types or amount of cost items.	1	1.0%
75.405(a)(1)	A cost is allocable to a particular federal award or other cost objective if the goods or services involved are chargeable or assignable to that federal award or cost objective in accordance with relative benefits received. This standard is met if the cost is incurred specifically for the federal award	1	1.0%
75.430(b)	Compensation for employees engaged in work on federal awards will be considered reasonable to the extent that it is consistent with that paid for similar work in other activities of the non-federal entity. In cases where the kinds of employees required for federal awards are not found in the other activities of the non-federal entity, compensation will be considered reasonable to the extent that it is comparable to that paid for similar work in the labor market in which the non-federal entity competes for the kind of employees involved	1	1.0%
75.434(d)	To the extent feasible, services donated to the non-federal entity will be supported by the same methods used to support the allocability of regular personnel services	1	1.0%

Fiscal Integrity/ERSEA: Performance Standards Most Frequently Cited as Noncompliant			
Performance Standard	Standard Description	Grantees Reviewed with Noncompliant Fiscal/ERSEA Citations	
		n	%
75.436(b)	The allocation for depreciation must be made in accordance with appendices III through IX	1	1.0%
75.465(c)(1)	Rental costs under 'less-than-arm's-length' leases are allowable only up to the amount (as explained in paragraph (b) of this section). For this purpose, a less-than-arm's-length lease is one under which one party to the lease agreement is able to control or substantially influence the actions of the other. Such leases include, but are not limited to those between divisions of the non-federal entity	1	1.0%
75.465(c)(2)	Rental costs under 'less-than-arm's-length' leases are allowable only up to the amount (as explained in paragraph (b) of this section). For this purpose, a less-than-arm's-length lease is one under which one party to the lease agreement is able to control or substantially influence the actions of the other. Such leases include, but are not limited to those between the non-federal entity under common control through common officers, directors, or members	1	1.0%
75.465(c)(3)	Rental costs under 'less-than-arm's-length' leases are allowable only up to the amount (as explained in paragraph (b) of this section). For this purpose, a less-than-arm's-length lease is one under which one party to the lease agreement is able to control or substantially influence the actions of the other. Such leases include, but are not limited to those between the non-federal entity and a director, trustee, officer, or key employee of the non-federal entity or an immediate family member, either directly or through corporations, trusts, or similar arrangements in which they hold a controlling interest. For example, the non-federal entity may establish a	1	1.0%

Fiscal Integrity/ERSEA: Performance Standards Most Frequently Cited as Noncompliant			
Performance Standard	Standard Description	Grantees Reviewed with Noncompliant Fiscal/ERSEA Citations	
		n	%
	separate corporation for the sole purpose of owning property and leasing it back to the non-federal entity.		
75.465(c)(5)	Rental costs under leases which are required to be treated as capital leases under GAAP are allowable only up to the amount (as explained in paragraph (b) of this section) that would be allowed had the non-federal entity purchased the property on the date the lease agreement was executed. The provisions of GAAP must be used to determine whether a lease is a capital lease. Interest costs related to capital leases are allowable to the extent they meet the criteria in Section 75.449. Unallowable costs include amounts paid for profit, management fees, and taxes that would not have been incurred had the non-federal entity purchased the property	1	1.0%
92.32(e)(3)	In cases where a grantee or sub-grantee fails to take appropriate disposition actions, the awarding agency may direct the grantee or sub-grantee to take excess and disposition actions	1	1.0%
225, App A(C)(3)(a)	A cost is allocable to a particular cost objective if the goods or services involved are chargeable or assignable to such cost objective in accordance with relative benefits received	1	1.0%
1301.32(a)(1)	Allowable costs for developing and administering a Head Start program may not exceed 15 percent of the total approved costs of the program	1	1.0%
92.24(g)	Appraisal of real property	1	1.0%
220, App(J)(10)(a)	Compensation for personal services covers all amounts paid currently or accrued by the institution for services of employees rendered during the period of performance under sponsored agreements	1	1.0%

Fiscal Integrity/ERSEA: Performance Standards Most Frequently Cited as Noncompliant			
Performance Standard	Standard Description	Grantees Reviewed with Noncompliant Fiscal/ERSEA Citations	
		n	%
1309.21(b)	Facilities acquired with grant funds may not be mortgaged or used as collateral, or sold or otherwise transferred to another party, without the written permission of the responsible HHS official	1	1.0%
1305.4(c)	Family income must be verified before determining that a child is eligible	1	1.0%
1305.4(d)	Family income verification must include examination of specified forms	1	1.0%
74.21(b)(2)	Financial management systems shall provide for records that identify adequately the source and application of funds for HHS-sponsored activities	1	1.0%
1304.23(b)(1)(i)	Funding for nutritional services primarily from the U.S. Department of Agriculture (USDA) for both Early Head Start and Head Start programs	1	1.0%
1301.32(b)(2)	Grantees must charge the costs of organization-wide management functions as development and administrative costs	1	1.0%
92.24(d)(2)	If a third party donates the use of equipment or space in a building but retains title, then the contribution will be valued at the fair rental rate of the equipment or space	1	1.0%
225, App E(D)(1)(d)	Indirect cost proposals must be developed within six months after the close of the governmental unit's fiscal year, unless an exception is approved by the cognizant federal agency	1	1.0%
653(b)(1)	No federal funds may be used to pay any part of the compensation of an individual employed by a Head Start agency, if such compensation exceeds an amount equal to the rate payable for level II of the Executive Schedule	1	1.0%

Fiscal Integrity/ERSEA: Performance Standards Most Frequently Cited as Noncompliant			
Performance Standard	Standard Description	Grantees Reviewed with Noncompliant Fiscal/ERSEA Citations	
		n	%
1301.11(b)	Private nonprofit Head Start and delegate agencies shall make arrangements for bonding officials and employees authorized to disburse program funds	1	1.0%
74.46	Procurement records and files for purchases in excess of the simplified acquisition threshold shall include the following at a minimum: (a) basis for contractor selection; (b) justification for lack of competition when competitive bids or offers are not obtained; and (c) basis for award cost or price	1	1.0%
74.25(b)	Recipients are required to report deviations from budget and program plans, and request prior approvals for budget and program plan revisions	1	1.0%
230, App B(43)(d)	Rental costs under leases which are required to be treated as capital leases under GAAP are allowable only up to the amount (as explained in subparagraph b) that would be allowed had the non-profit organization purchased the property on the date the lease agreement was executed. The provisions of Financial Accounting Standards Board Statement 13, Accounting for Leases, shall be used to determine whether a lease is a capital lease. Interest costs related to capital leases are allowable to the extent they meet the criteria in paragraph 23 of this appendix. Unallowable costs include amounts paid for profit, management fees, and taxes that would not have been incurred had the nonprofit organization purchased the facility	1	1.0%
230, App B(8)(m)(2)(a)	Reports reflecting the distribution of activity of each employee must be maintained for all staff members.The reports must reflect an after-the-fact determination of the actual activity of each employee	1	1.0%

Fiscal Integrity/ERSEA: Performance Standards Most Frequently Cited as Noncompliant			
Performance Standard	Standard Description	Grantees Reviewed with Noncompliant Fiscal/ERSEA Citations	
		n	%
225, App B(11)(a)	Selected Items of Cost: Depreciation and use allowances	1	1.0%
74.45	Some form of cost or price analysis shall be made and documented in the procurement files in connection with every procurement action	1	1.0%
1309.21(d)(2)	The grantee must record the Notice of Federal Interest in the appropriate official records for the jurisdiction where a facility is or will be located immediately upon: purchasing a facility or land on which a facility is to be constructed; receiving permission to use funds to continue purchase of a facility; commencing major renovation of a facility or construction of a facility.	1	1.0%
74.34(a)	Title to equipment acquired by a recipient with HHS funds shall vest in the recipient	1	1.0%
225, App A(C)(1)(d)	To be allowable, costs must conform to any limitations or exclusions set forth	1	1.0%
225, App B(8)(h)(4)(b)	Where employees work on multiple activities or cost objectives, a distribution of their salaries or wages will be supported by personnel activity reports	1	1.0%

LGMS: Performance Standards Most Frequently Cited as Noncompliant			
Performance Standard	Standard Description	Grantees Reviewed with Noncompliant LGMS Citations	
		n	%
641A(g)(3)	Sec. 641A. STANDARDS; MONITORING OF HEAD START AGENCIES AND PROGRAMS [42 U.S.C. 9836A] (g) Self-Assessments- (3) ONGOING MONITORING- Each Head Start agency (including each Early Head Start agency) and each delegate agency shall establish and implement procedures for the ongoing monitoring of their respective programs, to ensure that the operations of the programs work toward meeting program goals and objectives and standards described in subsection (a)(1)	35	35.4%
642(d)(2)(E)	Financial audit	24	24.2%
642(d)(2)(A)	Monthly financial statements	24	24.2%
642(d)(2)(G)	Communitywide strategic planning and needs assessment	19	19.2%
642(d)(2)(D)	Conduct of Responsibilities. Each Head Start agency shall ensure the sharing of accurate information for use by the governing body and the Policy Council, about program planning, policies, and Head Start agency operations, including monthly reports of meals and snacks provided through programs of the US Department of Agriculture;	18	18.2%
642(d)(3)	Appropriate training and technical assistance shall be provided to the members of the governing body	16	16.2%
642(d)(2)(I)	The sharing of accurate and regular information for use by the governing body and the Policy Council regarding the Program Information Reports	16	16.2%
642(d)(2)(F)	Annual self-assessment	15	15.2%
642(d)(2)(C)	Program enrollment reports	15	15.2%
642(d)(2)(H)	The sharing of accurate and regular information for use by the governing body and the Policy Council regarding communication and guidance from the Secretary	15	15.2%

LGMS: Performance Standards Most Frequently Cited as Noncompliant			
Performance Standard	Standard Description	Grantees Reviewed with Noncompliant LGMS Citations	
		n	%
642(d)(2)(B)	Monthly program information summaries	14	14.1%
1304.51(a)(1)	Grantee and delegate agencies must develop and implement an ongoing program planning process that includes consultation with the program's governing body, policy groups, and program staff, and with other community organizations that serve Early Head Start and Head Start or other low-income families with young children	13	13.1%
644(a)(2)	Each Head Start agency shall make available to the public a report published at least once in each fiscal year that discloses the following information from the most recently concluded fiscal year, except that reporting such information shall not reveal personally identifiable information about an individual child or parent	11	11.1%
1304.51(a)(1)(ii)	The formulation of both multi-year (long-range) program goals and short-term program and financial objectives that address the findings of the Community Assessment	10	10.1%
644(a)(2)(B)	An explanation of budgetary expenditures and proposed budget for the fiscal year	9	9.1%
1304.51(g)	Establish and maintain efficient and effective record-keeping systems to provide accurate and timely information regarding children, families, and staff and must ensure appropriate confidentiality of this information	9	9.1%
642(c)(2)(D)(iv)	Policy Council Responsibilities: Budget planning for program expenditures	9	9.1%
644(a)(2)(G)	The agency's efforts to prepare children for kindergarten	8	8.1%
641A(g)(1)	Conduct a comprehensive self-assessment of its effectiveness and progress in meeting program goals and objectives	7	7.1%

LGMS: Performance Standards Most Frequently Cited as Noncompliant			
Performance Standard	Standard Description	Grantees Reviewed with Noncompliant LGMS Citations	
		n	%
1304.52(a)(1)	Organizational structure	7	7.1%
1304.51(a)(1)(i)	Grantee and delegate agencies must develop and implement a systematic, ongoing process of program planning that includes consultation with the program's governing body, policy groups, and program staff, and with other community organizations that serve Early Head Start and Head Start or other low-income families with young children. Program planning must include: An assessment of community strengths, needs and resources through completion of the Community Assessment	6	6.1%
1304.51(b)	Grantee and delegate agencies must establish and implement systems to ensure that timely and accurate information is provided to parents, policy groups, staff, and the general community	6	6.1%
642(c)(1)(E)(iv)(V)(aa)	Review and approve the annual self-assessment and financial audit	6	6.1%
642(c)(2)(D)(i)	Activities to support the active involvement of parents in supporting program operations, including policies to ensure that the Head Start agency is responsive to community and parent needs	5	5.1%
642(c)(2)(D)(vi)	Policy Council Responsibilities: Program personnel policies	5	5.1%
642(c)(1)(E)(iv)(V)(bb)	Program Design and Management. The governing body shall review and approve agencies' progress in carrying out the programmatic and fiscal provisions in such agency's grant application, including implementation of corrective actions;	5	5.1%
1304.51(a)(1)(iii)	Grantee and delegate agencies must develop and implement an ongoing program planning process that includes consultation with the program's key stakeholders, including the development of written plans for	4	4.0%

LGMS: Performance Standards Most Frequently Cited as Noncompliant			
Performance Standard	Standard Description	Grantees Reviewed with Noncompliant LGMS Citations	
		n	%
	implementing services in each of the program areas covered by Early Childhood Development and Health Services, Family and Community Partnerships, and Program Design and Management		
642(c)(1)(E)(iv)(VIII)	Program Design and Management. The governing body shall review results from monitoring conducted under Section 641A(c), including appropriate follow-up activities;	4	4.0%
641A(g)(2)(B)	The agency shall develop, and submit to the Secretary a report containing, an improvement plan approved by the governing body of the agency to strengthen any areas identified in the self-assessment as weaknesses or in need of improvement.	4	4.0%
642(c)(2)(A)	Each Head Start agency shall have a Policy Council responsible for the direction of the Head Start program, including program design and operation, and long- and short-term planning goals and objectives	3	3.0%
642(c)(1)(E)(iv)(IX)	Program Design and Management. The governing body shall approve personnel policies and procedures, including the hiring, evaluation, compensation, and termination of the Executive Director, Head Start Director, Director of Human Resources, Chief Fiscal Officer, and any other person in an equivalent position with the agency	3	3.0%
642(c)(1)(E)(iv)(VII)(aa)	Program Design and Management. The governing body shall review and approve all major financial expenditures of the agency	3	3.0%
642(c)(1)(E)(iv)(VII)(bb)	Program Design and Management. The governing body shall review and approve of the operating budget of the agency	3	3.0%
642(c)(2)(D)(ii)	Program recruitment, selection, and enrollment priorities	3	3.0%

LGMS: Performance Standards Most Frequently Cited as Noncompliant			
Performance Standard	Standard Description	Grantees Reviewed with Noncompliant LGMS Citations	
		n	%
642(c)(1)(E)(i)	Responsibilities. The governing body shall have legal and fiscal responsibility for administering and overseeing programs under this subchapter, including the safeguarding of federal funds	3	3.0%
642(c)(1)(E)(ii)	The governing body shall adopt practices that assure active, independent, and informed governance of the Head Start agency, including practices consistent with subsection (d)(1), and fully participate in the development, planning, and evaluation of the Head Start programs involved	3	3.0%
642(c)(2)(B)(ii)(II)	The Policy Council shall be composed of members at large of the community served by the Head Start agency	3	3.0%
642(c)(2)(B)(i)	The Policy Council shall be elected by the parents of children who are currently enrolled in the Head Start program of the Head Start agency	3	3.0%
642(c)(1)(E)(iv)(VI)	Developing procedures for how members of the Policy Council are selected	2	2.0%
1304.51(h)(1)	Periodic reports of financial status and program operations	2	2.0%
642(c)(1)(E)(iv)(V)(cc)	Personnel policies of such agencies regarding the hiring, evaluation, termination, and compensation of agency employees	2	2.0%
1304.50(b)(6)	Policy Council cannot be comprised of staff members	2	2.0%
642(c)(1)(E)(iv)(VII)(cc)	Program Design and Management. The governing body shall review and approve the selection of independent financial auditors who shall report all critical accounting policies and practices to the governing body	2	2.0%
1304.52(l)(4)	Providing training to governing body and Policy Council members	2	2.0%

LGMS: Performance Standards Most Frequently Cited as Noncompliant			
Performance Standard	Standard Description	Grantees Reviewed with Noncompliant LGMS Citations	
		n	%
642(c)	Program Governance. Upon receiving designation as a Head Start agency, the agency shall establish and maintain a formal structure for program governance, for the oversight of quality services for Head Start children and families and for making decisions related to program design and implementation	1	1.0%
642(c)(1)(E)(iv)(VII)	The governing body shall have legal and fiscal responsibility for administering and overseeing programs under this subchapter, including the safeguarding of federal funds be responsible for other activities, including approving financial management, accounting, and reporting policies, and compliance with laws and regulations related to financial statements	1	1.0%
648A(a)(2)(A)(i)	The Secretary shall ensure that not later than September 30, 2013, at least 50 percent of Head Start teachers nationwide in center-based programs have a baccalaureate or advanced degree in early childhood education	1	1.0%
648A(a)(2)(A)(ii)	The Secretary shall ensure that not later than September 30, 2013, at least 50 percent of Head Start teachers nationwide in center-based programs have a baccalaureate or advanced degree and coursework equivalent to a major relating to early childhood education, with experience teaching preschool-age children	1	1.0%
§1302.101 (a)(2)	A program must implement a management system that provides regular and ongoing supervision to support individual staff professional development and continuous program quality improvement	1	1.0%
§1302.50 (b)(2)	A program must develop relationships with parents and structure services to encourage trust and respectful, ongoing two-way communication between staff and parents to create welcoming program environments that	1	1.0%

LGMS: Performance Standards Most Frequently Cited as Noncompliant			
Performance Standard	Standard Description	Grantees Reviewed with Noncompliant LGMS Citations	
		n	%
	incorporate the unique cultural, ethnic, and linguistic backgrounds of families in the program and community		
1304.51(a)(2)	All written plans for implementing services, and the progress in meeting them, must be reviewed by the grantee or delegate agency staff and reviewed and approved by the Policy Council or Policy Committee at least annually, and must be revised and updated as needed.	1	1.0%
1304.50(b)(5)	Policy Councils and Policy Committees must limit the number of one-year terms any individual may serve on either body to a combined total of three terms.	1	1.0%
642(c)(1)(E)(iv)(VII)(dd)	Program Design and Management. The governing body shall review and approve monitoring of the agency's actions to correct any audit findings and of other action necessary to comply with applicable laws (including regulations) governing financial statement and accounting practices;	1	1.0%
1304.52(a)(2)(iii)	program management functions are formally assigned to and adopted by staff within the program: Management of family and community partnerships	1	1.0%

CSSR: Performance Standards Most Frequently Cited as Noncompliant			
Performance Standard	Standard Description	Grantees Reviewed with Noncompliant CSSR Citations	
		n	%
1304.21(a)(1)(i)	In order to help children gain the skills and confidence necessary to be prepared to succeed in their present environment and with later responsibilities in school and life, grantee and delegate agencies' approach to child development and education must: Be developmentally and linguistically appropriate, recognizing that children have individual rates of development as well as individual interests, temperaments, languages, cultural backgrounds, and learning styles	14	21.5%
1304.20(a)(1)(ii)	Child is up-to-date on a schedule of age appropriate preventive and primary health care	12	18.5%
1304.20(b)(1)	Screening for developmental, sensory, and behavioral concerns	12	18.5%
642(f)(3)(A)	Curriculum promotes young children's school readiness	11	16.9%
1307.3(b)(2)(ii)	An agency has been determined not to have taken steps to achieve the school readiness goals demonstrated by analyzing individual ongoing, child-level assessment data for all children birth to age 5 participating in the program and using those data to determine each child's status and progress with regard to, at a minimum, language and literacy development, cognition and general knowledge, approaches toward learning, physical well-being and motor development, and social and emotional development and to individualize the experiences, instructional strategies, and services to best support each child	8	12.3%
642(f)(3)(D)	To be so designated, each Head Start agency shall implement a research-based early childhood curriculum that is focused on improving the learning environment, teaching practices, family involvement, and child outcomes across all areas of development	7	10.8%

CSSR: Performance Standards Most Frequently Cited as Noncompliant			
Performance Standard	Standard Description	Grantees Reviewed with Noncompliant CSSR Citations	
		n	%
1304.20(a)(1)(ii)(A)	Assist parents in making the necessary arrangements to bring the child up-to-date	6	9.2%
1304.20(a)(1)(i)	Ongoing source of continuous, accessible health care. If no source of health care grantee must assist parents in accessing a source of care	6	9.2%
648A(a)(3)(B)(i)	Staff Qualifications. An associate degree in early childhood education	6	9.2%
648A(a)(3)(B)(ii)	Staff Qualifications. An associate degree in a related field and coursework equivalent to a major relating to early childhood education, with experience teaching preschool-age children	6	9.2%
648A(a)(3)(B)(iii)	Staff Qualifications. A baccalaureate degree and has been admitted into the Teach For America program, passed a rigorous early childhood content exam, such as the Praxis II, participated in a Teach For America summer training institute that includes teaching preschool children, and is receiving ongoing professional development and support from Teach For America's professional staff	6	9.2%
1307.3(b)(2)(i)	Agency has been determined not to have taken steps to achieve the school readiness goals by aggregating and analyzing aggregate child-level assessment data at least three times per year (except for programs operating less than 90 days, which will be required to do so at least twice within their operating program period) and using that data in combination with other program data to determine grantees' progress toward meeting its goals, to inform parents and the community of results, and to direct continuous improvement related to curriculum, instruction, professional development, program design and other program decisions	4	6.2%

CSSR: Performance Standards Most Frequently Cited as Noncompliant			
Performance Standard	Standard Description	Grantees Reviewed with Noncompliant CSSR Citations	
		n	%
642(f)(3)(C)	Curriculum is comprehensive and linked to ongoing assessment, with developmental and learning goals and measurable objectives	4	6.2%
1304.20(e)(2)	Grantees must familiarize parents with the use of and rationale for all health and developmental procedures administered, and obtain advance authorization for such procedures	3	4.6%
1304.20(a)(1)(ii)(C)	Procedures to track the provision of health care services	3	4.6%
1304.40(i)(2)	Teachers must visit home of each enrolled child	3	4.6%
645A(h)(1)	The Secretary shall:--(1) ensure that, not later than September 30, 2010, all teachers providing direct services to children and families participating in Early Head Start programs located in Early Head Start centers, have a minimum of a child development associate credential, and have been trained (or have equivalent coursework) in early childhood development	3	4.6%
1304.20(a)(1)(iii)	Obtain or arrange further diagnostic testing, examination, and treatment	2	3.1%
1304.40(e)(5)	Teachers in center-based programs must conduct at least two staff-parent conferences per year	2	3.1%
645A(h)(2)	The Secretary shall:--(2) establish staff qualification goals to ensure that not later than September 30, 2012, all such teachers have been trained (or have equivalent coursework) in early childhood development with a focus on infant and toddler development	2	3.1%
1304.20(e)(3)	The grantee and delegate agencies must talk with parents about how to familiarize their children in a developmentally appropriate way and in advance about all	2	3.1%

CSSR: Performance Standards Most Frequently Cited as Noncompliant			
Performance Standard	Standard Description	Grantees Reviewed with Noncompliant CSSR Citations	
		n	%
	of the procedures they will receive while enrolled in the program		
1304.52(h)(1)	Grantee and delegate agencies must ensure that all staff, consultants, and volunteers abide by the program's standards of conduct	1	1.5%
1304.21(a)(3)(i)(C)	Help development by encouraging self-control by setting clear, consistent limits, and having realistic expectations	1	1.5%
1304.21(a)(5)(i)	In center-based settings, grantee and delegate agencies must promote each child's physical development by: Providing sufficient time, indoor and outdoor space, equipment, materials and adult guidance for active play and movement that support the development of gross motor skills	1	1.5%
1304.21(a)(3)(ii)	Planning for routines and transitions so that they occur in a timely, predictable and unrushed manner according to each child's needs	1	1.5%
1304.21(a)(5)(ii)	Promote child's physical development by providing appropriate time, space, equipment, materials and adult guidance for the development of fine motor skills	1	1.5%
642(f)(3)(B)	Quality Standards, Curricula, and Assessment. To be so designated, each Head Start agency shall:-- (3) implement a research-based early childhood curriculum that-- (B) is based on scientifically valid research and has standardized training procedures and curriculum materials to support implementation	1	1.5%
1304.24(a)(2)	Secure the services of mental health professionals on a schedule of sufficient frequency	1	1.5%

Performance Standards Most Frequently Cited as Deficient			
Performance Standard	Standard Description	Grantees Reviewed with Deficient Citations	
		n	%
1304.52(i)(1)(iii)	Code of conduct specifies that children are not unsupervised or left alone	65	57.5%
1304.52(i)(1)(iv)	Code of conduct specifies that all staff, consultants, and volunteers will use positive methods of child guidance and will not engage in corporal punishment	31	27.4%
1310.10(g)	Each agency must ensure that children are released only to a parent or legal guardian, or other individual identified in writing by the parent or legal guardian	14	12.4%
1304.53(a)(7)	Grantee must provide for the maintenance, repair, safety, and security of all facilities, materials and equipment	7	6.2%
1304.53(a)(10)(x)	Playground equipment and surfaces	5	4.4%
1304.53(a)(5)	Centers must have at least 35 square feet of usable indoor space per child and at least 75 square feet of outdoor space per child	3	2.7%
1304.53(a)(10)(viii)	Cleaning of indoor and outdoor premises	3	2.7%
1304.53(a)(10)(xiv)	Handwashing, diapering, and toilet practices	3	2.7%
1304.53(a)(10)(ii)	Storage and labeling of medication and storage of hazardous materials	3	2.7%
1304.53(a)(8)	Environment is free of air pollutants as well as soil and water contaminants	2	1.8%
1304.53(b)(1)(iii)	Head Start Equipment, Toys, Materials, and Furniture: Age-appropriate, safe, and supportive of abilities	2	1.8%
642(d)(2)(A)	Monthly financial statements	2	1.8%
642(c)(1)(E)(iii)	The governing body shall be responsible for ensuring compliance with federal laws and applicable state, tribal, and local laws	2	1.8%

Performance Standards Most Frequently Cited as Deficient			
Performance Standard	Standard Description	Grantees Reviewed with Deficient Citations	
		n	%
1304.53(a)(10)(x ii)	Windows and glass doors	2	1.8%
1305.4(l)	Age of children and family income eligibility records	1	0.9%
642(i)	In order to receive funds under this subchapter, a Head Start agency shall document strong fiscal controls, including the employment of well-qualified fiscal staff with a history of successful management of a public or private organization	1	0.9%
648A(a)(1)	The Secretary shall ensure that each Head Start classroom in a center-based program is assigned 1 teacher who has demonstrated competency to perform functions	1	0.9%
75.302(b)(2)	Accurate, current, and complete disclosure of the financial results of each federal award or program in accordance with the reporting requirements set forth in §§75.341 and 75.342. If an HHS awarding agency requires reporting on an accrual basis from a recipient that maintains its records on other than an accrual basis, the recipient must not be required to establish an accrual accounting system. This recipient may develop accrual data for its reports on the basis of an analysis of the documentation on hand. Similarly, a pass-through entity must not require a sub-recipient to establish an accrual accounting system and must allow the sub-recipient to develop accrual data for its reports on the basis of an analysis of the documentation on hand	1	0.9%
75.302(b)(4)	Effective control over, and accountability for, all funds, property, and other assets. The non-federal entity must adequately safeguard all assets and ensure that they are used solely for authorized purposes	1	0.9%
75.303(a)	Establish and maintain effective internal control over the federal award that provides reasonable assurance that the non-federal entity is managing the federal award in	1	0.9%

Performance Standards Most Frequently Cited as Deficient			
Performance Standard	Standard Description	Grantees Reviewed with Deficient Citations	
		n	%
	compliance with federal statutes, regulations, and the terms and conditions of the federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government,” issued by the Comptroller General of the United States or the 'Internal Control Integrated Framework,' issued by the Committee of Sponsoring Organizations of the Treadway Commission		
75.303(b)	Comply with federal statutes, regulations, and the terms and conditions of the federal awards.	1	0.9%
75.303(c)	Evaluate and monitor the non-federal entity's compliance with statutes, regulations and the terms and conditions of federal awards	1	0.9%
75.303(d)	The non-federal entity must take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings	1	0.9%
75.303(e)	The non-federal entity must take reasonable measures to safeguard protected personally identifiable information and other information the HHS awarding agency or pass-through entity designates as sensitive or the non-federal entity considers sensitive consistent with applicable federal, state, local, and tribal laws regarding privacy and obligations of confidentiality	1	0.9%
75.320(d)(1)	Property records must be maintained that include a description of the property, a serial number or other identification number, the source of funding for the property (including the FAIN), who holds title, the acquisition date, and cost of the property, percentage of federal participation in the project costs for the federal award under which the property was acquired, the location, use and condition of the property, and any ultimate	1	0.9%

Performance Standards Most Frequently Cited as Deficient			
Performance Standard	Standard Description	Grantees Reviewed with Deficient Citations	
		n	%
	disposition data including the date of disposal and sale price of the property		
75.320(d)(2)	A physical inventory of the property must be taken and the results reconciled with the property records at least once every two years	1	0.9%
75.329(b)	Procurement by small purchase procedures. Small purchase procedures are those relatively simple and informal procurement methods for securing services, supplies, or other property that do not cost more than the Simplified Acquisition Threshold. If small purchase procedures are used, price or rate quotations must be obtained from an adequate number of qualified sources	1	0.9%
75.405(a)(2)	A cost is allocable to a particular federal award or other cost objective if the goods or services involved are chargeable or assignable to that federal award or cost objective in accordance with relative benefits received. This standard is met if the cost benefits both the federal award and other work of the non-federal entity and can be distributed in proportions that may be approximated using reasonable methods	1	0.9%
75.430(a)(1)	Compensation for personal services includes all remuneration, paid currently or accrued, for services of employees rendered during the period of performance under the federal award, including but not necessarily limited to wages and salaries. Compensation for personal services may also include fringe benefits which are addressed in Section 75.431. Costs of compensation are allowable to the extent that they satisfy the specific requirements of this part, and that the total compensation for individual employees is reasonable for the services rendered and conforms to the established written policy of	1	0.9%

Performance Standards Most Frequently Cited as Deficient			
Performance Standard	Standard Description	Grantees Reviewed with Deficient Citations	
		n	%
	the non-federal entity consistently applied to both federal and non-federal activities		
75.430(b)	Compensation for employees engaged in work on federal awards will be considered reasonable to the extent that it is consistent with that paid for similar work in other activities of the non-federal entity. In cases where the kinds of employees required for federal awards are not found in the other activities of the non-federal entity, compensation will be considered reasonable to the extent that it is comparable to that paid for similar work in the labor market in which the non-federal entity competes for the kind of employees involved	1	0.9%
75.430(f)	Incentive compensation to employees based on cost reduction, or efficient performance, suggestion awards, safety awards, etc., is allowable to the extent that the overall compensation is determined to be reasonable and such costs are paid or accrued pursuant to an agreement entered into in good faith between the non-federal entity and the employees before the services were rendered, or pursuant to an established plan followed by the non-federal entity so consistently as to imply, in effect, an agreement to make such payment	1	0.9%
1305.4(e)	A signed statement identifying which documents was examined to verify income eligibility must be maintained	1	0.9%
1307.3(b)(2)(i)	Agency has been determined not to have taken steps to achieve the school readiness goals by aggregating and analyzing aggregate child-level assessment data at least three times per year (except for programs operating less than 90 days, which will be required to do so at least twice within their operating program period) and using that data in combination with other program data to determine grantees' progress toward meeting its goals, to inform parents and the community of results, and to direct	1	0.9%

Performance Standards Most Frequently Cited as Deficient			
Performance Standard	Standard Description	Grantees Reviewed with Deficient Citations	
		n	%
	continuous improvement related to curriculum, instruction, professional development, program design and other program decisions		
1304.53(a)(10)	Annual safety inspection to ensure facility's space, light, ventilation, heat, and other physical arrangements consistent with health, safety, and developmental needs of children	1	0.9%
642(d)(2)(F)	Annual self-assessment	1	0.9%
1304.20(a)(1)(ii)(A)	Assist parents in making the necessary arrangements to bring the child up-to-date	1	0.9%
1306.35(b)(2)(iv)	Children are supervised at all times	1	0.9%
1304.52(i)(1)(ii)	Code of conduct specifies following program confidentiality policies	1	0.9%
642(d)(2)(G)	Communitywide strategic planning and needs assessment	1	0.9%
642(d)(2)(D)	Conduct of Responsibilities. Each Head Start agency shall ensure the sharing of accurate information for use by the governing body and the Policy Council, about program planning, policies, and Head Start agency operations, including monthly reports of meals and snacks provided through programs of the US Department of Agriculture;	1	0.9%
642(f)(3)(C)	Curriculum is comprehensive and linked to ongoing assessment, with developmental and learning goals and measurable objectives	1	0.9%
1304.53(a)(10)(xvi)	Disposal of sewage and storage of trash	1	0.9%
644(a)(2)	Each Head Start agency shall make available to the public a report published at least once in each fiscal year that discloses the following information from the most recently concluded fiscal year, except that reporting such	1	0.9%

Performance Standards Most Frequently Cited as Deficient			
Performance Standard	Standard Description	Grantees Reviewed with Deficient Citations	
		n	%
	information shall not reveal personally identifiable information about an individual child or parent		
1304.53(a)(10)(xi)	Electrical outlets	1	0.9%
1304.53(b)(1)(vi)	Equipment, toys, materials, and furniture owned or operated by the grantee or delegate agency must be safe, durable, and kept in good condition	1	0.9%
1304.53(a)(10)(vii)	Exits and evacuation routes	1	0.9%
1304.53(a)(10)(iv)	Facility lighting	1	0.9%
230, App A(A)(2)(a)	Factors affecting allowability of costs must be reasonable for the performance of the award and be allocable thereto under these principles	1	0.9%
1305.4(c)	Family income must be verified before determining that a child is eligible	1	0.9%
1305.4(d)	Family income verification must include examination of specified forms	1	0.9%
642(d)(2)(E)	Financial audit	1	0.9%
74.21(b)(3)	Financial management systems shall provide for effective control over and accountability for all funds, property and other assets.	1	0.9%
1304.51(h)(2)	Generate official reports for federal, state, and local authorities	1	0.9%
642(c)(1)(E)(iv)(X)(aa)	Governing body conflict of interest	1	0.9%
1304.53(b)(1)(vii)	Grantee and delegate agencies must provide and arrange sufficient equipment, toys, materials, and furniture to meet the needs and facilitate the participation of children and	1	0.9%

Performance Standards Most Frequently Cited as Deficient			
Performance Standard	Standard Description	Grantees Reviewed with Deficient Citations	
		n	%
	adults. Equipment, toys, materials, and furniture owned or operated by the grantee or delegate agency must be: Stored in a safe and orderly fashion when not in use		
1304.22(a)(4)	Grantee and delegate agencies operating center-based programs must establish and implement policies and procedures to respond to medical and dental health emergencies with which all staff are familiar and trained. At a minimum, these policies and procedures must include methods of notifying parents in the event of an emergency involving their child	1	0.9%
1304.53(a)(6)	Grantees must meet licensing requirements	1	0.9%
1304.53(a)(10)(i)	Heating and cooling systems	1	0.9%
642(d)(2)(B)	Monthly program information summaries	1	0.9%
642(c)(1)(B)(iii)	Not less than 1 member shall be a licensed attorney familiar with issues that come before the governing body	1	0.9%
642(c)(1)(B)(i)	Not less than 1 member shall have a background and expertise in fiscal management or accounting	1	0.9%
1304.20(a)(1)(i)	Ongoing source of continuous, accessible health care. If no source of health care grantee must assist parents in accessing a source of care	1	0.9%
1304.52(a)(1)	Organizational Structure	1	0.9%
642(c)(1)(E)(iv)(V)(cc)	Personnel policies of such agencies regarding the hiring, evaluation, termination, and compensation of agency employees	1	0.9%
642(c)(1)(E)(iv)(V)(bb)	Program Design and Management. The governing body shall review and approve agencies' progress in carrying out the programmatic and fiscal provisions in such agency's grant application, including implementation of corrective actions	1	0.9%

Performance Standards Most Frequently Cited as Deficient			
Performance Standard	Standard Description	Grantees Reviewed with Deficient Citations	
		n	%
642(c)(1)(E)(iv)(VII)(dd)	Program Design and Management. The governing body shall review and approve monitoring of the agency's actions to correct any audit findings and of other action necessary to comply with applicable laws (including regulations) governing financial statement and accounting practices	1	0.9%
642(c)(1)(E)(iv)(VII)(cc)	Program Design and Management. The governing body shall review and approve the selection of independent financial auditors who shall report all critical accounting policies and practices to the governing body	1	0.9%
642(c)(1)(E)(iv)(VIII)	Program Design and Management. The governing body shall review results from monitoring conducted under Section 641A(c), including appropriate follow-up activities	1	0.9%
642(c)(1)(E)(iv)	Program Governance. Upon receiving designation as a Head Start agency, the agency shall establish and maintain a formal structure for program governance, for the oversight of quality services for Head Start children and families and for making decisions related to program design and implementation. Such structure shall include the following: be responsible for other activities, including - (VI) developing procedures for how members of the Policy Council are selected, consistent with paragraph (2)(B)	1	0.9%
642(d)(2)(C)	Program enrollment reports	1	0.9%
1309.31(b)	Proper signage on modular units funding by Head Start grants	1	0.9%
642(c)(1)(E)(i)	Responsibilities. The governing body shall have legal and fiscal responsibility for administering and overseeing programs under this subchapter, including the safeguarding of federal funds	1	0.9%

Performance Standards Most Frequently Cited as Deficient			
Performance Standard	Standard Description	Grantees Reviewed with Deficient Citations	
		n	%
642(c)(1)(E)(iv)(V)(aa)	Review and approve the annual self-assessment and financial audit	1	0.9%
642(c)(1)(E)(iv)(III)	Reviewing all applications for funding and amendments to applications for funding for programs under this subchapter	1	0.9%
641A(g)(3)	Sec. 641A. STANDARDS; MONITORING OF HEAD START AGENCIES AND PROGRAMS [42 U.S.C. 9836A] (g) Self-Assessments- (3) ONGOING MONITORING- Each Head Start agency (including each Early Head Start agency) and each delegate agency shall establish and implement procedures for the ongoing monitoring of their respective programs, to ensure that the operations of the programs work toward meeting program goals and objectives and standards described in subsection (a)(1)	1	0.9%
642(c)(1)(E)(ii)	The governing body shall adopt practices that assure active, independent, and informed governance of the Head Start agency, including practices consistent with subsection (d)(1), and fully participate in the development, planning, and evaluation of the Head Start programs involved	1	0.9%
642(d)(2)(H)	The sharing of accurate and regular information for use by the governing body and the Policy Council regarding communication and guidance from the Secretary	1	0.9%
642(d)(2)(I)	The sharing of accurate and regular information for use by the governing body and the Policy Council regarding the program information reports	1	0.9%
1307.3(b)(2)(ii)	Program goals for improving the school readiness of children participating in its program in accordance with the requirements align with the Head Start Child Development and Early Learning Framework, state early learning guidelines, and the requirements and expectations of the schools, to the extent that they apply to the ages of children, birth to five, participating in the program and at a	1	0.9%

Performance Standards Most Frequently Cited as Deficient			
Performance Standard	Standard Description	Grantees Reviewed with Deficient Citations	
		n	%
	minimum address the domains of language and literacy development, cognition and general knowledge, approaches toward learning, physical well-being and motor development, and social and emotional development		