



Layering Services and Funds in Early Head Start-Child Care Partnerships: Frequently Asked Questions

1. A family service worker shares a caseload of Head Start families and families enrolled in the Early Head Start-Child Care Partnership (EHS-CCP) program. Are you required to allocate the cost for this salaried position with the partnership grant?

Yes. Services provided to individual children or families, considered a Layer Three service, must be charged directly to the program the child is enrolled within.

2. A partnership classroom serving four EHS-CCP children and four children enrolled only in EHS requires renovations. Do the renovation costs need to be allocated?

No. As long as EHS-CCP-enrolled children benefit from the renovations, cost allocation is not required, even if other children in the care environment also benefit. These enhanced services are considered a Layer Two service.

3. The grantee offering Head Start, Early Head Start, and EHS-CCP services provides a training for all their staff on tracking child outcomes. The trainer charges the grantee \$50 per attendee. Do you need to allocate the trainer's costs?

Yes. Cost allocation is required between EHS-CCP funds and other funding sources for these shared costs which benefit other programs. If the trainer had charged a flat fee for the training, it would have been appropriate to charge all of the costs to the EHS-CCP grant, as long as some of the staff attending the training worked with EHS-CCP-enrolled children.

4. A local dentist visits a classroom and provides dental hygiene education for all the teachers and children, some of whom are only enrolled in child care services and others who are enrolled in the EHS-CCP program. If the dentist charges for the visit, should the costs be allocated? If the dentist provides toothbrushes for the classroom at a cost of \$1 each, are you required to allocate this charge?

No, you aren't required to allocate the dentist's charge for dental education, provided it's a flat fee for his services. As long as at least some children in

the classroom are EHS-CCP-enrolled children and the overall fee is reasonable, the benefit to the remaining children is an incidental, no-cost benefit and allocation is not required. The costs for the toothbrushes do need to be allocated to the different funding sources because they are supplies for individual children, similar to diapers and wipes.

5. Due to low reimbursement rates, only 90 percent of a child care partner's food costs are covered by the Child and Adult Care Food Program (CACFP) in a center that enrolls four EHS-CCP children and four children enrolled only in child care. Can all of the additional 10 percent of food costs be covered by the EHS-CCP grant?

No. However, some of the costs (in this case, 50 percent) can be covered by the grant, based on the percentage of children enrolled in EHS-CCP.

A limited exception would apply if the additional costs were due to the unique food needs (e.g., special diet, food allergies) of an EHS-CCP-enrolled child, in which case those costs could be charged directly to the EHS-CCP grant.

6. An EHS-CCP enrolled child loses a child care subsidy. Can the EHS-CCP grant cover the costs of the loss of subsidy to the child care provider?

Yes; however, program staff should work closely with parents to prevent loss of subsidy. One of the primary reasons that parents receiving child care subsidy lose them at redetermination is by not accurately and appropriately responding to the required documentation needed by the subsidy agency.

7. A child care center enrolls 24 infants and toddlers. Eight of the children are enrolled in the EHS-CCP program. The partner receives an order of 576 diapers for a total expense of \$152. How much of the expense can they charge to the EHS-CCP grant?

Providing diapers is an individual service provided to a child and is known as a Layer Three service. Costs for diapers must be allocated to the program that is benefitting from this service. In this case, one-third of children enrolled in the EHS-CCP program are benefitting from the diapers, therefore, one-third of the cost should be directly paid for by EHS-CCP funds. A grantee may develop other appropriate cost allocation approaches so long as the cost of Layer Three goods and services for non-enrolled children is not charged to the EHS-CCP grant.

8. Can the EHS-CCP grantee use partnership funds to purchase a curriculum that benefits all children, as long as enrolled children benefit as well?

Yes, as long as the curriculum is otherwise appropriate for enrolled children.

9. A potential child care partner to an EHS-CCP grantee has a classroom group size that exceeds EHS requirements. By reducing the number of children enrolled in the classroom, the provider will lose income. Can EHS-CCP funds be used to compensate for the loss of this income?

As long as the partner agrees to this change, in essence maintaining decision-making control of her program, it is an allowable expense for the EHS-CCP grant to cover the loss of child care revenue due to a change in group size. However, the grantee and partner must both make sure that costs for changes in group size or staff-child ratios don't exceed the financial viability of the partnership. In other words, the partner must serve enough EHS-CCP-enrolled children to warrant the additional costs of covering the loss of income due to a reduction in classroom capacity.

10. The child care partner has a classroom with children enrolled in EHS-CCP and another classroom with no Partnership children enrolled. Can the partner allocate salaries for teachers in both classrooms to the EHS-CCP grant?

No. Only the costs for the salary and fringe benefits of the teachers serving EHS-CCP-enrolled children can be charged to the EHS-CCP grant.

11. The child care partner in the previous question is installing a new playground structure with EHS-CCP funds. Does the grant require allocation of costs for the playground?

No, as long as both EHS-CCP-enrolled children and other children benefit from the playground, the playground structure is considered a program level enhancement, or a Layer Two service, and is chargeable to the EHS-CCP grant.

12. The partners have agreed that all eight of the children in a child care classroom will receive sensory and developmental screenings. Four of the children are enrolled in the EHS-CCP program. Can the partnership grant pay for the costs of all the screenings?

If the sensory and developmental screenings are necessary for curriculum implementation for all enrolled children, such as when enrolled children are observed interacting with non-enrolled children, the basic screenings are considered a program level enhancement, or Layer Two service, chargeable to the EHS-CCP grant. However, more advanced screenings and referrals related to individual children's needs are considered Layer Three services that cannot be charged to the EHS-CCP award for non-EHS-CCP-enrolled children.