Department: Monitoring	Approval Date: 9/30/2014	Policy Number: 3510
Regulation Number: **641A(d) HS Act**	**Regulation Title:** **Procedures for evaluating delegate agencies**	**Policy Title:** **Delegate Monitoring and Corrective Action**

In accordance with § 641A(d) of the Head Start Act, this policy provides the following:

- Procedures for Evaluating Delegate Agencies
- Procedures for Defunding Delegate Agencies
- Procedures for a Delegate Agency to Appeal a Defunding Decision

I. **Procedures for Evaluating Delegate Agencies** – MARC Head Start shall:

a. Evaluate its delegate agencies using the following procedures:

1. The delegate agencies will carry out internal monitoring of their programs and their partners through use of consistent monitoring tools and forms for observations and audits that include review of compliance with all Head Start Performance Standard requirements.

2. MARC Head Start will implement regular review and tests for compliance at delegate and partnership locations to determine whether procedures are being followed as intended and will follow up on irregularities and deficiencies to determine the cause and ensure corrective action.

3. MARC Head Start Program Managers and Coordinators will implement a regular schedule of monthly monitoring that will include on site observations, file audits, and document review at each delegate agency.

4. Coordination with each delegate's system of monitoring will include use of consistent forms, tools and measures between delegate internal monitoring and MARC Head Start monitoring.

5. Quarterly meetings will be held to review the status of each delegate's compliance with performance standards as well as the status of their progress toward identified program goals. During these meetings MARC Head Start and delegate management staff will discuss areas of strength and accomplishment as well as areas of potential risk and non-compliance. Strategies for program improvement and corrective action will be developed, and progress toward any previous corrective action will be reviewed.

6. The Policy Council, Policy Committees and governing board will review the results of ongoing monitoring and periodically assess the adequacy of corrective actions.

b. Inform the delegate agency of any deficiencies identified as a result of the evaluation procedures and inform the delegate agency that it must correct any such deficiencies using one of the following processes selected by MARC Head Start:

1. Correct the deficiency immediately if MARC Head Start finds that the deficiency threatens the health or safety of staff or program participants or poses a threat to the integrity of Federal funds;

2. Correct the deficiency not later than 90 days after the identification of the deficiency if MARC Head Start finds, in the discretion of MARC Head Start, that such a 90-day period is reasonable, in light of the nature and magnitude of thedeficiency; or,

3. Correct the deficiency pursuant to a quality improvement plan submitted to MARC Head Start by the delegate agency and approved by MARC Head Start that shall contain the specifications provided for in § 641(e)(2)(A)(i) of the Head Start Act; any such plan shall be fully implemented and the deficiencies shall be fully corrected within six (6) months of identification unless MARC Head Start, in its sole discretion, determines additional time is necessary to correct the deficiency but in no case shall a deficiency be allowed to exist for longer than one year from the date of identification.

c. MARC Head Start shall conduct monthly monitoring visits to any delegate agency that is in the process of correcting a deficiency until all deficiencies are corrected or until MARC Head Start proceeds to terminate or deny refunding to the delegate agency's grant.

d. MARC Head Start shall provide a delegate agency with deficiencies with technical assistance to correct those deficiencies. Notwithstanding the provision of such assistance, the delegate agency is ultimately responsible for correcting its deficiencies and ensuring that its Head Start or Early Head Start program is operated in a manner consistent with the terms and conditions of its delegate agency agreement.

II. **Procedures for Defunding Delegate Agencies** – MARC Head Start may either terminate or deny refunding (as those terms are used in 45 C.F.R. Part 1303) to a delegate agency either for cause or for failing to be the most cost-effective option to deliver Head Start and or Early Head Start services in the delegate agency's service area using the following procedures.

a. Definitions –

1. Termination or Denial of Refunding for Cause – if a delegate agency fails to correct an identified deficiency in the time allotted to the delegate pursuant to the Evaluation and Corrective Action process provided for above, MARC Head Start shall terminate funding or shall deny refunding to the delegate agency.
2. Termination or Denial of Refunding for Cost-Effectiveness – if MARC Head Start determines through a competitive process that another provider can deliver high quality Head Start and/or Early Head Start services in a cost-effective manner, it shall have the option to terminate or deny refunding to the current delegate agency and make an award to the other provider.

b. Notification Procedures – MARC Head Start shall notify delegate agency if it has decided to terminate or deny refunding to its delegate agency agreement as provided for in 45 C.F.R. § 1303.20(a) through (c). Any notice shall contain an explanation of the delegate agency's appeal rights.

III. **Procedures for a Delegate Agency to Appeal a Defunding Decision** – MARC Head Start shall follow the appeal procedures provided for in 45 C.F.R. § 1303.20 with the following clarifications and additions:

a. Notice of Appeal – A delegate agency wishing to appeal a defunding decision shall fully set forth the grounds for its appeal in its notice of appeal and shall provide with its notice, all documents that it believes supports its position including documentation showing the date that the delegate agency received MARC Head Start's defunding decision.

b. Submission of the Notice of Appeal – Within 10 working days (*i.e.,* business days) of receipt of MARC Head Start's decision to defund the delegate agency, a delegate agency wishing to appeal MARC Head Start's decision must send via first class mail, return receipt requested, its notice of appeal to the Executive Director of MARC Head Start.

c. Decision on Appeal – MARC Head Start's Executive Director shall render an opinion on the delegate agency's appeal within 20 working days of receipt of the notice of appeal and shall provide a copy of that decision to the delegate agency via any reasonable means of delivery.

d. Waiver of Rights – if a delegate agency fails to timely appeal MARC Head Start's decision, it shall be deemed to have waived all rights of appeal.