

## Head Start Increases Funding for COLA and Quality Improvements

May 2022

Head Start received a funding increase in the 2022 Consolidated Appropriations Act for cost-of-living adjustments (COLA) for employees as well as other program quality improvements. On April 14, 2022, the Office of Head Start (OHS) issued a Program Instruction (PI) ([ACF-PI-HS-22-02](#)) that provides information about the increased FY2022 Head Start funding and how grantees may apply for and use it.

For FY2022, an additional \$234 million is available to provide all Head Start, Early Head Start, and Early Head Start-Child Care (EHS-CC) Partnership grant recipients a COLA increase of 2.8% of FY2021 base level funding. Grantees must use the COLA increase to permanently increase pay scales by no less than 2.8%, starting in FY2022. The PI acknowledges that this may require programs to apply the increase retroactively.

Grantees should consider the wage comparability and executive level salary cap requirements of the Head Start Act, as well as their personnel policies when implementing COLA increases. The PI adds that remaining funds can be used for fringe benefits costs or to offset rising operating costs, such as costs for rent, utilities, facilities maintenance and insurance, contractual arrangements, vehicle fuel and maintenance, and supplies.

In addition to the COLA funds, a further \$52 million is available to programs for quality improvement. These funds will be proportionately allocated to grantees based on their federal funded enrollment, and any amount of the funds received may be used for any of the quality improvement-related activities outlined in [Attachment A](#) to the PI. This includes costs to increase staff compensation, provide staff training to improve services, and enhance physical Head Start environments.

OHS plans to release a funding guidance letter soon with details about funding levels and how to apply for COLA and quality improvement funds through the Head Start Enterprise System.

To read the full PI, which also includes information about the \$2 million increase to Tribal College and University Head Start (TCU-HS) Partnership programs, click [here](#).

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