

Correction to ACF-IM-HS-21-01 Updated COVID-19 Fiscal and Administrative Flexibilities

On March 19, 2021, the Office of Management and Budget (OMB) issued administrative relief guidance, <u>M-21-20 Appendix 3 – Disaster Relief Flexibilities to Reduce Burden for Financial</u> <u>Assistance</u>. It outlines flexibilities and waivers affecting grant applications, no-cost extensions, extension of certain deadlines, procurement, prior approvals, and single audit submissions. In response, the Office of Head Start (OHS) issued an Information Memorandum (IM) to explain how each provision is being implemented.

<u>ACF-IM-HS-21-01</u> has been corrected to note the following waivers are in effect until OMB memorandum M-21-20 expires or is rescinded.

- Prior approval for the purchase of equipment (<u>45 CFR §75.308(c)(1)(xi)</u>). Grantees may purchase equipment needed to respond to COVID-19 with a value of up to \$25,000 without prior ACF approval.
- Budget modifications (45 CFR §75.308(e)). To allow grantees more flexibility to spend funds as needed to respond to COVID-19 and, when possible, quickly move to reopen closed centers, prior approval is waived for budget transfers between direct cost categories for an aggregate amount not to exceed \$1 million.
- Procurement by noncompetitive proposals (<u>45 CFR §75.329(f)(2)</u>). OHS recognizes that COVID-19 has created a public emergency for all grantees. Competitive solicitations may result in delays that impair a grantee's ability to respond to or recover from COVID-19. OHS is authorizing grantees to engage in sole-source purchasing to obtain goods and services needed for COVID-19 response and recovery.

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