



Decoding Fiscal Reports: What Policy Council and Governing Bodies Need to Know

National Indian Head Start Association Conference

June 18, 2026, 8:30 a.m.- 11:30 a.m.



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Session Objectives



Participants will:

- Explore regulatory requirements outlined in the Head Start Program Performance Standards and the Head Start Act.
- Gain practical strategies for presenting data clearly and meaningfully.
- Learn how to foster informed decision-making through transparent fiscal reporting.



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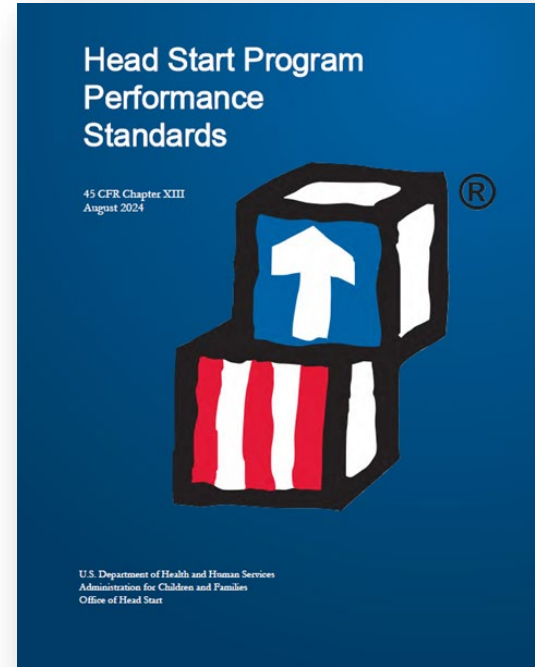
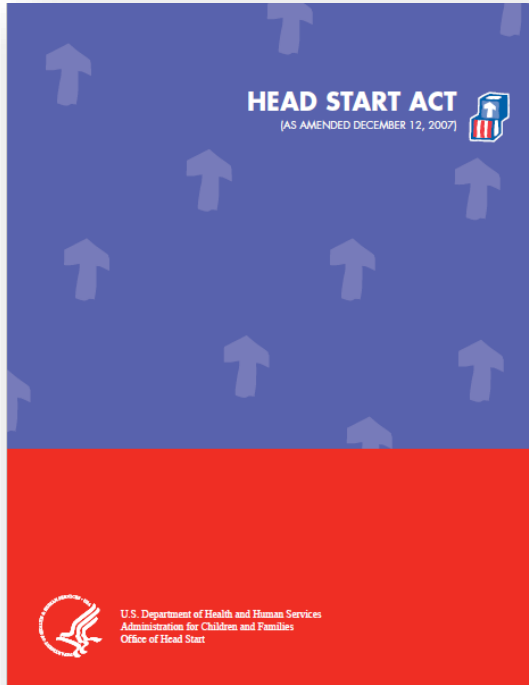


Whose Role Is It?



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Legislative and Regulatory Requirements



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Legislative and Regulatory Requirements cont.



§1301.1 – Purpose

§1301.2 – Governing body

§1301.3 – Policy council and policy committee

§1301.4 – Parent committees

§1301.5 – Training

§1301.6 – Impasse Procedures



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§1301.1 Purpose.



Governing bodies have a **legal and fiscal responsibility** to administer and oversee the agency's Head Start programs. Policy councils are responsible for the direction of the agency's Head Start programs.



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Legislative and Regulatory Requirements cont.

Sec. 635 Short title.

Sec. 636 Statement of purpose

Sec. 637 Definitions.

Sec. 638 Financial assistance for Head Start programs.

Sec. 639. Authorization of appropriations.

Sec. 640. Allotment of funds; limitations on assistance.

Sec. 641. Designation of Head Start agencies.

Sec. 641A. Standards; monitoring of Head Start agencies and programs.

Sec. 642. Powers and functions of Head Start agencies

Sec. 642A. Head start transition and alignment with K–12 education.

Sec. 642B. Early childhood education, coordination, and improvement.

Sec. 643. Submission of plans.

Sec. 644. Administrative requirements and standards.

Sec. 645. Participation in Head Start programs



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Sec. 642. POWERS AND FUNCTIONS OF HEAD START AGENCIES



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) GOVERNING BODY-

(A) IN GENERAL- The governing body shall have **legal and fiscal responsibility** for the Head Start agency.

Sec. 642 (E) RESPONSIBILITIES-



(E) RESPONSIBILITIES- The governing body shall—

- (i) have legal and fiscal responsibility for administering and overseeing programs under this subchapter, including the **safeguarding of Federal funds**;
- (ii) 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;
- (iii) be responsible for **ensuring compliance** with Federal laws (including regulations) and applicable State, tribal, and local laws (including regulations);

Table Discussion



What does “safeguarding federal funds” mean beyond approving a budget?



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A fiduciary is someone who must act in the best interest of others with trust and accountability.

For Head Start, that means:

- Safeguarding federal funds
- Ensuring funds are used properly and for children and families
- Asking questions and making informed approvals



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Sunrise Head Start: The Missing Monthly Reports



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Sec. 642(d)(2) Program Governance Administration-



(2) CONDUCT OF RESPONSIBILITIES- Each Head Start agency shall ensure the sharing of accurate and regular information for use by the governing body and the policy council, about program planning, policies, and Head Start agency operations, including--

(A) monthly financial statements, including credit card expenditures;

(B) monthly program information summaries;

(C) program enrollment reports, including attendance reports for children whose care is partially subsidized by another public agency;

(D) monthly reports of meals and snacks provided through programs of the Department of Agriculture;

(E) the financial audit;

(F) the annual self-assessment, including any findings related to such assessment;

(G) the communitywide strategic planning and needs assessment of the Head Start agency, including any applicable updates;

(H) communication and guidance from the Secretary; and

(I) the program information reports.

Notice of Award-Standard Terms and Conditions cont.



Recipients must comply with all T&Cs of their awards, including:

b) Statutes and regulations applicable to the program under which the award is funded, including authorizing statutes, appropriations statutes, generally applicable statutes, and any regulations related thereto.

c) An obligation under these terms and conditions to ensure that expenditures are free from fraud, waste, abuse, and duplication.



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Notice of Award-Standard Terms and Conditions



Federal awards are subject to legally binding requirements called terms and conditions (T&Cs).

Federal Financial Assistance Award Acceptance State, local, tribal and other laws and regulations may apply and affect expenditures of Federal funds provided that they conform to applicable federal statutes and regulations. By acceptance of an award, the recipient agrees to comply with these T&Cs. The first draw down or request for award funds from HHS Division of Payment Management Services (PMS) constitutes acceptance of the T&Cs under the Federal award.



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Table Discussion



What's the difference between receiving a report and using it to provide effective oversight?



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It is not enough to receive reports.

- Governing bodies must understand, question, and act.

What Effective Oversight Looks Like for Governing Body



- Reviewing financial information and asking meaningful questions.
- Monitoring budget vs. actual spending regularly.
- Taking action when issues are identified.
- Approving major decisions based on evidence.
- Using multiple data sources for oversight.
- Ensuring internal controls and accountability



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What Effective Oversight Looks Like for Policy Council



- Using data to drive program decisions.
- Influencing program priorities such as recruitment strategies, enrollment priorities, and services for families.
- Reviewing reports and identifying program impacts.
- Asking for clarification before voting.
- Ensuring community voice is reflected in decisions.
- Participating in budget discussions.



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How Effective Oversight Looks Like Together



Different questions—but same goal

- GB asks: “Is this fiscally sound and compliant?”
- PC asks: “Does this meet family and program needs?”

Decisions are data-informed—not opinion-based. Both bodies rely on:

- Reports
- Trends
- Monitoring data



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Break
9:30 a.m. – 9:45 a.m.



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Part II

Presenting Data Clearly and Meaningfully



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How do we present data meaningfully?



1. Choose the right format.
2. Know your audience.
3. Tell a story with your data.
4. Use consistent fonts and clear labels; do not distract from the message.
5. Make the data easy to follow.
6. Ensure accuracy and consistency.

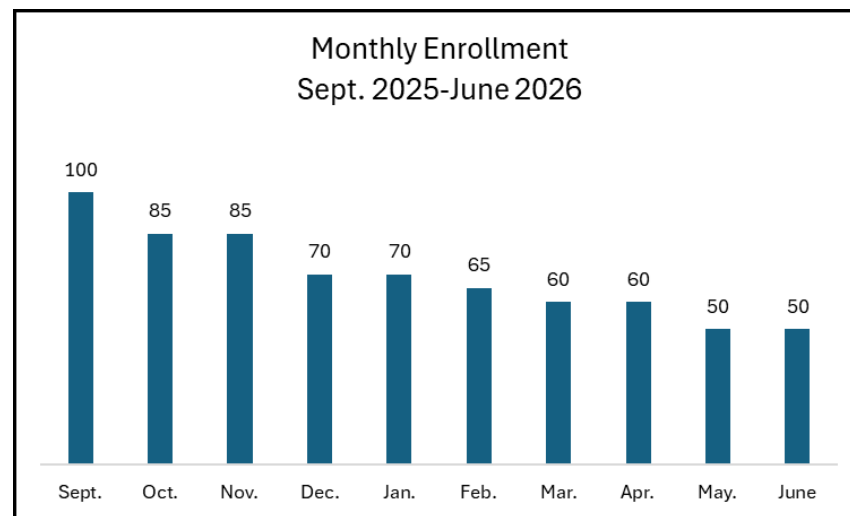
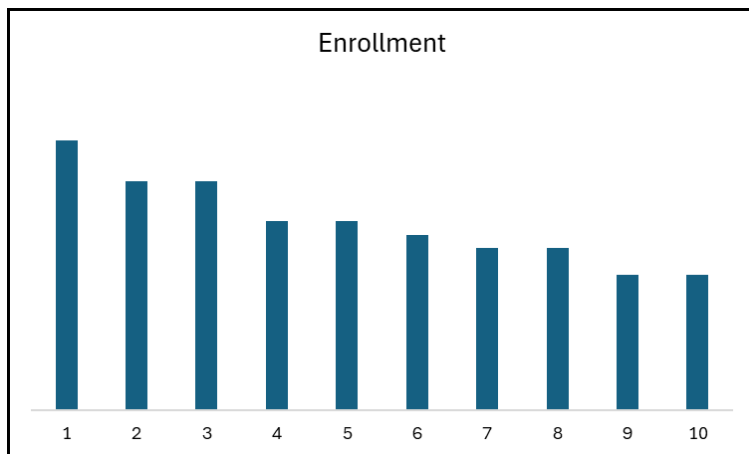


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Understanding the Data



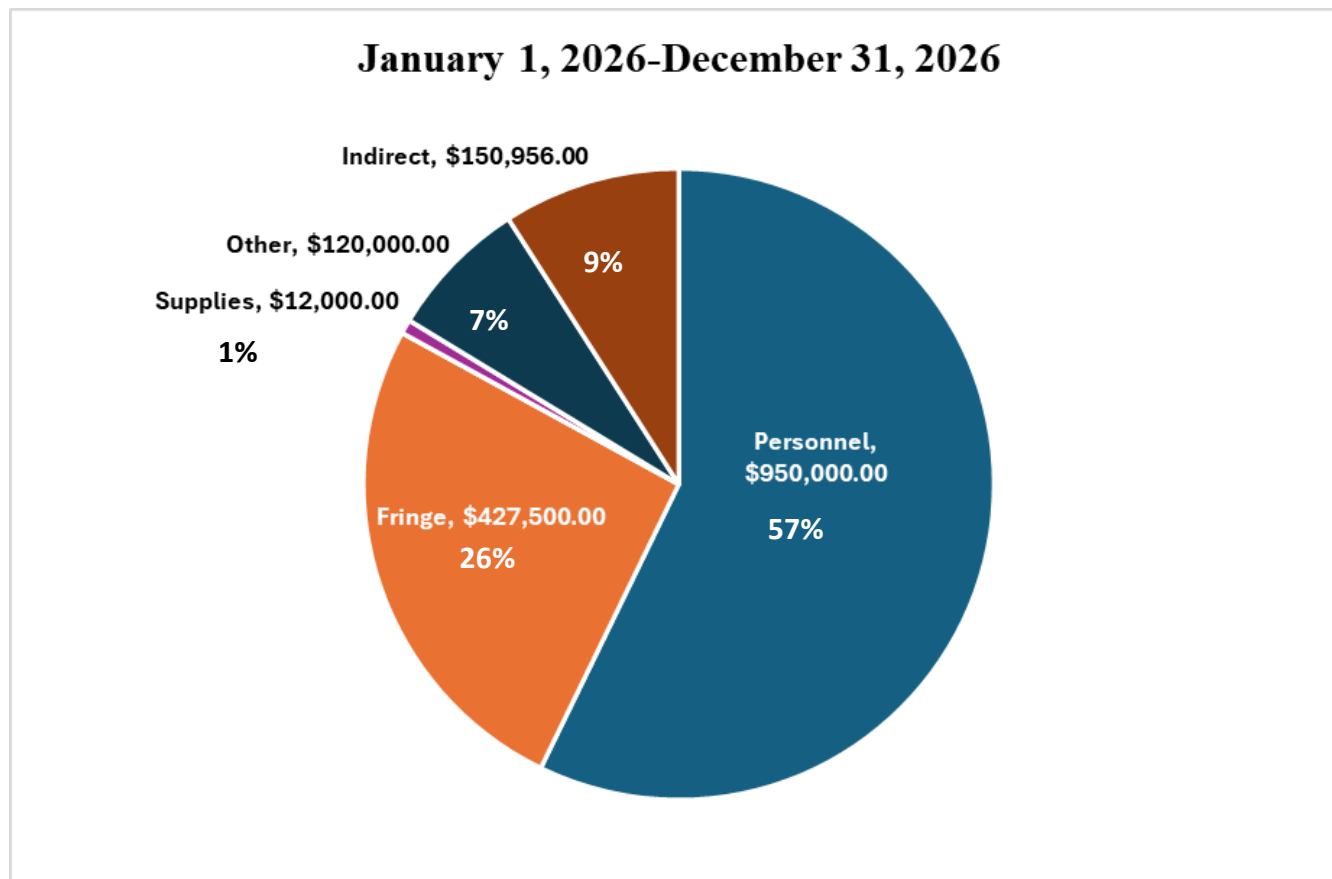
You must understand the data to tell your story.



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Understanding the Data

You must understand the data to tell your story.



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Understanding the Data

You must understand the data to tell your story.

HS Budget		Jan	Feb	Mar
Personnel	\$ 950,000.00	\$ 50,000.00	\$ 79,000.00	\$ 79,000.00
Fringe	\$ 427,500.00	\$ 25,000.00	\$ 35,625.00	\$ 35,625.00
Travel	\$ -	\$ -	\$ -	\$ -
Equipment	\$ -	\$ -	\$ -	\$ -
Supplies	\$ 12,000.00	\$ 12,000.00	\$ 500.00	\$ -
Contr.	\$ -	\$ -		
Other	\$ 120,000.00	\$ 25,000.00	\$ -	\$ 25,000.00
Indirect	\$ 150,956.00	\$ 11,200.00	\$ 11,500.00	\$ 13,900.00
Total	\$ 1,660,456.00	\$ 123,200.00	\$ 126,625.00	\$ 153,525.00



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Understanding the Data

You must understand the data to tell your story.

HS Budget		Jan	Feb	Mar	Total to Date	
Personnel	\$ 950,000.00	\$ 50,000.00	\$ 79,000.00	\$ 79,000.00	\$ 208,000.00	22%
Fringe	\$ 427,500.00	\$ 25,000.00	\$ 35,625.00	\$ 35,625.00	\$ 96,250.00	23%
Travel	\$ -	\$ -	\$ -	\$ -		
Equipment	\$ -	\$ -	\$ -	\$ -		
Supplies	\$ 12,000.00	\$ 12,000.00	\$ 500.00	\$ -	\$ 12,500.00	104%
Contr.	\$ -	\$ -				
Other	\$ 120,000.00	\$ 25,000.00	\$ -	\$ 25,000.00	\$ 50,000.00	42%
Indirect	\$ 150,956.00	\$ 11,200.00	\$ 11,500.00	\$ 13,900.00	\$ 36,600.00	24%
Total	\$ 1,660,456.00	\$ 123,200.00	\$ 126,625.00	\$ 153,525.00	\$ 403,350.00	24%



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Tell a Story With Your Data

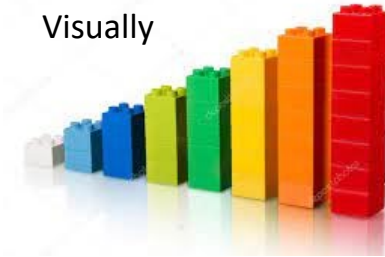
Data



Sorted



Presented Visually



Arranged



Explained With A Story





Sunrise Head Start: From Data to Decision



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Sec. 642(d)(3) Training and Technical Assistance



(3) TRAINING AND TECHNICAL ASSISTANCE- Appropriate training and technical assistance shall be provided to the members of the governing body and the policy council to ensure that the members understand the information the members receive and can effectively oversee and participate in the programs of the Head Start agency.

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TERMINATION PROVISIONS



8. Termination. New awards and funded modifications (including supplements to awards, and competing and non-competing continuation awards), that are issued on or after July 25, 2025, may be terminated for any of the reasons identified below unless the award was issued in either of two exempt program categories. Under the categories of awards that are exempt, the below termination bases do not apply to any program that is subject to a Federal statute that provides otherwise (such as a non-discretionary award authorizing statute), or listed at 2 CFR §200.101(e)(1)-(4).

§ 200.340 Termination.

The Federal award may be terminated in part or its entirety as follows:

- (1) By the Federal agency or pass-through entity if the recipient or subrecipient fails to comply with the terms and conditions of the Federal award;

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Key Takeaway



Effective governance depends on transparency, shared information, and regular reporting. Monthly reports are critical tools that support compliance, accountability, and positive outcomes for children and families.



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Questions/Comments?



Thoughts or Comments?

Thank you for attending!



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