

<h1 style="margin: 0;">ACF</h1> <h2 style="margin: 0;">Administration for Children and Families</h2>	U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES Deputy Assistant Secretary's Office on Early Childhood Development Office of Child Care Office of Head Start	
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INFORMATION MEMORANDUM

TO: Head Start and Early Head Start Grantees; Child Care and Development Fund (CCDF) Administrators

SUBJECT: Early Childhood Education, Financial Stability, and Asset Building Strategies for Families with Young Children

INFORMATION:

Introduction

The purpose of this Information Memorandum is to provide Head Start programs and CCDF grantees with information about key strategies that can help families with low incomes and limited economic assets improve their financial stability. This information is provided by the Office of Head Start and the Office of Child Care in partnership with the Office of Community Services.

Every parent and every child needs a level of financial security to thrive and succeed. Parents stand a better chance of maintaining economic stability for themselves and their families if they have skills in budgeting and planning for day-to-day expenses, emergencies and long-term goals. Children are more likely to thrive if their family environment is economically stable. Infants, toddlers and young children living in households with low financial stress are more likely to achieve developmental goals and succeed in many ways.

Quality early care and education programs often work hand in hand with community partners who are experts in family financial literacy and asset-building. Head Start and child care programs can use these partnerships to help families become more economically stable, and in so doing, support children's health, development and ongoing learning into the school years.

Asset Building Strategies for Families

Given the importance of family financial stability, the Administration for Children and Families (ACF) has made it a priority to share information about asset building to all ACF divisions/programs. This effort is being coordinated by the Office of Community Services (OCS) in partnership with the Office of Head Start, the Office of Child Care and other ACF offices. Asset building is an approach that emphasizes the value of enabling individuals and families to learn about and use sound family budgeting and money management practices to address financial issues and to plan for long-term success. ACF, with guidance from the OCS, has identified six strategies that are fundamental to the asset building approach.

- ✓ Financial education
- ✓ Savings and Individual Development Accounts
- ✓ Getting banked
- ✓ Managing credit and debt
- ✓ Tax credits and tax filing assistance
- ✓ Accessing Federal and State benefits

When coordinated over time, these strategies can help families be more successful at addressing financial challenges and creating lasting financial security for themselves and their children. These strategies describe skills and supports that are helpful to families with low incomes in their day-to-day decision-making and as they set goals for the future. There are many different ways these strategies can be integrated into Head Start programs and child care programs both in support of families as well as staff and providers.

When implemented directly or through local partnerships, these six asset building strategies can be transformative for families. Head Start and child care staff and providers are working on the forefront of child development every day, and many programs have already begun to use asset building strategies, such as financial education, to ensure that parents and staff have the information and skills they need to remain financially secure.

Resources

Each asset building strategy is described briefly in the document accompanying this Information Memorandum: “Asset Building and Early Childhood Programs: Strategies for Families.” This resource includes additional information about each of these six strategies along with web links and information about free materials. Additional information about how Head Start and child care programs can use asset building strategies to assist families in becoming and remaining financially secure is available at:

The Office of Community Services’ Assets for Independence Resource Center

www.IDAresources.org

National Child Care Information Center

<http://nccic.acf.hhs.gov/>

Head Start Resource Center
www.headstartresourcecenter.org

Early Childhood Learning and Knowledge Center
<http://eclkc.ohs.acf.hhs.gov/hslc/tta-system/family/Family%20and%20Community%20Partnerships>

Please direct any questions on this Information Memorandum to:

Eric Blanchette
Program Manager
Office of Child Care
(404) 562-2782

Kiersten Beigel
Family and Community Partnerships Specialist
Office of Head Start
(202) 260-4869

Thank you for your work on behalf of children and families.

Joan Lombardi, Ph.D.
Deputy Assistant Secretary
and Inter-Departmental Liaison
for Early Childhood Development

Yvette Sanchez Fuentes
Director
Office of Head Start

Shannon Rudisill
Director
Office of Child Care