

CAPLAW *e-news brief*

New Real Property Reporting Form for Head Start Grantees

By CAPLAW Staff
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All Head Start grantees are now required to report on the status of real property for budget periods beginning on or after December 26, 2014 by filing the [Standard Form \(SF\) 429](#). The purpose of SF-429 is to create more uniformity in the reporting of real property in which the federal government has an interest. Information Memorandum [IM-HS-15-01](#) issued by the Administration for Children and Families (ACF) in January of this year explains that grantees must use the SF-429 to report annually on the following:

- Status of real property purchased, constructed or subject to major renovations paid for in whole or in part with Head Start funds (Covered Real Property);
- Real property claimed as a match for a Head Start award; and/or
- The absence of any Covered Real Property.

SF-429 was introduced to Head Start grantees in 2012 via ACF's guidance [IM-HS-12-02](#). At that time, the Office of Head Start (OHS) did not require the form to be used, but suggested that grantees become familiar with the form in anticipation of its future use. SF-429 consists of four parts, the cover page and three attachments (A, B, C), each of which is explained in detailed instructions that may be accessed when obtaining the form. A few points to note in the guidance and in the new form and attachments are:

- All grantees must submit the Cover Page, SF-429, annually even if the grantee owns no Covered Real Property. In such cases, the grantee must indicate the absence of Covered Real Property in the Comments section (item 9) and is not required to complete any of the attachments.
- If Covered Real Property has changed in status or the grantee identifies previously unreported Covered Real Property, it must complete SF-429-A (General Reporting).

- Real property claimed as a match for a Head Start award must be reported on SF-429-A (General Reporting).
- When completing SF-429-A (General Reporting), a separate sheet must be used for reporting details about each parcel.
- For SF-429-B (Request to Acquire, Improve or Furnish) and SF-429-C (Disposition or Encumbrance Request), the grantee must use an independent real property appraiser licensed or certified in the state where property is located when obtaining a value appraisal of the Covered Real Property.
- When a grantee is seeking approval from ACF to use Head Start funds to purchase, construct, or engage in major renovations of facilities, information included in SF-429-B (Request to Acquire, Improve or Furnish) can be cross-referenced in the Part 1309 application required by the Head Start Performance Standards (see [45 C.F.R. Part 1309](#)).
- Encumbering Covered Real Property for purposes of completing SF-429-C (Disposition or Encumbrance Request) includes refinancing debt, pledging real property as collateral for a loan or mortgage, and subordinating the federal interest to the rights of a lender.

For more information about this new reporting requirement, read ACF's guidance ([IM](#))-[HS-15-01](#).

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