

## **Update on ACF Terms and Conditions**

The Administration for Children and Families (ACF) made [changes to the Terms and Conditions](#) (T&C) that apply to most of the grants and cooperative agreements that ACF administers. This includes Head Start, the Child Care and Development Fund (CCDF), and Preschool Development Grants Birth-to-Five.

### **Antidiscrimination**

There are several changes in the new Terms and Conditions. First, there is a new “Antidiscrimination Laws and Requirements” term. This new term states that by accepting federal funds, grant recipients “certify compliance with all federal antidiscrimination laws and these requirements.” This replaces [previous language](#) in the T&C that indicated recipients of federal grants must certify that they do not run programs promoting DEI, DEIA, or “discriminatory equity ideology” in ways that violate federal anti-discrimination laws.

However, ACF has not rescinded guidance to Head Start and Child Care and Development Fund grant recipients that pertains to Diversity, Equity, and Inclusion. In March, the Office of Head Start [sent guidance to Head Start grant recipients](#) indicating that the Office of Head Start would not approve program expenditures for Diversity, Equity, Inclusion. The Office of Child Care put out [guidance earlier encouraging CCDF grant recipients](#) to review their plans, policies, and subawards for “unlawful DEI initiatives.”

### **Termination of grants**

On or after October 1, 2025, the agency will be able to terminate grants when “for whatever reason continued funding would not be in the best interests of the Federal government (including when a grant no longer effectuates the program goals or agency priorities).”

This marks a significant shift in ACF’s approach to grantmaking and the potential termination of grant awards. These T&C are consistent with the recently issued executive order on [oversight of federal grantmaking](#), which instructed federal agencies to include political appointees in the review of grant awards and to enhance the government’s ability to terminate grant awards that do not meet the Administration’s priorities.

The updated T&C also noted that “some programs may have more specific termination provisions” which program offices will provide in upcoming Notices of Funding Opportunities (NOFOs), program-specific terms and conditions, and Notices of Award (NOAs).

It is unclear what interaction these “more specific termination provisions” will have on programs that already have clear requirements with respect to termination. For example, [the Head Start Act](#) and the [Head Start Program Performance Standards](#) include specific provisions indicating when a Head Start grant can be suspended, terminated, reduced, or competed.