

Parents Guide NON-FEDERAL SHARE – (IN-KIND)

Head Start receives their funds from the federal government, but 20% matching contributions must come from what is called non-federal share or in-kind contribution of time, resources, materials and services. For example, every federal \$1.00 spent, we need to generate \$.25 of in-kind.

Volunteer means an unpaid person who is trained to assist in implementing ongoing program activities on a regular basis under the supervision of a staff person in areas such as health, education, transportation, nutrition, and management.

The time you volunteer in the classroom or at socializations helps to raise the needed in-kind. Volunteering in the classroom or at socializations also gives you an excellent opportunity to see what is really happening, to see how your child relates to other children, and to share ideas with the teacher or home visitor on the needs of the child.

SCCD, Inc. has adopted a policy: Non-federal budget x 10% buffer allows extra in-kind for added increase federal budget amendments.

Head Start must use volunteers to the fullest extent possible. Develop a plan and implement a system to actively recruit, train and utilize volunteers in the program. Special efforts must be made to have volunteers participation, especially parents in the classroom and during group socialization activities.

Before volunteering in the classroom or at socializations:

- Call or contact the teacher or home visitor and let them know you wish to volunteer.
- Ask any questions you may have.
- Find out from the teacher or home visitor what limits for classroom behavior have been established and follow through the teacher's instructions.
- Look over the daily lesson plan.
- Read the volunteer poster that is posted by each activity.

What Is Acceptable For In-kind? What Is Not?

Allowable Cost: Third party in-kind contributions shall count toward satisfying a cost sharing or matching requirement only where, if the party receiving the contribution were to pay for them, they would be an allowable cost. Allowable costs are determined by the test of reasonableness, necessity and allocability.

Requirements

1. Volunteer services are services which are not paid for by the grantee. Volunteer services may be furnished by professional and technical personnel, consultants and other skilled and unskilled persons. Fringe benefits may be included when determining the value of volunteer services.
2. If a volunteer's time is being paid for under another Federal grant, it **may not** be used for match, nor may a volunteer's time be used to match more than one grant.
3. For volunteer services to be counted as in-kind:
 - a. The services provided by the volunteer would have to be otherwise purchased or provided by salaried personnel.

- b. The duties of the volunteer must be controlled by the organization.
- c. The value of the service performed by the volunteer must be measurable and material to the Head Start Program.
- d. The value must be based on the nature of the service the volunteer provides. For example, a dentist donated services to a Head Start Program may be based on his/her regular fees or salary (and fringe), assuming he/she provided dental services to the children. If the dentist volunteers to do something else, the value of his/her time should be based on the rate of that service within the Head Start Program. For example if a dentist volunteers as a classroom aide, the value would be the source as the amount the grantee would pay an aide.

Examples

The primary sources of allowable in-kind contributions for the Head Start Program is the performance standards. They contain the basic allowable activities of the Head Start Programs. Therefore, any cost or in-kind contributions directly associated with these activities is allowable such as:

- a. The reasonable value of time donated by Head Start community members, Board members, members of policy groups and parents in conducting the management activities for the grant. (Can be equal to HS Director's salary schedule with fringe)
- b. The difference between a reduced rate or fee charged to the grantee by an individual in his/her regular line of work and the individual's standard rate or fee. The reduced rate must be provided to the grantee because of its purpose; it cannot be an across-the-board discount.

How Must Home Based Activities Be Recorded For In-kind?

The time spent by parents working with their children in a home base program is allowable if the activities and appropriate allotment of time are being prescribed or written in the plan (CDP) by the Home Base Teacher.

What Center Based Parent/Child Education Activities Are Allowable? What Are Not?

- a. The time parents (in center base program) spend working with their children on activities is **allowable** if the activities and appropriate allotment of time are being prescribed or written in the plan (CDP) by the Center Teacher.
- b. The time that parents spend in specific programs (GED, Literacy, etc.) is **unallowable** because the parent is not providing a service to the program.
- c. The time is spent enrolling one's own child is **unallowable**.
- d. The time that parents spend on fundraising activities is **unallowable** as a match. However, if the parents use the funds to support the program, that amount is allowable.

How Is In-kind Value Determined For Clothing and/or Classroom Supplies Donated to the Program?

Donated Supplies

If a third party donates supplies, the contribution shall be valued at the fair market value of the supplies at the time of the donation.

Clothing used specifically for educational experience for children is allowable. Clothing furnished to children or families for personal use is unallowable.

Donated Land, Buildings and Equipment

If a third party donates land, buildings or equipment and title passes to a grantee, the treatment of the donated property is as follows:

For Non-Profit Entities

The value of donated equipment shall not exceed the fair market value of equipment of the age and condition at the time of donation. The equipment must be related to the purpose of the program.

The value of donated space shall not exceed the fair rental value of comparable space as established by an independent appraisal of comparable space and facilities in a privately-owned building in the same locality. In lieu of rental value, the grantee may, on a one-time basis, use the fair market value of donated land or buildings at the time of donation. The fair market value must be established by an independent appraiser and certified by a responsible official of the grantee.

General Rules

All cost sharing or matching, contribution must meet all of the following criteria:

1. Are documented by grantee;
2. Are not used as a match for any other Federal funds;
3. Are necessary and reasonable for Head Start operations and must directly benefit and be identifiable to the Head Start Program or activities;
4. Are allowable as a cost.

For grants awards with a indefinite project period such as Head Start, the matching requirements is for the budget period or program year. For grant awards with a defined project period such as Early Head Start, the matching requirements are for the project period. Grantees may meet the non-Federal share at any time during the project period, not necessarily in equal amounts annually.

Federal grant funds may be used to meet the matching requirements of other Federal funds only if there is specific statutory language allowing this use. Head Start statutory language does not have this specific language. There are very few situations where Federal funds can be used to meet the non-Federal share.

Examples are the community development block grants funds for renovation of a building where Head Start is included as part of the Community Development Program and PL93-638, Indian Self Determination Education Assistance Act.

The value should be determined based on what the grantee would have paid if the grantee purchased the allowable goods or services. For example, if volunteers paint a classroom, the value should be based on what the grantee would have paid a painting contractor.