



NYC Administration for Children's Services

Administrative Advisory for Head Start Non-Federal Share

Fiscal Year 2018

Version 1.3
Revised April, 2018

Table of Contents

Introduction.....	3
Non-Federal Share Waiver	3
Disallowance.....	4
Definitions	4
Policies and Procedures	6
Documentation Requirements.....	6
Accounting Requirements.....	6
Cash Donations	7
Examples of Non-Federal Share In-Kind Contributions	7
Summary of What Is/Is Not an In-Kind Contribution	9
Documenting the Match.....	10
Documentation of In-Kind.....	10
Documentation of Professional Services	12
Documentation of Donated Supplies	12
Non-Federal Share Valuation Summary.....	13
Non-Federal Share Responsibilities.....	14
Non-Federal Share Work Plan.....	15
Program Planning	15
Budget Planning.....	15
Things to Note	15
<i>10 Common Errors Regarding Non-Federal Share:</i>	15
<i>ACS must ensure that:</i>	16
Supplementary Schedule of Guideline Rates for Volunteer and Other Services for Non-Federal Share/In-Kind Contribution	17

ACS NON-FEDERAL SHARE POLICIES & PROCEDURES

Introduction

Non-Federal Share (NFS) means that portion of Head Start program costs not funded by the Federal government. NFS is a statutory requirement of the Head Start Act Section 640(b). As stated in the Act, Federal participation is limited to 80 percent of the total Head Start program and the Delegate Agency is expected to contribute 20 percent (45 CFR 1301.20) to show community support.

Contributions used to match other Federal funds cannot be used to match Head Start funds. Costs used to satisfy a Delegate Agency's matching share or cost participation requirement may be met by using either or both of the following:

- ❖ Allowable costs provided by the Delegate Agency (cash); and
- ❖ The value of third-party in kind contributions (non-cash) or third-party cash contributions

Example of Calculation of Non-Federal Share with total funding of \$1,250,000:-

Non-Federal Share: \$250,000 = 20% of \$1,250,000
Federal Grant: \$1,000,000 = 80%
Total Funding: \$1,250,000 = 100%

Non-Federal Share = 20% of total funding, i.e. (20% of \$1,250,000).

OR

25% of Federal funds, i.e. (25% of \$1,000,000) –

For every \$1 spent of Federal funds, there must be a \$.25 Non-Federal match.

The 20% contribution for NFS is also required for any other additional Head Start funding, including funding for Health and Safety repairs or other improvements made with Head Start funds. All matching contributions must be documented and delegates must meet NFS, even if a Delegate Agency's entire budget is not spent during the project period. Staff and Policy Council training on the importance of in-kind and what is allowable should occur annually.

Non-Federal Share Waiver

Waivers are granted on a one-time basis and require yearly approval. Waivers should be rare.

There are five allowable criteria for receiving a waiver:

1. Lack of community resources
2. Impact of cost an Delegate Agency may incur in the early days (start-up costs) of the program
3. Impact of an unanticipated increase in cost
4. Community affected by disaster
5. Impact upon the community if the program is discontinued

To receive a waiver - or a reduction in the required NFS, the Delegate Agency must provide written documentation of need. This request may be submitted by budget/accounting period if a situation arises that will make it impossible to meet the requirement. **Delegates are required to meet NFS on both program year and fiscal year basis.** Therefore careful monitoring is needed and multiple

waiver requests may be required – one for the program year and one for the fiscal year. Waiver requests should be submitted as soon as the Delegate Agency is aware that they may not meet the requirement. Requests should be submitted prior to the end of the reporting period. Approval of the waiver request(s) cannot be assumed by the Delegate Agency without a written response from ACS. The Delegate must have a plan to meet NFS in the next period.

Disallowance

If after repeated unsuccessful attempts at meeting NFS requirements the Delegate Agency does not generate the required match, the Agency may be subject to disallowance, which is a serious issue that affects the portion of the budget covered by Federal funds. Given the potential impact of a disallowance, it is important that Delegate Agencies carefully review the adequacy of their systems for documentation of NFS contributions.

To avoid a disallowance, Delegate Agencies must ensure that the costs included in NFS match are allowable, appropriately valued and adequately documented so that they will not be disallowed. It is important to consider securing more than the required NFS match. While this will not prevent a disallowance, it may provide offset if disallowances are found.

The Office of Head Start (OHS) description and impact of a disallowance is shown below:

Funded		Actual	
Federal Share:	\$ 800,000	Federal share expended:	\$ 800,000
Required NFS:	\$ <u>200,000</u>	Allowable NFS:	\$ <u>180,000</u>
Total grant:	\$ 1,000,000	Actual amount:	\$ 980,000

OHS calculates the disallowance based on the total cost of the Head Start program (direct Head Start funding + NFS). If the NFS match does not conform with allowable in-kind, cash or other contributions that meet cost principles, Head Start will recalculate its direct share by multiplying the total allowable program amount by 80%.

In the above example: $\$980,000 \times 80\% = \$784,000$ (80% of Actual Head Start Program)
 Amount of disallowance: $\$800,000 - \$784,000 = \$16,000$

Delegates would have to make up for the disallowed Head Start funding using non-restricted Delegate Agency funds.

Definitions

Non-Federal Share: The amount that must be generated or obtained from local sources in order to match the Federal grant funds. Delegates must be aware that NFS is subject to the 15 percent administrative cost limitation and all NFS must be allocated based on programmatic and administrative.

Total Costs: All allowable Head Start costs incurred by the Delegate Agency in accomplishing the objective of the program during the budget/accounting period (12 months), including allowable in-kind contributions made by third parties. Total costs do not include costs which are paid from sources that are not part of the approved budget.

Matching Share: That portion of allowable costs not funded by the Federal Government. For Head Start, the matching share may be cash or in-kind contributions. The match must be expended during the budget period along with the Federal funds.

Cash Contributions: The Delegate Agency's cash outlay, including the outlay of money contributed to the Delegate Agency by third parties, private organizations and individuals. Cash match is counted only when it is spent on an allowable Head Start program cost, not when the cash is donated to the Delegate Agency. If a Delegate Agency receives cash during a program year and does not spend it on Head Start services, the cash becomes program income and offsets the Federal share.

In-Kind Contributions: The value of non-cash contributions that would normally be paid for which are provided by non-Federal third parties: the Delegate Agency and by private organizations and individuals. In-kind contributions may consist of the value of real property (City-leased or City-owned buildings and utilities are not eligible for in-kind) and equipment and the value of goods and services directly benefitting the grant program and specifically identifiable to it. In-kind match is counted for the period when the services are provided or when the donated goods are received and used. If a volunteer's time is being paid for under another Federal grant, it may not be used for a match.

Allowable: Donations of goods and services must be necessary and reasonable for proper and efficient performance and administration of Federal awards. NFS must meet all Head Start cost principles.

Allocable: A cost is allocable to a particular cost objective if the goods or services involved are chargeable or assignable to such cost objective (program, center) in accordance with relative benefits received.

Reasonable: A cost is reasonable if, in its nature and amount, it does not exceed that which could be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost. Consideration must be given to:

- Whether the cost is of a type generally recognized as ordinary and necessary for the performance of the Federal award;
- The requirements imposed by such factors as sound business practices; arms-length bargaining, Federal, State and other laws and regulations; and
- Terms and conditions of the Federal award

Volunteer: An individual providing a service that is necessary to the operation of the Head Start program at no cost to a Delegate Agency.

Waiver: A reduction in the required amount of grantee NFS that is authorized by a Federal official in writing. A waiver is justified if it meets one of five criteria defined in the Head Start Act Section 640(b) (1)-(5). ACS approves waivers for Head Start Agencies. (See page 3 for the five criteria.)
Depreciation Method (where goods are donated): Delegates must ensure that claims of NFS for use of facilities owned by a related party are limited to depreciation. Where the depreciation method is followed, the period of useful life established in each case for usable capital assets must be taken into consideration. For example, factors such as type of construction, nature of equipment, and renewal and disposal policies for classes of assets involved.

The method of depreciation used to assign the cost of an asset (or group of assets) to accounting periods must reflect the pattern of consumption of the asset during its useful life.

Policies and Procedures

Each Delegate Agency must have written policies and procedures to account for, process, track and report NFS. In the same manner as other policies and procedures, they must be approved by the Governing Board and Policy Committee.

Documentation Requirements

Delegate Agencies must provide documentation that supports the NFS transaction. In-kind services must have approved timesheets using a wage scale based upon the Delegate Agency's salary scale, NYS Department of Labor or Wage Comparability Study. NFS based on differences between lease costs and an up-to-date Real Estate Appraisal must also be allocated to all programs benefitting from the difference as well as allocated between programmatic and administrative using the Delegate Agency Space Allocation plan. A Reviewer or Auditor must be able to verify that the service or good was clearly for the Head Start program through adequate documentation.

Delegate Agencies should have written procedures for acknowledging the receipt of cash, goods or services. Delegate Agencies who receive these donations should follow the IRS Publication "1771, Charitable Contributions- Substantiation and Disclosure Requirements". This explains the Federal tax law for charitable organizations that receive tax-deductible charitable contributions and for taxpayers who make contributions.

Accounting Requirements

Accounting practices vary regarding the summarization and entry of NFS into the Delegate Agency accounting system but must be outlined in policies and procedures and consistently followed.

Delegate Agencies must institute the following for tracking and reporting NFS in their accounting systems and financial reporting for Program Year 03.

- NFS included in the Chart of Accounts
- Financial Statements include a Note on NFS (Note 11 in Compliance Audit Financial Statements based on the Program Year as well as in the Single Audit under Uniform Guidance based on the Fiscal Year)
- NFS reported on the Statement of Functional Expenses
- NFS reported on the Income Statement
- NFS reportable by site

- NFS reported monthly to the Governing Board and Policy Committee

To ensure compliance with internal control, cash NFS match must follow the same cash controls as other Delegate Agency revenue. For example, cash match can be maintained in the general ledger as a separate subaccount within the Head Start fund. This provides a means of tracking the Cash match and related expenditures. Third party in-kind services or other donations can be tracked on a spreadsheet for monthly entry to the general ledger. This can be accomplished by having general ledger accounts for NFS revenue and NFS share expense.

Cash Donations

Any cash donated to a Head Start program must be treated as program income and can only be spent for purposes related to the Head Start program. An expense that could not be charged to the Head Start grant cannot be covered with program income and cash contributions are not counted as “In-Kind” until they have been spent on program operations.

Examples of Non-Federal Share In-Kind Contributions

Contribution	Restrictions & Suggested Value
Donated land, buildings and equipment where the title passes to the Delegate Agency	<p>For non-profits, the value of equipment shall not exceed the fair market value, considering age and condition. Donated space shall not exceed rental value, as established by an independent appraisal of comparable space in a privately owned building. Space donations must be verified by a certified appraiser.</p> <p>In lieu of rental value, the delegate may claim, on a one-time basis, the fair market value of the donated land and buildings at the time of donation. The fair market value must be established by an independent appraiser and certified by a responsible official.</p> <p>In the event that the Head Start facility is operated in a City-owned or City-leased building where the rent is paid by ACS, charging rent to NFS is <u>not</u> an allowable cost.</p>
Rent lower than market rate	For delegate agencies operating a Head Start program in a leased space, where the cost of actual rent is lower than the market rent rate, delegates can claim NFS for rent as the difference between the actual lease cost and the market rent rate based on the delegate’s space allocation plan. City-leased, City-owned and NYCHA sites are ineligible.

Contribution	Restrictions & Suggested Value
	Market rent rate must be supported by a current appraisal report (required every three years). Any calculation in support of such NFS must be documented by the Delegate Agency.
Time donated by Governing Board members on management activities	The Executive Director salary plus fringe is considered an administrative match, unless the board member is performing a special task. Determination of value placed on that service must be justified and documented.
Time donated by Policy Council members on management activities	Head Start Director's hourly salary plus fringe is considered a comparable administrative match
Time donated by employees	Reasonable value for service performed if the service and time donated are not part of the employees' regular duties during normal working hours. It should only be accepted when the intent to freely donate time is supported by a documented statement and NFS timesheet.
Time spent by parents at a center	Reasonable value for service performed (i.e. classroom-aide, etc. and documented in a timesheet. Time spent enrolling one's child is not allowed.
Time spent by parents at home in a Center-Based program	Same as at a center. Activities should assist the Delegate Agency in meeting the performance standards and must be part of a written curriculum.
Home visits for a Center-Based program	The parents' time is allowed if the activity is required by the performance standards. Value as a classroom aide.
Transportation costs	Allowable if the program cannot regularly provide transportation. The value should be based on reasonable costs to the Delegate Agency (e.g. salaries, bus depreciation, maintenance, insurance, etc.). Transportation provided by parents at their option or for their convenience is not allowed. Transportation by school districts must meet Head Start transportation regulations.
Funds raised by parents	Funds used to support the program are allowable when expended for allowable program costs. The time that parents spend on fund raising activities is <u>not</u> allowable.
Equipment or space loaned by a third party	If a third party donates the use of equipment or space, the value is the fair market rate. If the third party also pays utilities, upkeep, insurance, etc., these amounts can be included.

Contribution	Restrictions & Suggested Value
Equipment or space loaned by the delegate	The value is based on depreciation, taxes, insurance, etc. The computation must exclude the cost of land.
Donated supplies	The contribution is valued at the fair market value determined by the donor.
Donated clothing	Clothing used for educational experiences or retained at the center is allowable. Clothing furnished for personal use is <u>not</u> allowable. Value is the fair market value determined by the donor.
Donated food (with exception of alcohol)	Food must be used in the program and not sent home. Value is the fair market value determined by the donor.
Babysitting while Head Start parent is volunteering	Activities should assist delegate in meeting the performance standards
Books given to children at year-end	Value is the fair market value determined by the donor.

Summary of What Is/Is Not an In-Kind Contribution

What <u>Is</u> In-Kind Good or Services that benefit the program	What <u>Is Not</u> In-Kind Benefits the Parent or Child
Parent & Community Volunteers (non-paid) <ul style="list-style-type: none"> ◆ In classrooms ◆ On buses ◆ On field trips ◆ Family Activity Days ◆ Preparing materials for classroom or program ◆ Parent Engagement Activities ◆ Creating newsletters ◆ Researching community resource list ◆ Community job placements 	<ul style="list-style-type: none"> ◆ Children transported to the program by their parents. ◆ Program/classroom volunteers less than 14 years of age ◆ Home Visits/Parent Teacher Conference
Parent Leadership <ul style="list-style-type: none"> ◆ Business part of Parent Committee meetings or executive committee meetings including parents' preparation for these meetings ◆ Parent leadership training ◆ Policy Council representatives 	<ul style="list-style-type: none"> ◆ Any parent education activities, e.g. literacy, job training, ESL, etc. ◆ Parent social events (e.g. bowling, picnic) ◆ Parent orientation/registration
Donated Services/Materials <ul style="list-style-type: none"> ◆ Donation of goods or services (Accounting, Legal, Repair) ◆ Medical professionals services to program 	<ul style="list-style-type: none"> ◆ Staff serving in any capacity, (e.g. bus monitors) paid by Head Start funds. ◆ Speakers who do not typically charge for their service.

What Is In-Kind Good or Services that benefit the program	What Is Not In-Kind Benefits the Parent or Child
<ul style="list-style-type: none"> ◆ Children transported by the school for special services, EC program if not paid by Federal funds. ◆ Unpaid speakers at parent meetings School district Special Education Teachers, Aides, OT's, PT's, etc. 	<ul style="list-style-type: none"> ◆ Donations which benefit individual Head Start children or families ◆ Staff paid by Head Start funds who are donating additional hours to the program. ◆ Other program flyers and newsletters ◆ Food donated through the Child and Adult Care Food Program (CACFP)

Documenting the Match

All contributions:

- Must benefit the program and be allowable under Head Start cost principles
- Must be verifiable from the delegate’s records, including the source and application of cash match, services received, and donations of supplies and equipment
- Volunteer time, must include the establishment of a wage scale based upon the Delegate Agency’s salary scale, NYS Department of Labor, or Wage Comparability Study and be documented via time sheets
- Supplies and/or equipment, should include a copy of a receipt issued to the donor with a description of the item, an estimate of the current fair-market value, the date received, and signatures of the donor and the recipient
- Must be allocated as programmatic and/or administrative based on its use
- Cash donations, are only recognized as a match when the funds are expended on allowable purchases
- Other goods and services funded by other federal programs are not allowable. The Delegate Agency must ensure that goods or services received through other non-profit or third-party organizations are not funded by other Federal funds, e.g., a supportive health services program for Head Start children administered by New York State and fully funded by federal dollars is not allowable as NFS. However, if only a portion of the program is funded by Federal dollars, the portion of Non-Federal funding is allowable as NFS.

Documentation of In-Kind

Volunteers: Parent Time

Documentation of in-kind validates parent and community involvement in the Head Start program (as also required by Head Start performance standards). Delegate Agencies are required to maintain records that support in-kind contributions. Reviewers (Federal or ACS auditors) must be able to verify the amounts claimed as NFS from the records.

Also, these records must be reported in the General Ledger as revenue and expenses to show the basis for the value placed on the in-kind contribution.

In-kind is reported and tracked on a monthly basis to ensure that, as federal funds are received, the local match is documented and kept on file. A form must be provided for recording all time or services donated. The forms must clearly document what work was done and how it relates to the Head Start program. Delegate Agencies should be supplying monthly reports to the governing

boards and policy councils as required in the 2007 Head Start Reauthorization Act Section 642(d)(2).

The use of volunteer time as match must include the establishment of a wage scale based upon the Delegate Agency’s salary scale, NYS Department of Labor or Wage Comparability Study. Time sheets must be used to document hours contributed to the program. These time sheets must follow the same standards of documentation as employee time and attendance records, and must include:

- Volunteer's name
- The dates, including year, the volunteer provided services
- The duration of time of services the volunteer provided to the program
- The volunteer's supervisor's signature
- The volunteer's signature
- The volunteer activity
- The rate applied to this activity
- Total valuation for the time period

Volunteers are parents, family members or family friends of children in the program over 14 years of age. These could be past as well as current parents. All volunteers must indicate what they are volunteering to do in their own words. All in-kind forms used to document these activities should be sent to the appropriate staff.

In-kind reporting forms are used to document the program's required match. When applicable, supporting documentation should be attached to In-kind reporting forms (e.g. donation receipts, lesson plans, etc.). All forms must be checked by the appropriate staff for completeness and allowability before approving. All columns must be filled out neatly, accurately and completely.

Example of Head Start In-Kind Log

Date	Volunteer Name/Signature	Activity Performed	Hours Donated	Rate	Total Value
	Print _____ Signature _____				
	Print _____ Signature _____				
Signature of Supervisor: _____ Date: _____					

Documentation of Professional Services

Volunteers: Reduced Rates

Consultants and other individuals may provide their services to a Head Start program at a reduced rate. The difference between this reduced rate and the amount normally charged by the individual may be used as in-kind. The Delegate Agency should have a contract with the individual, to document the reduction, and documentation should be maintained of the services provided. This reduced rate should be reflected in all invoices submitted. The Delegate Agency should have a log.

Example of Head Start Professional Services Log

Date	Volunteer/Signature	Description of Donated Service	Hours Donated	Rate	Total Value
	Print _____ Signature _____				
	Print _____ Signature _____				

Documentation of Donated Supplies

Documentation for receipt of supplies and/or equipment should include a copy of a receipt issued to the donor. Information on the receipt should include a description of the item, an estimate of the current fair-market value of the item, the date received and signatures of the donor and the recipient.

If the in-kind is a donation, the representative of that resource is the person responsible for identifying the value of the donated item(s) – services or goods. The Delegate Agency staff should remind community volunteers to fill out the Professional Services form. Forms should be turned in monthly to appropriate staff.

The donor identifies the value of the donation and a staff signature is required. The appropriate manager will check each listed in-kind service or goods on the required form for its allowability and completeness. All in-kind descriptions must contain the original wording of the person making the donation. Questionable in-kind documents must be returned for completion in the proper manner. Forms are sent on a monthly basis.

Example of Head Start Donated Supplies Log

Date	Donor/Signature	Description of Supplies Donated	Value
	Print _____ Signature _____		
	Print _____		

Date	Donor/Signature	Description of Supplies Donated	Value
	Signature _____		
Received by: _____		Date: _____	

Non-Federal Share Valuation Summary

For volunteer services to be counted as in-kind, the service would have to be otherwise purchased or provided by salaried personnel. Also, the duties of the volunteer must be controlled by the Delegate Agency and the value of the service performed must be measurable and beneficial to the Head Start program.

Rates for volunteers should be determined using the rates paid for similar work by the organization or obtained from the NYS Department of Labor or Wage Comparability Study. If the kinds of skills are not found in the organization, the rate should be consistent with those paid for similar work in the community. If someone donates the services of an employee, the value would be the employee’s regular rate of pay, provided the service is the same skill for which the employee is normally paid. If the service is not for the same skill, the value should be computed the same as for volunteers.

The Head Start Delegate Agency must develop annual NFS Valuation Summary for use by staff in determining rates applicable to program volunteers and donated goods and services. The NFS Valuation Summary must be updated when rates change, (i.e., increase in fringe benefits amounts affecting volunteer hourly valuations). The valuation summary must show detailed calculations as to how the NFS was derived and supporting justification for the calculation methodology. Valuation Summaries require approval by the Delegate Agency Governing Board.

Agencies are required to develop and submit copies of their NFS Valuation Summary annually with their first Financial Report to ACS each program year, and whenever changes are made.

Non-Federal Share Responsibilities

Function	Head Start Non-Federal Share Responsibilities				
	CFO	HS Director	Book-keeper	Governing Board	Policy Council
1. Provide training on Non-Federal Share (NFS) to all Head Start staff	X	X	X		
2. Provide centers with current NFS forms	X	X	X		
3. Provide each center Director with total amount of monthly NFS projected for the year	X	X	X		
4. Document NFS on appropriate forms	X	X	X	X	X
5. Confirm all NFS is properly documented and signed	X	X	X		
6. Totaling, coding and submitting NFS by category to Fiscal		X	X		
7. Entering total of NFS into financial system by category			X		
8. Review NFS reports	X	X	X	X	X
9. Present NFS reports to Policy Council	X	X	X		
10. Provide centers with updated YTD match monthly	X	X	X		
11. Retain NFS docs for program monitoring	X	X	X		
12. Maintain current real estate appraisals	X	X	X		
13. Evaluate NFS cost rates	X		X		
14. Check in-kind documentation at least quarterly for completeness and allowability	X	X	X		
15. Annual review, update and approval of NFS work plan	X	X		X	X

Non-Federal Share Work Plan

Program Planning

Head Start programs must establish a planning process for matching grants with non-Federal community resources. Through this process, programs develop goals, objectives and expected outcomes then monitor and evaluate progress toward their program goals. Delegate Agencies should take the following steps into consideration when planning for Non-Federal share match:

- Conduct an annual Self-Assessment as an opportunity to identify any success in engaging the community in the Head Start program and any progress made toward meeting the Agency's match;
- Conduct or update community assessment to evaluate if anything changed in the community or what other organizations or people in the community might be able to do to help deliver Head Start services;
- On a regular basis, e.g. every five years, decide on broad goals and initial short-term objectives. Review goals and revise annually, if necessary;
- Develop an action plan and budget that reflect goals, E.g. form partnerships, secure commitments and formalize agreements;
- Implement the action plan;
- Evaluate progress through on-going monitoring of any progress made toward non-Federal share on a monthly basis; and
- Document and monitor any corrections/adjustments made to the Agency's course of action.

Budget Planning

Delegate Agencies require detailed budget planning for NFS that breaks out all program expenses and allows identification of each Federal or Non-Federal funding source that will cover the individual costs. A line item budget will indicate whether Federal or Non-Federal Share resources will be used to cover program costs. Budgeting activities should include:

- Gathering input from Staff and Policy Council to identify budget needs;
- Identifying fixed budget costs;
- Determining other revenue available to support operations, including Non-Federal Share cash and in-kind;
- Drafting line item budget and presenting to budget committee for input;
- Completing draft budget narrative; and
- Receiving input from governing bodies on proposed budget and gaining final approval.

Things to Note

10 Common Errors Regarding Non-Federal Share:

1. Inadequate or no documentation
2. Failure to enter NFS Share in the accounting system on a monthly basis
3. Failure to report NFS on a timely basis to the Board or Policy Council
4. Over-valuing the donation of goods or services
5. Including items that would not qualify as allowable costs

6. Matching one grant funds with funds from another
7. Using match funds for more than one grant
8. Valuing donations that were purchased with Federal funds
9. Counting items that are furnished for personal use, such as food and clothing
10. Including transportation by parents for personal convenience, or transportation of employee's children by the employee
11. Not keeping current independent licensed appraisals for sites when reporting donated land or space
12. Including all the time spent by parents on activities in the home
13. Reporting cash donated but not yet spent on allowable items as NFS

ACS must ensure that:

- The Delegate Agency has policies and procedures and is following them
- NFS is generated from qualifying expenditures or in-kind services benefiting the Head Start program
- If an organization receives donated supplies, it is an allowable matching cost in the period the supplies are used
- Appraisals are current (effective for three years) and performed by an independent appraiser (certified real property appraiser)
- NFS is properly allocated to programmatic or administrative based on its use
- Where necessary, delegate agencies must reapply for a waiver annually and meet applicable waiver criteria set out in the Head Start Act Sec. 640(b)

Supplementary Schedule of Guideline Rates for Volunteer and Other Services for Non-Federal Share/In-Kind Contribution

This schedule below serves as a supplemental attachment to the NYC ACS Administrative Advisory for Head Start Non-Federal Share and replaces the Head Start Memorandum for Delegate Agencies #983 issued in 2003. The schedule should be used by subrecipients of the NYC ACS Head Start grant when calculating the hourly rate for volunteer time which will be counted as Non-Federal Share. These rates became effective on February 1, 2017.

Volunteer services may be counted as Non-Federal Share if the service is an integral and necessary part of the Head Start program. It must be noted that the volunteer must be providing a service to, and not receiving a service from the program. In cases where volunteers provide services consistent with work or activities performed by an employee of the subrecipient, the rate for the volunteer must be consistent with the rate paid for the position of the service provided. For example, services for a volunteer acting as a teacher aide should be valued at the rate of teacher aide employed by the subrecipient.

Head Start regulations also allow the valuation of volunteer time to include fringe benefits that are reasonable, necessary, allocable, and otherwise allowable. For example, if the subrecipient has an estimated 35 % fringe rate, then 35% should be allocated to volunteer time. Based on this 35% fringe rate, if a volunteer provides \$1,000 of volunteer services, the total valuation would be \$1,350 or \$1,000 X 1.35.

Position Title	Hourly Rate¹
Social Worker MSW ²	\$ 59.50
Social Worker BSW ²	46.80
Occupational Therapists	50.06
Physical Therapists	45.00
Speech-Language Pathologists	44.57
Nurse (RN)	44.52
Nurse (LPN)	26.20
Dieticians and Nutritionists	32.40
Psychologists	76.89
Pediatricians	73.64
Dentists	72.07
Dental Assistants	16.07
Lawyers	88.56
Realtor (Property Manager)	59.02
Librarians	33.71
Police Officers	32.80
Firefighters	34.10
Electricians	40.71
Painters*	39.60
Plumbers	36.74
Carpenters	35.67
HVAC Mechanics	29.40
Bus Drivers	28.25
Construction Laborers	25.83
Pest Control Workers	17.66

¹Hourly rates based on NYS DOL Occupational Wage for New York City Region except for positions marked with ²

²Hourly Rates for these positions are based on Compensation Data Not-For-Profit Northeast 2017 Benefit and Pay Practice Reports

In summary, in order for a volunteer's time to be counted as in-kind:

- The services provided by the volunteer would have to otherwise be allowable costs that would be purchased from a consultant or other individual or provided by salaried personnel.
- The duties of the individual must be controlled by the subrecipient.
- The value of the service provided by the individual must be measurable and material.
- The value must be based upon the service provided by the individual. For example, the services of a lawyer who volunteers for Head Start should be valued according to normal compensation for the service provided. If the lawyer chooses to volunteer in a different capacity, such as working in the classroom, his service should be valued according to the subrecipient's current wage scale for a teacher or teacher's aide.