HEAD START
IN-KIND
# Head Start In-Kind

Presented by: Tammy Jelinek  
Wednesday • March 19, 2008 • 8:00 a.m.

<table>
<thead>
<tr>
<th>Your Name (Optional)</th>
<th>Title</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Organization (Optional)</th>
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<table>
<thead>
<tr>
<th>Organization Type:</th>
</tr>
</thead>
<tbody>
<tr>
<td>EHS/HS</td>
</tr>
</tbody>
</table>

## PLEASE RATE THIS SESSION

<table>
<thead>
<tr>
<th>Excellent</th>
<th>Very Good</th>
<th>Good</th>
<th>Fair</th>
<th>Poor</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Usefulness of the materials, including contribution to learning objectives and appropriateness of audiovisual materials:</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>B. Presentation skills of discussion leader(s), including timeliness and relevance of program content:</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>C. Knowledge of the discussion leader(s):</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>D. Overall satisfaction with this session:</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
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</table>

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<tr>
<th>E. What were the things you liked the most?</th>
</tr>
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<tr>
<th>F. If I could change this session, I would... (please suggest alternatives that could improve the value of this session):</th>
</tr>
</thead>
</table>

<table>
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<tr>
<th>G. &quot;Quick Quote&quot; - Overall reaction to this workshop experience:</th>
</tr>
</thead>
</table>

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May we use your quote, name, title, and company in our marketing materials?  
☐ Yes  ☐ No

Please contact me re:  
☐ GFP Internet  ☐ Financial Procedures CD  ☐ HR Procedures CD  ☐ MIP/Abra  
☐ Other _________________________________________ Phone: _________________________________________
Head Start In-Kind
Presented by: Tammy Jelinek
Wednesday • March 19, 2008 • 1:00 p.m.

Your Name (Optional) ___________________________ Title ___________________________

Organization (Optional) ___________________________

Organization Type: [ ] EHS/HS [ ] CAA/CAP [ ] CPA [ ] WX [ ] Other ___________________________

PLEASE RATE THIS SESSION

A. Usefulness of the materials, including contribution to learning objectives and appropriateness of audiovisual materials: 5 4 3 2 1

B. Presentation skills of discussion leader(s), including timeliness and relevance of program content: 5 4 3 2 1

C. Knowledge of the discussion leader(s): 5 4 3 2 1

D. Overall satisfaction with this session: 5 4 3 2 1

E. What were the things you liked the most? ___________________________

F. If I could change this session, I would... (please suggest alternatives that could improve the value of this session): ___________________________

G. “Quick Quote” - Overall reaction to this workshop experience: ___________________________

May we use your quote, name, title, and company in our marketing materials? [ ] Yes [ ] No

Please contact me re: [ ] GFP Internet [ ] Financial Procedures CD [ ] HR Procedures CD [ ] MIP/Abra
[ ] Other ___________________________ Phone: ___________________________
Head Start In-Kind

Head Start Non-Federal In-Kind

Presented by:
Tammy Jelinek

Chicago, IL
March 19, 2008

My Agenda…

• General Information Regarding In-kind
• Space
• Volunteers
• Other In-Kind
• Problems & Solutions
• Waivers
Head Start In-Kind

Your Agenda…

What would you like to discuss today?

Acceptable In-Kind?

HEAD START PROGRAM
GRANT NO. _________
State
SCHEDULE E - QUESTIONED COSTS
For the Year Ended August 31, 1983

<table>
<thead>
<tr>
<th>Ref</th>
<th>Program</th>
<th>Category</th>
<th>Amount</th>
<th>Reason Questioned</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td>Full-Year, Part-Day</td>
<td>Nonfederal/Other</td>
<td>$35,620</td>
<td>This amount represents 52 grave plots donated to the grantee. The Grave plots, which were valued at $685 each, do not appear to be of benefit to the Head Start Program. Also, the grantee does not have independent third party appraisals to support the value claimed for the grave plots.</td>
</tr>
</tbody>
</table>
Head Start In-Kind

General

Background

- Head Start Act - 42 USC Chapter 105, Subchapter 9835
- Head Start Program Regulations - 45 CFR 1301.20
- Health and Human Services Administrative Regulations - 45 CFR 74.23; 45 CFR 92.24

Definitions

“Cost sharing or matching means that portion of project or program costs not borne by the Federal Government.”

(Source: 45 CFR 74.2)

“Third party in-kind contributions means the value of non-cash contributions provided by non-Federal third parties. Third party in-kind contributions may be in the form of real property, equipment, supplies and other expendable property, and the value of goods and services directly benefiting and specifically identifiable to the project or program.”

(Source: 45 CFR 74.2)
Head Start In-Kind

General

Basics
- Costs that are *reasonable and necessary* to a Head Start program from a non-Federal source, in accordance with an approved application and component plans
- Non-Federal in-kind *no different than costs charged to the Federal share costs* are (Would your agency pay out of Federal funds for those items that you are claiming as non-Federal share? And, would you pay the amount in cash that you are claiming as non-Federal share?)

General

Criteria for Acceptable Non-Federal In-Kind
- Are verifiable from the recipient’s records
- Are not included as a cost or match to any other Federally-funded program
- Are necessary and reasonable for accomplishment of program objectives
Head Start In-Kind

General

Criteria for Acceptable Non-Federal In-Kind, Cont’d

- Are allowable under grant conditions and cost principles
- Are not financed by any other Federal program, unless authorized by Federal statute
- Are provided for in the approved component plan/budget
- Benefits the program during the project period.

Allowable In-Kind Flow Chart
Head Start In-Kind

Allowable In-Kind Flow Chart

Question #5

#6
Is it provided for in the approved budget?

Check the budget - is it provided for, or is it something you would have put in the budget?

#7
Would the agency pay, out of federal funds, the same amount they're claiming as the in-kind value?

UNSURE

YES

NO

#7A
Can you re-value it?

YES

YES

NO

YOU HAVE ALLOWABLE IN-KIND!

* OMB Circular A-21 - Colleges and Universities
* OMB Circular A-87 - State and Local Units of Government
* A-122 - Non-Profit Organizations

** Except where authorized by Federal statute to be used for cost sharing or matching:
Determinations have been made on a case-by-case basis on whether Federal funds from other programs are allowable match for an ACF program. These determinations are based on specific requirements of ACF programs and language in applicable statutes. Specifically:
1. USDA funds are of Federal origin and, therefore, cannot be counted as match.
2. Bureau of Indian Affairs - Indian Self-Determination and Education Assistance Act (P.L. 93-638, as amended). The Act authorizes the use of funds for matching purposes as long as the identified use is specifically related to the approved grant activities.
3. Title XX Social Services Block Grant funds are considered to be Federal funds and, therefore, may not be used as match for ACF programs.
4. Expenditure of funds from the Housing and Community Development Act of 1974, P.L. 93-383 may count as allowable match for a Head Start program for renovation of a building. The determination is dependent on whether or not the Head Start grant is included as part of the “Community Development Program,” as required by the Housing and Community Development Act. (Grants Administration Manual, Section 3.05.408(b)(1-4))

Review Time

• What 2 combinations should you remember when thinking of in-kind?

• What are the 7 regulatory requirements regarding in-kind?
**Head Start In-Kind**

<table>
<thead>
<tr>
<th>General Computing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal $’s = $1,000,000 = 80%</td>
</tr>
<tr>
<td>Non-Federal = $ 250,000 = 20%</td>
</tr>
<tr>
<td>Total Funding = $1,250,000 = 100%</td>
</tr>
</tbody>
</table>

20% of Total Funding OR 25% of Federal Funding.

**Easy Equation:**

*For every $1 you spend of Federal Funds, you must have $.25 non-federal match.*

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**General**

**Sharing and Combining In-Kind**

“For EHS grantees that are also Head Start grantees, the EHS will no longer be a separate program if they are in the same service area. Instead, EHS will be shown as a separate program account in the single grant document and will be subject to the same match requirements. In these cases, non-Federal share will be counted towards the overall requirement regardless of the program that generated the match.”

(Source: Head Start Fiscal Assistant)
### Head Start In-Kind

#### General

**Reasons for Accounting for All Non-Federal In-Kind**

- To be able to match additional funding (expansion, one-time, etc.)
- To replace some in-kind that is later questioned or disallowed

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**Consequences for not Meeting In-Kind Requirements**

- **Repayment** of Federal funds expended, that were not properly matched
- **Reduction** in future Head Start funding, if unable to provide sufficient non-Federal share
- **Inability to qualify** for expansion or one-time funding
### Head Start In-Kind

#### General

**Main Issues for All Head Start In-Kind**

- **Benefit** to an approved Head Start Activity
- **Value**

#### General

**Main Type of In-Kind**

- Donated use of space
- Volunteers
- All other
Use of Space

- Fair market value
- Appraisal
- Include everything being donated (utilities, maintenance, playground, lunchroom, etc.)
- Part donated and part paid

Appraisals

“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.”

NOTE: “…independent appraiser (e.g., certified real property appraiser or General Services Administration representative)”

(Source: 45 CFR 74.23(h)(3))
Volunteers

Requirements

• Services provided
• Qualifications
• Rate comparable to paid employees
• Fringe benefits
• Board and policy council members
• Documentation

Volunteers

“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.”

(Source: 45 CFR 1304.3 Definitions)
“Grantees operating center-based program options must employ two paid staff persons (a teacher and a teacher aide or two teachers) for each class. Whenever possible, there should be a third person in the classroom who is a volunteer.”

(Source: 45 CFR 1306.20(c) Program Staffing Pattern)

“Head Start programs must use volunteers to the fullest extent possible. Head Start grantees must develop and implement a system to actively recruit, train and utilize volunteers in the program.

“Special efforts must be made to have volunteer participation, especially parents, in the classroom and during group socialization activities.”

(Source: 45 CFR 1306.22(a) & (b) Volunteers)
“Time spent by governing bodies such as the Board of Directors, Tribal Councils, and the Policy Council may be used as in-kind for time spent in their decision-making capacity related to the Head Start program. A reasonable valuation should be developed by the program, and applied based upon documentation from the meeting minutes and sign-in sheets. In determining the valuation, the agency or program should bear in mind the nature of the contribution rendered by these individuals. Policy Council time would be considered to be programmatic, however Board or Tribal Council time could be considered an administrative match that is subject to the 15 percent limitation.”

(Source: Head Start Fiscal Assistant)

“What would be an appropriate value for governing bodies and advisory boards? This amount should be set internally based on a reasonable value for the service provided. For example, Policy Council time might be valued using the Director’s salary as a rate.”

(Source: Head Start Fiscal Assistant)
Head Start In-Kind

Volunteers

Parent Time

“Allowability of parent volunteer time is based upon whether the parent is giving a service to the grantee or receiving a service from the grantee. For example, time spent by parents in special programs such as literacy is unallowable because the parent is not providing a service to the program. Time spent by a parent working in the classroom is allowable because a service is being provided to the program.”

(Source: Head Start Fiscal Assistant)

Volunteers

Parent Time

“How can parent time spent working with their children outside of program hours be counted as an in-kind donation? Activities that assist the grantee in meeting the Performance Standards are based on individual assessments and are part of the written curriculum may be counted.”

(Source: Head Start Fiscal Assistant)
**Head Start In-Kind**

**Volunteers**

**Employee Time**

“The value of donated employee time can be used only in specific circumstances and only when the employee’s time is given freely. Donated employee time can be used as in-kind only if the employee is not being compensated for by salary, overtime, or compensatory time. The service and time donated are not in the scope of the employee's paid employment. Consideration should be given to Fair Labor Standards Act requirements as well as agency personnel policies.”

(Source: Head Start Fiscal Assistant)

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**Volunteers**

**Reduced Rates**

“Consultants and other individuals may provide their services to a 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 grantee should have a written agreement with the individual, which will document the reduction, and documentation should be maintained of the services provided. This may be in the form of an invoice or other grantee developed form.”

(Source: Head Start Fiscal Assistant)
Home Visits in a Center-Based Program

“The time that parents are involved in a home visit for a Center Based program can be allowed based upon the determination that the activity is required by Head Start performance standards. It can also be determined to be not allowable based on the reasoning that the parent is the recipient of the service being provided during the visit and not providing a service to the program.”

(Source: Head Start In-Kind Chapter from ACF Staff Manual)

EXAMPLE FROM A HEAD START PROGRAM

- Total Classrooms = 32
- Total Volunteer Hours (One month) = 1,805
- Average Hours Per Classroom = 56
- Average Hours Per Day (20 days/Months) = 2.8
- Lowest Hours (4 classrooms) = 0
- Most Hours (1 classroom) (12 hrs/day) = 238
- Dollar Value of In-Kind (Rate+Fringe = $8) = $14,400
**Head Start In-Kind**

### Volunteers

<table>
<thead>
<tr>
<th>Volunteers/Day</th>
<th>Calculation</th>
<th>Total Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>(4 hrs. x 20 days x 32 classrooms x $8)</td>
<td>$20,500</td>
</tr>
<tr>
<td>2</td>
<td>(4 hrs. x 20 days x 32 classrooms x $8 x 2)</td>
<td>$41,000</td>
</tr>
<tr>
<td>3</td>
<td>(4 hrs. x 20 days x 32 classrooms x $8 x 3)</td>
<td>$61,500</td>
</tr>
</tbody>
</table>

### Classroom Volunteers Worksheet

<table>
<thead>
<tr>
<th>Volunteers/Day</th>
<th>Calculation</th>
<th>Total Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>(4 hrs. x 20 days x ___ classrooms x $__)</td>
<td>$__________</td>
</tr>
<tr>
<td>2</td>
<td>(4 hrs. x 20 days x 32 classrooms x $__ x 2)</td>
<td>$__________</td>
</tr>
<tr>
<td>3</td>
<td>(4 hrs. x 20 days x ___ classrooms x $__ x 3)</td>
<td>$__________</td>
</tr>
</tbody>
</table>
Volunteers

Documentation - Donated Time

- 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.

(Source: Head Start Fiscal Assistant)

Summary of Volunteer Services Sample Form

Agency (Month/Year) Summary of Volunteer Services Provided to (Classroom/Center)

<table>
<thead>
<tr>
<th>Date</th>
<th>Volunteer Name &amp; Address</th>
<th>Hours Donated</th>
<th>Services Provided</th>
<th>Signature</th>
</tr>
</thead>
</table>

*Please indicate any special qualifications that benefited the Head Start Program

Staff Signature ________________________________

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# Head Start In-Kind

## In Review

- Is an independent appraiser a real estate agent?

- What are additional areas to classroom space that can be counted in an appraisal?

- A parent comes into the classroom and serves as a teachers aide?

- A dentist charges $10 per child for an exam but usually charges $20 for everyone else?

## Other In-Kind

### Supplies

- Fair market value

- Used in the program (i.e., not sent home)
"If it is impractical for the program to regularly provide transportation to the center and the parent transports the child, the reasonable cost of such transportation may be used as in-kind. The cost of transporting a child for medical services is allowable if the services are required by the Head Start Program Performance Standards. Transportation provided by parents at their option for their convenience is not an allowable in-kind contribution."

(Source: Head Start Fiscal Assistant)

"Can the cost of parents transporting their children to the center be used as non-federal match? The cost of parents transporting their children to and from the Head Start center is generally allowable if the agency cannot provide transportation services. The cost should be based on the reasonable cost to the agency had the agency provided transportation services. The cost is, whichever is less (45 CFR 74.23, 45 CFR 92.24, 2 CFR 230; 2 CFR 225). However, if the grantee provides transportation services and the parent made arrangements for their convenience, then the in-kind or non-federal match is not allowable."

(Source: Head Start Fiscal Assistant)
**Head Start In-Kind**

### Other In-Kind

#### Transportation Unallowable In-Kind

- “This means that any Head Start agency providing transportation services can not, *as of June 24, 2007* provide such services in in an automobile, minivan or any other non-compliant vehicle.
- “Head Start funds can not be used to cover the cost of any transportation that is not in a compliant vehicle and, therefore, Head Start grantees cannot claim as non-Federal share any costs incurred in transporting Head Start children who are not being transported in compliant vehicles.
- “*The costs incurred by parents in transporting their children to and from Head Start center will no longer be able to be counted as non-federal share.*”

(Source: ACYF-PI-HS-07-04 / 6.27.07 / Parent Transportation and Non-Federal Share)

#### Transportation Waiver

- Each OHS Regional Office has been instructed to work closely with any grantee that will be impacted by this change and to explore appropriate options for finding alternative sources of non-federal share.
- “Regions will also consider, on a case-by-case basis, giving grantees that are significantly impacted by this change a one year (partial) waiver of Head Start’s non-Federal share requirement in order to allow these grantees to with their community to explore other sources of non-Federal share.
- “*OHS does not anticipate granting waivers for more than one year because of this change.*”

(Source: ACYF-PI-HS-07-04 / 6.27.07 / Parent Transportation and Non-Federal Share)
Head Start Reauthorization and Transportation

- **Section 640(i)** “The Secretary shall issue regulations establishing requirements for the safety features, and the safe operation, of vehicles used by Head Start agencies to transport children participating in Head Start programs. The regulations shall also establish requirements to ensure the appropriate supervision of, and appropriate background checks for, individuals with whom the agencies contract to transport those children.”

- **Conference Committee Report** “The Conferees believe that providing transportation to children enrolled in Head Start is central to many agencies’ efforts to ensuring children’s participation in Head Start. The Conferees strongly encourage the Secretary to continue to work with grantees to support their efforts to provide safe transportation that meets all Head Start and applicable regulations. The Conferees also encourage the Secretary to continue the decision to allow Head Start agencies to annually request a good cause exception to the requirements of regulations promulgated under Section 640(i) if the waiver is in the best interest of the children involved, if such requirements pertain to child restraint systems (45 CFR 1310.11, 1310.15(a)) or bus monitors (45 CFR 1310.15(c)), and if the agency demonstrates that compliance with such requirements will result in a significant disruption to the Head Start program or Early Head Start program.”
Head Start In-Kind

Other In-Kind

CLOTHING

- “Clothing used specifically for educational experiences for children (e.g., dramatic play) is allowable. Clothing furnished to children or families for personal use is unallowable.”

FOOD

- “Food counted as allowable in-kind match must be used in the program, not sent home.”

(Source: ACF Staff Manual)

Other In-Kind

Fund-Raising

“The time spent by parents on fundraising activities is unallowable as match because fundraising is specifically unallowable under the OMB Cost Principles. However, expenditure of the proceeds is allowable when expended for allowable program costs.”

(Source: Head Start Fiscal Assistant)
**Head Start In-Kind**

### Cash Contributions

In-kind when spent on an allowable cost that is part of an approved Head Start activity.

### Use of Federal Funds as In-Kind

Federal funds from other programs are allowable match for an ACF program. These determinations are based on specific requirements of ACF programs and language in applicable statutes. Specifically:

1. **USDA funds** are of Federal origin and, therefore, cannot be counted as match.
2. Bureau of Indian Affairs - **Indian Self-Determination and Education Assistance Act** (P.L. 93-638, as amended). The Act authorizes the use of funds for matching purposes as long as the identified use is specifically related to the approved grant activities.
3. **Development Act of 1974**, P.L. 93-383 may count as allowable match for a Head Start program for renovation of a building. The determination is dependent on whether or not the Head Start grant is included as part of the "Community Development Program," as required by the Housing and Community Development Act.

(Source: ACF In-Kind Chapter)
**Head Start In-Kind**

**Other In-Kind**

**Home-Based In-Kind**

- Parent time
- Space costs
- Transportation

---

**Other In-Kind**

**Home-Based Parent Time**

“What about time spent by parents working with their children in a home-based program and how would it be valued? The time spent by parents working with their children in a Home Based program is allowable if the home visitor prescribes the activities and appropriate allotment of time in the plan. Valuation should be the same as that of an equivalent position as paid by the grantee agency e.g. classroom aide or other position.”

(Source: Head Start Fiscal Assistant)
Head Start In-Kind

Other In-Kind

Valuing Home-Based Space

“The use of the parent's homes may be valued as in-kind for the time of the home visits and for the time of these specific planned activities between parent and child. The valuation should be based on a general calculation of the hourly portion of monthly housing costs. Example: If rent (or mortgage) and utilities paid by families in a Head Start program are approximately $720 per month, a reasonable rate applied by the program as in-kind match for use of home space could be $720/720 hrs = $1.00 per hour.”

(Source: Head Start In-Kind Chapter from ACF Staff Manual)

In Review

• Parents are working with their children during a home visit?

• Parents spending time in a GED program?

• Parents transporting their child to the program for Head Start classes?
Head Start In-Kind

Problems

OHS Monitoring Protocol and Audit Findings Relating to Non-Federal In-Kind

• Insufficient in-kind
• Lack of documentation
• Overvaluation of volunteer time
• Lack of appraisals for donated use of third party space

Problems

OHS Monitoring Protocol and Audit Findings Relating to Non-Federal In-Kind

• Unallowable costs (fund-raising, parenting, etc.)
• Improper valuation of space owed by the grantee (actual costs vs. fair market value)
• Sources of in-kind not included in application and approved grant award
• In-kind from previous grant years
Head Start In-Kind

Solutions

Solving In-Kind Problems

- Monitor monthly
- Treat non-Federal in-kind as a “real” cost
- Document all non-Federal in-kind
- Assign responsibility for non-Federal in-kind, and train staff on in-kind
- Include in job descriptions
- Include in-kind in staff evaluation criteria

Waivers

Head Start Act Section 640

(b) Financial assistance extended under this subchapter for a Head Start program shall not exceed 80 percent of the approved costs of the assisted program or activities, except that the Secretary may approve assistance in excess of such percentage if the Secretary determines that such action is required in furtherance of the purposes of this subchapter. For the purpose of making such determination, the Secretary shall take into consideration with respect to the Head Start program involved –
### Waivers

#### Head Start Act Section 640

1. the lack of resources available in the community that may prevent the Head Start agency from providing all or a portion of the non-Federal contribution that may be required under this subsection;

2. the impact of the cost the Head Start agency may incur in initial years it carries out such program;

3. the impact of an unanticipated increase in the cost the Head Start agency may incur to carry out such program;

4. whether the Head Start agency is located in a community adversely affected by a major disaster; and

5. the impact on the community that would result if the Head Start agency ceased to carry out such program.
**Head Start In-Kind**

**Waivers**

**Head Start Regulations**

Sec. 1301.21 Criteria for increase in Federal financial assistance.

The responsible HHS official, on the basis of a written application and any supporting evidence he or she may require, will approve financial assistance in excess of 80 percent if he or she concludes that the Head Start agency has made a reasonable effort to meet its required nonfederal share but is unable to do so; and the Head Start agency is located in a county:

(a) That has a personal per capita income of less than $3,000 per year; or

(b) That has been involved in a major disaster.

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**FY2008 OHS Monitoring Protocol**

**Use of Head Start Grant Funds (18 Questions)**

- Procedures for allowability, allocability, and reasonableness of costs
- Shared cost allocation bases
- Inter-fund borrowing (costs paid for other programs)
- Minimize time between receipt and disbursement of funds
  - Only charge 80% of total costs to feds
Use of Head Start Funds (18 Questions) (cont’d)

- Comply with admin limit
  - Cost sharing or matching verifiable
  - In-kind for volunteer services, goods or supplies allowable under cost principles and reasonable
  - In-kind for volunteer services, goods, supplies, donated land, buildings, or space for proper valuation procedures

Use of Head Start Funds (18 Questions) (cont’d)

- Indirect cost supported by negotiation agreement
- Funds drawn down in excess of needs
- Written code of conduct
- Written procurement procedures
- Procurement conducted with open and free competition
Use of Head Start Funds (18 Questions) (cont’d)

- Prior approvals obtained
- Contracts current, available, signed and dated
- Governance or fiscal responsibilities delegated
- Owned facilities charged to grants based on costs (depreciation, etc.)
Head Start In-Kind

FY2008 OHS Monitoring Protocol

COMPLIANCE QUESTION:

Are the grants and delegate claimed contributions or matching contributions available from non-Federal sources?

PROMPT:

1. Determine whether contributions or matching contributions are available from non-Federal sources.
2. Verify that grants and delegate claimed contributions exceed the required matching contributions.
3. Ask what procedures are in place to ensure compliance with Federal and non-Federal requirements.

FY2008 OHS Monitoring Protocol

COMPLIANCE QUESTION:

Can the grants and delegate claimed contributions or matching contributions be used to support non-Federal activities?

PROMPT:

1. Determine whether contributions or matching contributions are available from non-Federal sources.
2. Verify that grants and delegate claimed contributions exceed the required matching contributions.
3. Ask what procedures are in place to ensure compliance with Federal and non-Federal requirements.
Why is In-Kind Important?

In Review
We love your feedback!

Don’t forget to turn in your evaluation as you leave.

Thank you!
#1 Can it be verified, in writing, that the donation/service was received?

#1A Can you get it verified in writing?

#2 Can it be verified that it is not included as contributions for another federally-assisted project/program?

#2A Can you document that the source of the donation is not being used for another Federal program too?

#3 Is it necessary & reasonable for proper & efficient accomplishment of project or program objectives? What's the benefit?

#3A Once you check the grant application and narrative, is it necessary & reasonable? Is there a benefit?

#4 Is it allowable under the applicable cost principles*?

#4A Once you check the cost principles*?

#5 It is not paid by the Federal Government under another award**?

#5A Once you check the regulations or a pass through entity**?

Go To Question #6

STOP Unallowable In-Kind

STOP Unallowable In-Kind

STOP Unallowable In-Kind

STOP Unallowable In-Kind

STOP Unallowable In-Kind

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From Question #5

#6 Is it provided for in the approved budget?
- UNSURE
- NO
  - STOP Unallowable In-Kind

  YES

#6A Check the budget - is it provided for, or is it something you would have put in the budget?
- NO
  - STOP Unallowable In-Kind

#7 Would the agency pay, out of federal funds, the same amount they're claiming as the in-kind value??
- NO
  - STOP Unallowable In-Kind

  YES

#7A Can you re-value it?
- NO
  - STOP Unallowable In-Kind

  YES

#8 Would the agency want to defend paying Federal money for it?
- NO
  - STOP Unallowable In-Kind

  YES

YOU HAVE ALLOWABLE IN-KIND!

* OMB Circular A-21 - Colleges and Universities - OMB Circular A-87 - State and Local Units of Government - A-122 - Non-Profit Organizations

** Except where authorized by Federal statute to be used for cost sharing or matching:

Determinations have been made on a case-by-case basis on whether Federal funds from other programs are allowable match for an ACF program. These determinations are based on specific requirements of ACF programs and language in applicable statutes. Specifically:
1. USDA funds are of Federal origin and, therefore, cannot be counted as match.
2. Bureau of Indian Affairs - Indian Self-Determination and Education Assistance Act (P.L. 93-638, as amended). The Act authorizes the use of funds for matching purposes as long as the identified use is specifically related to the approved grant activities.
3. Title XX Social Services Block Grant funds are considered to be Federal funds and, therefore, may not be used as match for ACF programs.
4. Expenditure of funds from the Housing and Community Development Act of 1974, P.L. 93-383 may count as allowable match for a Head Start program for renovation of a building. The determination is dependent on whether or not the Head Start grant is included as part of the "Community Development Program," as required by the Housing and Community Development Act. (Grants Administration Manual, Section 3.05.408(b)(1-4))