

**STATE OF NEW JERSEY  
DEPARTMENT OF HUMAN SERVICES**

**SUBJECT:** Match Requirements for Social Services Block Grant Service Contracts

**EFFECTIVE:** This policy circular shall become effective on July 1, 1983, and shall be implemented as new Contracts commence or existing Contracts are renewed thereafter.

**PROMULGATED:** June 1, 1983

**SUPERCEDES:** Policy Circular P6.01, promulgated July 1, 1982

The purpose of this circular is to advise State and Provider Agencies of match requirements for Social Services Block Grant Service Contracts. These requirements have been established by the New Jersey Department of Human Services; they are not requirements of the federal Department of Health and Human Services.

I. SCOPE

This policy circular applies to all Contracts designated by the State Agency as a Social Services Block Grant (SSBG) service Contract. It does not apply to training contracts funded by the Social Services Block Grant or by any other funding source.

II. DEFINITIONS

In addition to defined terms included in the Glossary of the Manual, the following terms, when capitalized, shall have meanings as stated:

Donor means the public (except the State of New Jersey) or private entity contributing match.

Donor Agreement (Public or Private) means a standard written agreement between the Provider Agency and a public or private entity providing match to be used in the SSBG service Contract. The standard Donor Agreement is furnished by the State Agency.

In-Kind Contributions means property or services (except the services of volunteers) which benefit the Contract program and which are contributed by a public entity without charge to the Provider Agency. Included as In-Kind Contributions are public contributions formerly designated as CCE (Certified Cash Expenditures).

### III. POLICY

- A. Match is required by the Department for all SSBG service Contracts. The amount of match required is 25 percent of a base amount. This base amount is calculated by adding to the Total Operating Budget the amount of any State Agency-approved In-Kind Contributions and subtracting from this sum any Cost Sharing not to be used as match.
- B. The Provider Agency is responsible for obtaining the required match.
- C. Allowable sources and types of match for SSBG Service Contracts are as follows:

#### 1. Public Entities

The types of match discussed below may be contributed by a public entity either to a public Provider Agency (including itself) or to a private Provider Agency.

- a. Cash donations include budget appropriations from the State government and from local government entities, e.g., freeholders, municipal governments, school boards, housing authorities. With the exception of budget appropriations from the State government, cash donations from public entities must be transferred to the Provider Agency and placed under its administrative control.
- b. In-Kind Contributions must be necessary in the delivery of Contract services and must be utilized during the term of the Contract. The value of property purchased with federal funds may not be included as an In-Kind Contribution, unless specifically authorized by federal legislation.

The basis for determining the value of In-Kind Contributions must be documented. (See Attachment 2 for information regarding the determination of the value of In-Kind Contributions.)

#### 2. Private Entities

Cash donations are the only allowable type of match from private entities. Examples of such entities include United Ways, foundations and individuals. Private entities may donate cash to public or private Provider Agencies or, if applicable, may support their own SSBG service Contract. When the Donor is contributing to another agency, the case must be transferred to the

Provider Agency and placed under its administrative control.

In-Kind Contributions are not allowed as match from private entities.

- D. Unallowable sources of match for SSBG service Contracts are as follows:
  - 1. Client Fees
  - 2. Federal Funds, unless authorized by federal law to be used to match other federal funds.
- E. Match is to be used in the provision of the Contract services described in the Annex(es).
- F. The type(s), source(s), and amount(s) of all match must be specified in the Annex(es) and must be approved by the State Agency. Any change in the type(s), source(s), or amount(s) of match shall be reported to the State Agency. (See Policy Circular P1.10, Contract Modification.)
- G. In cases where a Donor defaults on its Donor Agreement (Public or Private) or makes delayed or reduced contributions, or the Provider Agency is unable to generate the required match from its own resources, the State Agency will not compensate for any insufficiency of resources by increasing its Contract payment(s) to the Provider Agency.
- H. Resources used as match for an SSBG service Contract may not be used to match expenditures in another program.
- I. Provider Agency records of receipt and utilization of match for SSBG service Contracts are subject to any audit performed in compliance with the Contract's Standard Language Document.

#### IV. PROCEDURES

##### A. Provider Agency Responsibilities

###### 1. Match Information

The Provider Agency shall complete the Match Information Form by calculating the amount of match required and by specifying the type(s), source(s), and amount(s) of all match. This completed form shall be attached to the Annex(es). A sample completed form is Attachment 1 to this circular.

###### 2. Documentation of Availability and Commitment of Match

a. State Resources

When State resources are to be used as match, the amount of State resources shall be included on the Match Information Form. The State Agency's final approval of the Annex(es) will serve to confirm the availability and commitment of State resources as match for the Contract.

b. Provider Agency Resources

When the Provider Agency is furnishing match for its own SSBG service Contract, a resolution shall be made by its governing board stating the amount of the match and outlining when it will be available for use in the provision of Contract services.

c. Resources From Other Sources

When resources from a public or private entity other than the State Agency or the Provider Agency are to be contributed as match for use during the Contract term, the Provider Agency and the Donor shall enter into a Donor Agreement (Public or Private).

d. Requirements for Submitting Documentation of Match to the State Agency

A copy(ies) of the Provider Agency's governing board resolution and/or copy(ies) of a fully-executed Donor Agreement(s) (Public or Private), documenting the availability and commitment of match for either the term of the Contract or for the first twelve months of a longer-than-one-year Contract, must be submitted to the State Agency prior to the finalization of the SSBG service Contract.

In the case of a longer-than-one-year Contract, when documentation of match has been provided for the first twelve months of the Contract only, a copy(ies) of the Provider Agency's governing board

resolution and/or Donor Agreement(s) (Public or Private) for the remainder the Contract term must be submitted to the State Agency prior to the 12<sup>th</sup> month of the Contract term.

3. Inclusion of Match in the Official Contract Budget

In accordance with guidelines and instructions in the Department's Contract Reimbursement Manual, all cash donations must be identified in the Annex B: Official Contract Budget, and as Cost Sharing, will reduce the Total Operating Budget. In-Kind Contributions are not to be included in the Official Contract Budget.

B. State Agency Responsibilities

1. The State Agency shall use the guidelines established in this circular to review and approve the type(s), source(s), and amount(s) of donation(s) to be used as match for a SSBG service Contract.
2. The State Agency shall provide standard Donor Agreements (Public and Private) which must be used by the Provider Agency with any third-party public or private Donor of match. Sample copies of the standard Donor Agreements (Public and Private) are Attachments 3 and 4 to this policy circular.
3. The State Agency shall keep on file with the SSBG service Contract, copies of any governing board resolutions and/or Donor Agreements (Public or Private) pertaining to the provision of match.

Issued by:

  
Robert D. Prunetti, Director  
Office of Planning and Policy

  
Samuel F. Penza  
Assistant Commissioner  
Department of Human Services

MATCH INFORMATION FORM

Sample

Provider Agency: *ABC Provider Agency*  
Address: *Trenton, New Jersey*

Contract Term: July 1, 1983 to June 30, 1984

I. Calculation of Match

Step 1:	Insert amount of Total Operating Budget from Line H of Annex B; Official Contract Budget.	<u>\$112,000</u>
Step 2:	Insert the value of any State Agency approved In-Kind Contribution.	<u>3,000</u>
Step 3:	Add amounts from Steps 1 and 2.	<u>115,000</u>
Step 4:	a. From page 10 of Annex B-1, enter the source and amount of all Cost Sharing other than Match.	
	(1) <i>Medicaid Reimbursement</i> 17,000	
	(2) <i>Client Fees</i> 2,000	
	(3) <i>Ceta</i> 6,000	
	b. Add the amounts listed in Step 4a and enter this amount.	<u>25,000</u>
Step 5:	Subtract amount obtained in Step 4b from subtotal in Step 3.	<u>90,000</u>
Step 6:	Multiply the amount in Step 5 by 25% to obtain total amount of required match.	<u>x .25</u> <u>22,500</u>
Step 7:	To calculate the amount of required cash match, subtract the amount listed in Step 2 from the amount obtained in Step 6.	<u>3,000</u> <u>19,500</u>

II. Type(s), Source(s), and Amount(s) of Match

List the source(s) and amount(s) of all match for the SSBG service Contract. For In-Kind Contributions, attach additional sheets to indicate the Budget Category to which the In-Kind applies and to justify the determined value of the In-Kind Contribution. In addition, attach all documentation as to the availability and commitment of match.

	<u>Type</u>	<u>Source</u>	<u>Amount</u>
A.	Cash Donations	<i>Division of ----</i>	<i>9,000</i>
		<i>United Way</i>	<i>3,000</i>
		<i>Provider Agency</i>	<i>7,500</i>
B.	In-Kind Contributions	<i>County ----</i>	<i>3,000</i>
		TOTAL MATCH	<u>\$22,500</u>

DETERMINATION OF THE VALUE OF IN-KIND CONTRIBUTIONS

With State Agency approval, In-Kind Contributions from a public entity may be counted as Match for a Social Services Block Grant service Contract. The value of such In-Kind Contributions shall be established as follows:

1. Personal Services. When a public Provider Agency or another public entity furnishes the services of an employee, those services shall be valued at the employee's regular rate of pay (exclusive of fringe benefits and overhead costs) provided those services are in the same skill for which the employee is normally paid.
2. Expendable Personal Property. Expendable personal property includes such items as expendable equipment, office supplies, laboratory supplies, or workshop and classroom supplies. The value assessed to expendable personal property shall not exceed the market value of the property at the time of its use as an In-Kind Contribution.
3. Nonexpendable Personal Property, Buildings, and Land, or Use thereof. If the SSBG service Contract requires the use of Equipment, buildings, or land, depreciation or use charges shall establish their value as an In-Kind Contribution. In addition, with State Agency approval, the full value of Equipment or other capital assets and fair rental charges for land may be allowed as the value of an In-Kind Contribution.

In either case, when determining the value of an In-Kind Contribution, the following qualifications shall apply:

- a. Nonexpendable personal property. The value of nonexpendable personal property shall not exceed the fair market value of Equipment and property of the same age and condition, at the time of its use as an In-Kind Contribution.
- b. Loaned Equipment. The value of loaned Equipment shall not exceed its fair rental value.
- c. Building and land. The value of a building and land shall not exceed its fair market value as established by an independent appraiser (e.g., certified real property appraiser) and certified by a responsible official of the recipient.

- d. Use of space. The value of 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.

**PUBLIC DONOR AGREEMENT**

AGREEMENT between \_\_\_\_\_  
\_\_\_\_\_(the "Provider Agency") and \_\_\_\_\_  
\_\_\_\_\_(the "Donor").

WHEREAS the New Jersey Department of Human Services (the "Department") has been duly designated to administer or supervise the administration of social service programs, as defined in the New Jersey State plans for social services; and

WHEREAS the Department desires that the Provider Agency deliver services and the Provider Agency has agreed to deliver services; and

WHEREAS the Department's policies establish that resources donated by a public donor in the form of cash or In-Kind Contributions (as defined below) may, under certain conditions, be used as match in the provision of social services; and

WHEREAS the Donor wishes to make a donation to support social services;

THEREFORE, the Provider Agency and the Donor agree to the following terms and conditions:

1. Definitions - For the purposes of this document, the following terms, when capitalized, shall have meanings as stated:
  - A. Donated Resources means the total donation made by the Donor as match. Donated Resources may include cash donations and/or In-Kind Contributions.
  - B. In-Kind Contributions means property or services (except the services of volunteers) which benefit the contract program and which are contributed by a public entity without charge to the Provider Agency. Included as In-Kind Contributions are public contributions formerly designated as CCE (Certified Cash Expenditures). All In-Kind Contributions under this agreement are listed as Attachment 1 to this agreement.
2. Term - This Agreement shall begin on \_\_\_\_\_, 20\_\_ and shall terminate on \_\_\_\_\_, 20\_\_, barring any outstanding obligations to either party.
3. Donated Resources - The Donor agrees to provide Donated Resources in an amount totaling \$\_\_\_\_\_to the Provider Agency.

4. Provision of Donated Resources - During the term if this agreement, Donated Resources shall be contributed by the Donor to the Provider Agency as follows:

<u>Payment(s)</u>	<u>Date Due</u>	<u>Cash</u>	<u>In-Kind*</u>	<u>Total</u>
		_____	_____	_____
	TOTAL	=====	_____	_____

\*See Attachment 3A for In-Kind Contributions.

5. Administrative Control of Donated Resources - Except for the allowable Donor restrictions contained in paragraph 6 of this agreement, all Donated Resources contributed in cash to the Provider Agency under this agreement are donated on an unrestricted basis. This is to ensure that Donated Resources are under the administrative control of the Provider Agency. The Donor understands that if any portion of the donation is made as In-Kind Contributions, Attachment 1 to this agreement will be submitted with the agreement to vouch for the validity of these costs.
6. Donor's Restrictions - The Donor restricts the use of Donated Resources as follows:

Type of Service \_\_\_\_\_  
 Service Contract Title: \_\_\_\_\_  
 Service Contract #: \_\_\_\_\_

7. Provider Agency's Obligations - In consideration of the resources donated, the Provider Agency agrees to use the Donated Resources in accordance with the restrictions contained in paragraph 6 of this agreement. The Provider Agency represents that the opportunity to honor the Donor's restrictions in the provision of social services is available.

It is understood that the provision of services is subject to federal and State laws and administrative regulations and that services will be provided in a manner necessary to ensure compliance.

Upon request from the Donor, the Provider Agency shall make available to the Donor the annex(es) to the service contract specified in paragraph 6 of this agreement. In addition, upon request from the Donor, the Provider Agency shall make available to the Donor its reports to the State agency covering levels of service and program expenditures under the service contract. The Provider Agency shall not release confidential materials or information concerning persons served under the service contract.

8. Donor's Obligations - It is the Donor's obligation to provide the Donated Resources in the amount(s) and as scheduled in paragraph 4 of this agreement. The Donor understands that failure to meet the payment schedule in paragraph 4 of this agreement may result in the Provider Agency being unable to claim sufficient reimbursement to fund its social service program.

The Donor's obligation to provide the Donated Resources as specified in paragraph 4 of this agreement shall not be contingent upon the Donor's ability to produce sufficient In-Kind Contributions. The Donor agrees that if sufficient In-Kind Contributions are not available to meet its obligation to the Provider Agency, the balance of the donation will be paid in cash before this agreement terminates.

In cases in which In-Kind Contributions are made, the Donor agrees to submit to the Provider Agency monthly written reports attesting to the value of the In-Kind Contributions as they are applied to the social service program. The Donor understands that this report is required by the State agency as documentation of program expenses.

9. Donor's Representations - The Donor represents that the Donated Resources are not currently being used to match expenditures in another program.

In cases in which In-Kind Contributions are made, the Donor also represents that the value of the In-Kind Contributions listed on Attachment 1 to this agreement fairly represents their value to the social service program.

10. Indemnification - The Donor indemnifies and holds the Provider Agency harmless for any loss or disallowance of reimbursement that the Provider Agency may suffer due to the inaccuracy of any statement made in this agreement by the Donor.

11. Audit - The Donor agrees to cooperate in any audit of the source of the Donated Resources. An audit may be conducted by or on behalf of the Provider Agency, the Department, or the federal government.

The Donor understands that such an audit may include the sources of cash and/or In-Kind Contributions. The Donor further understands that it is responsible for maintaining sufficient documentation to support each kind of donation.

12. Entire Agreement - This document contains all the terms and conditions agreed to by the Provider and the Donor. Any amendment or modification of this agreement must be approved by the Department.

BY: \_\_\_\_\_  
Signature of Donor's  
Authorized Representative

BY: \_\_\_\_\_  
Signature of the Provider  
Agency's Authorized  
Representative

NAME: \_\_\_\_\_

NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

TITLE: \_\_\_\_\_

DONOR: \_\_\_\_\_

PROVIDER  
AGENCY: \_\_\_\_\_

DONOR  
ADDRESS: \_\_\_\_\_

PROVIDER  
ADDRESS: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

PHONE  
NUMBER: \_\_\_\_\_

PHONE  
NUMBER: \_\_\_\_\_

DATED: \_\_\_\_\_

DATED: \_\_\_\_\_

Donor Agreement # \_\_\_\_\_

ATTACHMENT 3A

IN-KIND CONTRIBUTIONS

List the total In-Kind Contributions applicable to each Contract budget category. A detailed description of the In-Kind Contribution for each budget category is to be attached.

A. Personal Services \_\_\_\_\_

B. Consultants and Professional Fees \_\_\_\_\_

C. Materials and Supplies \_\_\_\_\_

D. Facility Costs \_\_\_\_\_

E. Specific Assistance to Clients \_\_\_\_\_

F. Other \_\_\_\_\_

TOTAL IN-KIND CONTRIBUTIONS \$ \_\_\_\_\_

PRIVATE DONOR AGREEMENT

AGREEMENT between \_\_\_\_\_  
\_\_\_\_\_ (the "Provider Agency") and \_\_\_\_\_  
\_\_\_\_\_ (the "Donor").

WHEREAS the New Jersey Department of Human Services (the "Department") has been duly designated to administer or supervise the administration of social service programs, as defined in the New Jersey State plans for social services; and

WHEREAS the Department desires that the Provider Agency deliver services and the Provider Agency has agreed to deliver services; and

WHEREAS the Department's policies establish that resources donated from private sources may, under certain conditions, be used as match in the provision of social services; and

WHEREAS the Donor wishes to make a cash donation to support social services;

THEREFORE, the Provider Agency and the Donor agrees to the following terms and conditions:

1. Term - This agreement shall begin on \_\_\_\_\_, 20\_\_\_\_ and shall terminate on \_\_\_\_\_, 20\_\_\_\_, barring any outstanding obligations of either party.
2. Donation - During the term of this agreement the Donor agrees to make a total cash donation of \$\_\_\_\_\_ ("Donated Resources") to the Provider Agency.
3. Payment of Donated Resources - During the term of this agreement, Donated Resources shall be contributed to the Provider Agency as follows:

<u>PAYMENT(S)</u>	<u>DATE DUE</u>	<u>AMOUNT</u>
		_____
		_____
	TOTAL	_____
		_____

4. Administrative Control of Donated Resources - Except for the allowable Donor restrictions contained in paragraph 5 of this agreement, all Donated Resources contributed to the Provider Agency under this agreement are donated on an unrestricted basis. This is to ensure that Donated Resources are under the administrative control of the Provider Agency.

5. Donor's Restrictions - The Donor restricts the use of Donated Resources as follows:

Type of Service: \_\_\_\_\_  
Service Contract Title: \_\_\_\_\_  
Service Contract #: \_\_\_\_\_

6. Provider Agency's Obligations - In consideration of the resources donated, the Provider Agency agrees to use the Donated Resources in accordance with the restrictions contained in paragraph 5 of this agreement. The Provider Agency represents that the opportunity to honor the Donor's restrictions in the provision of social services is available.

It is understood that the provision of services is subject to federal and State laws and administrative regulations and that services will be provided in a manner necessary to ensure compliance.

Upon request from the Donor, the Provider Agency shall make available to the Donor the Annex(es) of the service contract specified in paragraph 5 of this agreement. In addition, upon request from the Donor, the Provider Agency shall make available to the Donor its reports to the State agency covering levels of service and program expenditures under the service contract. The Provider Agency shall not release confidential materials or information concerning persons served under the service contract.

7. Donor's Obligation - It is the Donor's obligation to provide the Donated Resources in the amount(s) and as scheduled in paragraph 3 of this agreement. The Donor understands that failure to meet the payment schedule in paragraph 3 of this agreement may result in the Provider Agency being unable to claim sufficient reimbursement to fund its social service program.

- 8. Indemnification - The Donor indemnifies and holds the Provider Agency harmless for any loss or disallowance of reimbursement that the Provider Agency may suffer due to the inaccuracy of any statement made in this agreement by the Donor.
- 9. Audit - The Donor agrees to cooperate in any audit of the source of the Donated Resources. An audit may be conducted by or on behalf of the Provider Agency, the Department, or the federal government. The Donor understands that it is its responsibility to maintain sufficient documentation to support the Donated Resources.
- 10. Entire Agreement - This document contains all the terms and conditions agreed to by the Provider Agency and the Donor. Any amendment or modification of this agreement must be approved by the Department.

BY: \_\_\_\_\_  
Signature of Donor's Authorized Representative

BY: \_\_\_\_\_  
Signature of Provider Agency's Authorized Representative

NAME: \_\_\_\_\_

NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

TITLE: \_\_\_\_\_

DONOR: \_\_\_\_\_

PROVIDER AGENCY: \_\_\_\_\_

DONOR ADDRESS: \_\_\_\_\_  
\_\_\_\_\_

PROVIDER AGENCY ADDRESS: \_\_\_\_\_  
\_\_\_\_\_

PHONE NUMBER: \_\_\_\_\_

PHONE NUMBER: \_\_\_\_\_

DATED: \_\_\_\_\_

DATED: \_\_\_\_\_

DONOR AGREEMENT # \_\_\_\_\_