Department for the Aging

MATCHING FUNDS

For certain contracted Programs, a provider funding match is required. This match is stipulated within the given contractual agreement. The below is to be used as a guideline for crafting a proposal and budget, specific to the Naturally Occurring Retirement Communities (NORC) Request for Proposals.

1. MATCH REQUIREMENTS

Contractors are required to provide annual matching funds of at least 50 percent (50%) of the amount of NYC Aging annual Total Contract Value (TCV) for NORC Programs. At least half of the total matching funds required (or 25% of the TCV) must be contributed by the housing development governing body or other owners or managers and residents of the NORC apartment buildings and housing complexes. The following is an example of the match required, and from what source, based on a NYC Aging-funded NORC contract for $300,000 annually:

Total Annual Contract Value	**$300,000**
50% Total Match	**$150,000**
25% Housing Match (or 50% of total match)	$75,000
25% All other allowable match sources (or 50% of total match)	$75,000
Total Program Operating Costs	**$450,000**

A) TYPES OF MATCHING FUNDS

Matching funds can come from a variety of sources, including NORC partners, private foundations and individual donations. These contributions can be in the form of cash or in-kind contributions. If a NORC program receives cash contributions, those are classified as cash matching funds. Cash match counts toward the match requirement when expended, not when donated to or generated by the program. If a service provider or other party provides space, goods, equipment or services to a program, these non-cash contributions can be considered in-kind match. In-kind match is counted for the period when the services are provided or when the donated goods are received and used. In-kind goods and services must meet all of the following criteria to be eligible for use as matching funds:

1) They must be reasonable and necessary to meet NORC program objectives;
2) They must be allowable costs (i.e., costs that would be reimbursable with NYC Aging funds if the contractor were to pay for them);
3) They must be applicable to the program period to which they are applied;
4) They cannot be used to match other funds; and
5) (As applicable) In-kind matches must be for services that are directly provided to NORC clients or goods/equipment that the program would otherwise have had to purchase to implement the program objectives.

Please note: all matching funds must be specifically designated for and applied to the NYC Aging-funded NORC program during the period of the contract. Expenditures or in-kind contributions for services, projects or activities not included in the contract are generally not allowed as matches unless NYC Aging grants an exception upon a written request from the Contractor.

(1) PUBLIC FUNDS

Public funds received from a public entity such as the Federal or State government may be used as a source of match **only if the funds:**

- Were provided to the Contractor to be used specifically to meet the contractual funding match requirement; or
- Funding provided to the Contractor for a specifically designated purpose (e.g., funding for the provision of NORC and/or NORC-like services) is **not** eligible for satisfying the matching funds requirement. Local Funds, such as City Council Discretionary Funds, are allowed to be utilized as a funding match source as long as the Council's Purpose of Funds mirrors the scope of services set forth in the contractual agreement.

(2) IN-KIND

In-kind contributions must be documented and verifiable. Records must be maintained by the Contractor to support the estimated value of the in-kind contributions.

(A) IN-KIND **SERVICES**

If another organization is providing the NORC program with an employee's services at no cost, then the individual's time is an in-kind donation, and should be valued at their regular rate of pay, provided that the work they are contributing is similar to their normal line of work. Fringe benefits may also be included.

Consultants and other individuals may provide their services to a program free of charge or at a reduced rate. The difference between this reduced rate and the amount normally charged by the individual may be used as an in-kind donation. The program should have a written agreement with the individual that documents the reduction, and documentation of services provided must be maintained.

The value of unpaid services provided by individuals (e.g., volunteer or intern services) can be used to meet the fund matching requirements, including the provision of professional or technical services. As with all matching funds, in order to be allowable, the services provided must be necessary to meet program objectives. The value of these services must be consistent with those paid for similar services in the Contractor's organization, if applicable; otherwise, a rate of pay for those providing similar work in that geographical area should be used. A reasonable amount of fringe benefits may also be included in the valuation. In-kind services through volunteers and/or interns cannot exceed fifty percent (50%) of total fund matching required. For example, if a program is providing $50,000 in matching funds, in-kind contributions derived from volunteers and/or interns cannot exceed $25,000.

All in-kind services must be reflected in the matching funds section of the budget as well as the Subcontractors/Consultants category of the budget.

(B) IN-KIND **GOODS**

The program should value third-party donations of goods at the current fair market value of the goods. All in-kind donation of goods must be reflected in the matching funds section of the budget as well as the appropriate OTPS category of the budget.

(I) IN-KIND EQUIPMENT

Equipment donated for use in an NYC Aging-funded NORC program (e.g., medical equipment, video production equipment) is defined as having a fair-market value greater than $5,000 and a useful life longer than a year. Equipment donated for use in the program must not exceed the fair market value of equipment of the same age and condition at the time of donation. Documentation for the equipment must include: a description of the equipment, reference the proposed use in the program, and the condition of the

equipment at time of receipt. Fair-market value at the time of the donation can be counted as an in-kind donation if prior approval is received from NYC Aging. If approval is not received, only depreciation can be counted toward the funding match. All in-kind equipment must be reflected in the matching funds section of the budget as well as the appropriate OTPS-Equipment category of the budget.

(II) IN-KIND SPACE

Donated space must 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. All in-kind space must be reflected in the matching funds section of the budget as well as the appropriate OTPS-Facility category of the budget.

B) MATCHING FUNDS FROM THE HOUSING ENTITY AND/OR OWNERS

At least fifty percent (50%) of the total matching funds required must be contributed by the housing development governing body or other owners, managers or residents of the apartment building and housing complex. Matching funds from housing entities, owners, or residents can be in the form of cash or in-kind donations of space, goods, equipment and/or services.

C) REQUIRED DOCUMENTATION AND REPORTING

All funding match contributions must be verifiable through the Contractor's records. This includes the source and application of cash matches, and in-kind donations of space, goods, services and/or equipment. Examples of acceptable written proof that a service has been provided or a donation has been received include receipts, daily or monthly timecards/timesheets, and invoices/proof of payment. Receipts should include a description of the item or service, an estimate of the current fair-market value of the item or service, the date the item or service was received, and signatures of the donor and the recipient.

In order to be eligible for funding match, contributions of in-kind services in excess of $1,000 that are provided by a NORC partner must be part of the NORC SSP Partner's Statement of Commitment and submitted to NYC Aging as part of the NORC SSP proposal. A Memorandum of Understanding (MOU) must be submitted to NYC Aging for match contributions of in-kind services by a service provider, valued in excess of $1,000. The Statement of Commitment and MOU must describe the specific services the entity is committing to provide to the NORC program, as well as details about how the value of the in-kind contribution was determined. A copy of the MOU must be provided to NYC Aging with the first invoice submitted for payment.

Matching funds may also be provided by subcontractors. If a subcontractor intends to provide services beyond the expected or agreed upon reimbursement, and the Contractor intends to use these additional services as an in-kind funding match, this commitment should be reflected in the subcontractor agreement; the subcontractor agreement must be submitted to NYC Aging for review and approval.

For cash matched, no additional documentation is required from the donor.

In-kind matching funds must be reported to NYC Aging when submitting invoices for payment. Contractors are required to provide information about the source and value of in-kind contributions, as well as a description of the donated goods and services. Allowable program expenses, whether paid for with cash matching funds or NYC Aging funds, must be submitted to the NYC Aging for reimbursement in accordance with the NORC invoicing procedure.

Accounting practices vary regarding the summarization and entry of the match into the Contractor's general ledger or books of entry. To ensure internal controls, cash matches must follow the same cash controls as other Contractor revenue. For example, cash matches might be maintained in the general ledger as a separate subaccount within the NYC Aging-funded NORC Program. This would provide a means of tracking the cash matches and related expenditures. Third party in-kind services or other in-kind donations might be tracked on a spreadsheet at the NORC office, and the information given to the Contractor's fiscal department on a monthly basis for

entry in the general ledger if required by accounting policies and procedures.

D) COST ALLOCATION

All contributions must be verifiable through the Contractor's records. A documented Cost Allocation Plan delineating the Contractor's procedure for allocating costs to specific NYC Aging and non-NYC Aging programs must be maintained and will be reviewed annually for accuracy. The Cost Allocation Plan must be produced to NYC Aging upon request, reflecting the methodology utilized for all contributions, whether from city, state, federal, or private funds.

E) DISALLOWANCE

Repayment to the City of New York may be required if, during an audit or other review by NYC Aging or an oversight agency, a cost is determined to be unallowable under NYC Aging's Fiscal Manual or the Terms and Conditions of the contract. A cost can be disallowed regardless of funding source. NYC Aging reserves the right to reduce the reimbursement or contract amount for unmet, unrealized and/or disallowed matches.

F) EXEMPTION/WAIVER OF HOUSING MATCHING FUNDS REQUIREMENTS

NYCHA housing developments and other government-funded housing developments that are restricted to low-income residents, and are thus exempt from the requirement to match funding. These entities should complete the NORC Housing Match Exemption Form upon submission of their contract proposals, and NYC Aging will exempt only the housing portion of the matching funds if an award is given. The remaining matching funds must still be fulfilled from other allowable sources.

Additionally, NORC programs may request that NYC Aging waive a portion of the matching funds required from the housing development governing body or other owners or managers and residents of the apartment buildings and housing complexes; however, the remaining matching funds requirement must still be met from other allowable sources. Waivers for total funding match requirement will not be considered.

In order to qualify for a waiver, programs must be able to document that the NORC meets the following criteria:

1. CONCURRENT NYSOFA NORC HOUSING MATCH

NORC housing entities providing matching funds or in-kind matches as part of its obligations under a NYSOFA NORC grant. NYC Aging would only grant a waiver for the period of its contract that overlaps with the period the housing match is supplied for the NYSOFA grant. If the NYSOFA grant expires and is renewed before the NYC Aging NORC contract term ends, then the NORC housing entity must request another waiver from NYC Aging for the balance of the contract term that coincides with the NYSOFA grant.

2. HOUSING HARDSHIP

A housing entity experiences unanticipated, acute financial hardship beyond its control, and is unable to provide some or all of its contractually required matching funds and/or in-kind services. NYC Aging would determine the appropriate duration of the waiver, and the housing entity would have to request an additional waiver if the hardship persists beyond the period specified by NYC Aging.

Programs that need to request a waiver of any part of the 50 percent (50%) housing development funding match requirement must complete and sign a NORC SSP Housing Match Requirement Waiver Request Form. The waiver must specify the basis for its waiver request and include any requested information and/or appropriate explanation as to why the services cannot be implemented or sustained without a waiver.