



6. OFS Matching Requirements for Valued and Non-Official Match/“Other In-kind” Contributions

6-A. Introduction

First Steps legislation requires that the Office of First Steps establish guidelines to ensure that counties meet their 15% matching requirement. The law also requires an *annual report*, completed by the fiscal manager, which will document the value of the match amounts for audit purposes. As a result, OFS has developed simple methods that will help you track, monitor and report your match. Please note that not all items are considered “official” match contributions and, therefore, do not count towards the 15% legislative match. For example, First Steps legislation does not allow partnerships to count items including goods, services, and salaries that are funded with state dollars as official match. This non-official match is not included in the audited fiscal system; however, OFS plans to capture this information on a separate annual report, to demonstrate local community support.

This chapter will help you further determine which items can and cannot be included as official match as well as how to report both non-official and official match. Section (a) will show you how to determine if an item is official or non-official match. Section (b) will cover the documentation of in-kind match; section (c) will cover the documentation of cash match, and section (d) will cover the documentation of non-official match/“other in-kind” contributions.

Note: For the purposes of this manual the terms non-official match and “other in-kind” contributions are used interchangeably.

The two types of contributions are as follows:

- **Valued Contributions:** *Direct cash, donated goods or donated professional services* that your program needs to operate its initiatives. These contributions must comply with OFS policies and procedures, be considered necessary and reasonable for the accomplishment of First Steps’ activities, be properly documented, and be entered into the accounting system. These contributions will be audited and, as a result, careful procedures for calculating and documenting these items must be followed. Guidelines are contained within this chapter.
- **“Other in-kind” Contributions:** *All other* contributions of time, services or goods that do not count toward your 15% match and are not included in the accounting system. Contributions that fit this category include items funded with state dollars, items that are not technically “essential” to the operation of your program, time spent on board meetings, and volunteer time. These contributions will not be audited but are considered valuable indicators of local community support and should be recorded outside of the accounting system. Procedures for collecting and reporting on these items can be found in Chapter 6d.

Remember, “valued” contributions are items you would have been required to purchase to operate your program. Even though these contributions are being donated, they must offset a real cost to you. Because they offset a real cost, they are treated as revenues and expenditures within the accounting system.



What questions do I ask when determining whether a contribution is “valued” or “other?”

1. Does appropriate documentation exist to withstand audit?
2. Is the contribution necessary and reasonable for the accomplishment of First Steps activities?
3. Would the cost be “allowable” if OFS state allocation dollars were used?
4. Is the contribution a direct cash donation or can a monetary value be placed upon it?
5. Does the contribution contain only non-state dollars?

If you can answer, “yes” to all these questions, then count the contribution as a “valued” contribution and follow the appropriate documentation procedures found in chapters 6a and 6b. If you answer ‘no’ to any one of the questions then count the contribution as an “other in-kind” contribution and follow the appropriate documentation procedures found in Chapter 6d. The chart below further highlights the components that apply to each type of contribution.

Components of Valued and “Other in-kind” Contributions

Components	Valued Cash and In-Kind Contributions	“Other In-Kind” Contributions and Volunteer Services
Contribution has valued worth	Yes	Yes
Contribution is funded with state dollars	No	Yes
Contribution is necessary and reasonable to accomplish First Steps’ activities	Yes	No
Contribution only serves to support or enhance the First Steps’ initiative	No	Yes
Contribution counts toward the 15% mandated match	Yes	No
Contribution is entered into the accounting system as cash, in-kind or private dollars	Yes	No
Contribution must comply with First Steps policies and procedures	Yes	Yes
Backup documentation is required	Yes	Yes
Professional volunteer service that can be valued	Yes	No
Board and Committee time spent conducting the business of the agency	No	Yes – Volunteer Services
Summary information can be generated to use for Board and other entities	Yes	Yes

The following chart will aid you in deciding which type of contribution is “valued,” which is “other,” and how to report them.



6-B. Counting and documenting IN-KIND contributions that meet your 15% matching requirement

The challenge in managing in-kind contributions lies in determining which items may be counted and which items may not. The information starting on page 5 of this chapter can help you decide how to make these decisions. Once you have determined that an item “counts” as a valued in-kind contribution, follow the steps below.

- Include the item on your budget spending plan (BSP) documents. Be sure in-kind items are entered in the “in-kind match” column and not the “cash match” column.
- Once an in-kind cost has been incurred, contractors will send the partnership an invoice for these items. Invoices should be sent no less frequently than monthly or quarterly. This will ensure that your partnership has time to make spending changes if a sub-contractor’s rate of spending is slower than expected.
- The Executive Director (ED) or his/her assistant should review the invoice to be sure it matches the BSP spending plan figures. More match is great, but less match than expected might require a call to the contractor to be sure they are still on target.
- Invoices must reflect detailed calculations of exactly how the total match amount was derived.
- The ED will then approve these items and submit them to the RFM for entry in the accounting system. A form will also accompany a copy of the invoices telling the RFM that this contribution may count toward the 15% match requirement.
- The ED must maintain a copy of the invoice and the authorization form.
- The ED will receive monthly expenditure reports from the RFM reflecting the status of the partnership’s match. The RFM will also maintain copies of contractor invoices that provide back up for the contribution during an audit.
- Contractors must maintain detailed back up on how the item was calculated. Remember that all contributions can be audited, so records must be maintained for a minimum of 3 years.
- The ED should conduct annual reviews of contractors to ensure that records are being maintained and calculations are correct.

Your 15% matching requirement will be calculated using reports that measure spending in funds 15, 20, 25 and 30 excluding fund 30 federal Temporary Assistance for Needy Families (TANF) formula allocation. The federal TANF funds within the fund 30 formula allocation from OFS do not count towards the 15% match requirement. This will be an accurate measure of your match each fiscal year because match is based upon ACTUAL spending between July 1st and June 30th of each year.



Counting and Documenting In-Kind Contributions – OFS policy

Section 59-152-130(A) of the enabling legislation requires an annual match of 15% by county partnerships. In-kind donated resources may be used towards the match. “Only in-kind donations as defined by the standard fiscal accountability system ... which meet the criteria established by the [First Steps Board of Trustees] and that are quantifiable may be applied to the in-kind match requirement. Expenses, including those paid ... [by] in-kind contributions, incurred by other nonstate entities participating in county partnerships may be included in determining matching funds.” § 59-152-130(A).

The enabling legislation also requires that the Office of First Steps “shall establish guidelines and reporting formats for county partnerships to document expenses to ensure they meet matching fund requirements. The office shall compile a report annually on the private ... in-kind contributions received by ... [county partnerships].” § 59-152-130(B).

This document details procedures for properly counting and documenting in-kind contributions to a county partnership. Any questions should be directed to the OFS at (803) 734-0479.

Counting In-Kind Contributions

In-kind contributions are donated goods and/or services that reduce the cash expenditures required for a First Steps county partnership’s programs and/or administrative operations.

In order to be counted as an in-kind contribution towards the county partnership’s match the contribution of goods or services must be considered necessary and reasonable for the accomplishment of First Steps’ activities. It is important to count all valid necessary in-kind contributions, but not non-essential items or hours. While many members in the community may volunteer their time or donate items, only the donated services or materials that must otherwise have been purchased to successfully operate a First Steps funded program will qualify as matching funds. Counting items unrelated to your operations will misrepresent the financial picture of your organization in the accounting system.

While you may choose to accept donations that are not necessary to your project or administration operations, these may not be counted as in-kind donations towards the match requirement. For example, should a county establish a family library resource center, the fair market value of all the books that a local bookstore may give to operate the library may be counted as an in-kind contribution. However, should local families drop off clothes that will be made available to families in need, the value of the clothes would not qualify as an in-kind contribution for purposes of determining the county’s “match” of funds. This is not to say that you should not accept these items; however, they should not be counted as an in-kind contribution in the accounting system.



Remember state-funded items may never count as in-kind contributions.

In general there are two types of in-kind contributions:

- ***In-kind contributions of services*** are those provided by an individual with specialized skills. In order to be counted as an in-kind contribution towards the match requirement, these services must be those that otherwise would have to be purchased in order to conduct First Steps funded programs. They are generally reported at the individual's billable rate.
- ***In-kind contributions of goods*** are gifts of supplies, equipment, or other assets. In order to be counted as an in-kind contribution towards the match requirement, these goods must be those that otherwise would have to be purchased in order to conduct First Steps funded programs. They are reported at fair-market value.

Documenting In-Kind Contributions

Correct documentation is a critical element of the in-kind policy. As discussed above, properly documented in-kind contributions may be counted towards a county partnership's match. A report by each county of in-kind contributions received is required annually by the enabling legislation. The calculation and proper documentation of all in-kind contributions will enable auditors to verify that all county partnerships have met their 15% match requirement where in-kind contributions are used to meet that match.

Below are discussed items you might consider as in-kind contributions to your county partnership, as well as assistance deciding when you can properly count items in-kind. Of course, this list is not exhaustive. Any questions in this area not answered below should be asked of your Technical Assistance Liaison or Rodney Jenkins.

Discussion of In-Kind Contributions of Services and Goods

A. Service/Personnel – salary and fringe

Someone wants to donate time to First Steps and you hope to count this time towards your match. To count a person's hours, you must answer "yes" to all of the following:

1. *Would I have otherwise hired someone using First Steps funds to carry out my project or operate the central administration of First Steps?*
2. *Is this person considered a "professional" (as defined in A.2. below) as relates to the type of service(s) s/he wishes to provide in-kind?*
3. *Can I obtain accurate calculations and documentation showing the fair market value of the services s/he is donating and the exact number of hours worked?*



1. *Would I have otherwise hired someone using First Steps funds to carry out my project or operate the central administration of First Steps?*

You may only count the costs for individuals who will provide services that the county partnership needs. Essentially, if that person did not volunteer his time, you would have hired someone to do the job. For example:

- If you need an **accountant** to do your annual audit and a board member finds an accountant to produce these reports for free, all of the related costs for this accountant would be counted as in-kind.
- If one of your contracts is paying for a **family literacy teacher** and a non-profit organization is paying for half of this person's time, you may count half of the teacher's costs as in-kind, provided that the family literacy teacher is using all of her time on the First Steps program.
- If you are funding a family education program at the local school during the evenings and the school pays the **custodian** to clean up after this event, you may count the custodian's exact time related to the First Steps event as an in-kind contribution at the custodian's hourly rate. However, this can only count if the person is funded with non-state funds.

2. *Is this person considered a "professional" as relates to the type of service(s) that s/he wishes to provide in-kind?*

Whether you may identify the services as an in-kind contribution towards your match depends entirely upon the person's professional status. A professional for the purposes of in-kind is not limited to lawyers, doctors and accountants. Instead, professional - in this case - means that the person is paid or licensed to perform this task "for a living." For those who are "professionals" at a particular task, you may claim the cost at the person's standard rate. For those who are not, you cannot count their services as an in-kind contribution. For example, a painter is a "professional" for in-kind purposes when claimed for hours painting but not for hours reading to children, just as a teacher is a "professional" for in-kind purposes when s/he is teaching, but not a professional when painting.

3. *Can I obtain accurate calculation and documentation showing the fair market value of the services s/he is donating and the exact number of hours worked?*

If your answers to questions 1 and 2 are "yes," you may count the individual's hourly rate or salary prorated to the donated time and the related fringe costs.¹ Fringe should only be added to the value of the person's salary when another agency or firm is donating an employee's time for which they are paying salaries plus benefits. You do not add fringe when a flat professional rate per hour is paid. For example:

- For an accountant who is not part of a firm and bills by the hour, you would count the person's hourly charge for the number of hours worked. So, if the person normally charges \$150/hour and

¹ "Fringe" is the cost of benefits that are normally incurred on top of the individual's base wages/salary.

they spent 10 hours completing your annual report, you could claim \$1,500 as an in-kind contribution. No additional fringe is added on in this example, as all costs are assumed to be included in the person's set hourly rate.

- For split positions, like the literacy teacher in the example above, you would divide the salary in half and add half of the related fringe costs (usually a percentage established by the employer based on actual cost). You would then adjust this based on the percentage of time the person engaged in First Steps work. For example, if this teacher works all year and her salary is \$35,000, you would take half of \$35,000 or \$17,500 and add fringe, which might be an additional 20% or \$3,500. The total would be \$21,000 in in-kind match.
- The custodian in the example above would be handled in the same fashion as the teacher above.

In properly documenting in-kind contributions, you must use the following guidelines:

- **Be certain you can show that this person's time was needed for the operation of one of your projects or administration.** See A1, above.
- **Be sure the person performs work for you as a "professional."** See A2, above.
- **For professional fees** counted as in-kind, use the individual's rate. See A3, above. In this situation, it is best to get a signed invoice or letter clearly stating the hours worked, and the rate per hour, at the person's market value, and that the rate is reasonable. The invoice/letter should indicate that the services were donated in-kind.
- **For salaried staff costs** that are counted as in-kind, you will need proof of the individual's salary and the percentage of time that the person is working on your project. The partnership and program contractor should agree on the individual's salary, related fringe costs, and the percentage of time the person will be designated to First Steps. Be certain that an invoice or letter explains this information, how the fringe rate was calculated and that it is reasonable, and that the services were donated in-kind. Also, be certain that this person maintains a time sheet to show, if required, that they did indeed work for First Steps for the period of time laid out in the agreement.

What services never count?

- Board members' time spent in meetings. This is not considered in-kind per standard accounting policies. However, if a board member who is a lawyer provides needed legal assistance in addition to standard board duties, this time may be counted following the procedures above.
- State funded items.
- Non-professional volunteer hours. See A2, above.
- Hours spent on fund-raising events.

- Time when you did not require the person's services as part of an approved operating cost. See A1, above.

B. Goods

1. Office/Program Space

Space is a common in-kind contribution. To determine the value for in-kind contribution purposes, you should determine the average cost/square foot per year for the particular donated area. To calculate this, identify how many square feet have been donated, and the corresponding value per square foot. Multiply the two and you have the value of the contribution. Some methods to use in determining the square foot value include:

- Contact a local or neighborhood real estate agent and have them write a letter indicating the value of the contribution based on local property rental rates.
- Collect real estate articles from the local newspaper showing the comparable real estate values in the area.
- Obtain a copy of the amount the building owner charges other tenants per square foot.
- Obtain a letter from the contributing agency that documents how it calculated the value of the space contributed.

Remember, generally if someone is contributing space for your program, you do not own the building. Therefore, you cannot count the value of the space at the selling value. For example, if a school district is providing an old building for a program, you cannot claim the property value of the building if they are not providing you the deed to the building. You are simply receiving free rent and you should determine and document that accordingly.

While it is unlikely, in some cases, you may be given ownership of real estate. If this occurs, contact OFS for details on how to proceed with documenting such an in-kind contribution.

2. Meeting Space

Space provided by local agencies, churches or schools generally should not be listed as an in-kind contribution if it is provided for free to other community groups. In order to document that use of meeting space as an in-kind contribution, you must document that the space is typically rented out for meetings and that the rental has been donated or discounted to First Steps. An invoice from the contributing company with the amount charged for room rental, date and time is the best documentation.

3. Food

Like any other allowable in-kind contribution, food can only be claimed as an in-kind contribution for match purposes when it is a project or administration necessity. For example, donated breakfast for children in an early morning child care program would probably qualify as an in-kind contribution. Meals may be counted as in-kind when they are provided at a meeting that occurs at mealtime only. For example, if you have your board meeting from 7 a.m. to 9 a.m., you could count bagels and coffee donated from the local bakery; however, if you meet at 8 p.m. and cookies are donated, the value of the cookies does not count.



To document food as an allowable in-kind contribution for meetings or programs, substantiate the cost, the time, and why the food was needed for the program or meeting. Documentation should also include the beginning/ending time of the meeting, location, the names/number of persons in attendance and purpose of the meeting.

For all food contributions, documentation should include receipts or invoices for all food items purchased or donated.

4. Equipment

If necessary equipment such as a fax machine, furniture, dental equipment, etc. is donated to enhance or support a project or administration, it can be counted as an in-kind contribution for match purposes. Include a copy of the manufacturer's price list, receipt, invoice or letter signed and dated by the donor to show the value. Remember that the value must be reasonable and the item must be needed to operate or administer the program.

5. Supplies

If necessary supplies such as paper, books, etc. are donated to enhance or support a project or administration, they can be counted as in-kind contributions for match purposes. For example, if a child care center receives a quality enhancement grant from First Steps to purchase books and then the center determines that it needs more bookshelves to hold the new books, then a donation of the bookshelf can be counted as in-kind. Include a copy of the manufacturer's price list, receipt, invoice or letter signed and dated by the donor to show the value.

6. Photocopies

Copies can be counted as an in-kind contribution for match purposes when they are necessary to operate a program or for administration. To document these items, maintain a log of the number of copies, general purpose and dates. If a significant number of copies are made (i.e., such as 10,000 copies) you will want to clearly explain the purpose for such a high number (i.e., to produce a brochure for First Steps families).

7. Utilities

Necessary utility costs such as electricity, phone services and maintenance are examples of allowable in-kind items for match purposes if they directly relate to the operation of a project or for administration. Ask the donor of utilities to document the value, attaching relevant utility bills as appropriate. If the person who owns the space rolls utility cost into the square foot price of rental for tenants, this should be counted as part of your space costs and should not be double counted.



IN-KIND DOCUMENTATION EXAMPLES:

In-kind match contribution must be identifiable, quantifiable and measurable. For audit purposes, accounting records should demonstrate that calculations used to quantify the in-kind match are reasonable and that the contribution was necessary for the operation of the program.

Below is a **BAD EXAMPLE** of in-kind match documentation:

Wonderland School District #4

“In-Kind Match \$20,000”

One problem with the example presented above is the type of expense(s) incurred is/are not identified. This could represent donated services, supplies, facilities, etc. Secondly, nothing is included to represent how the costs were calculated.

Below is a **GOOD EXAMPLE** of properly reported in-kind match expenditures is as follows:

Wonderland School District #4

PERIOD: January 1, 20xx – March 31, 20xx:

Supervision of 4K Program – XYZ Elementary		
J. Doe (20% x \$3,000/mo = \$600.00) x 3 months	\$1,800.00	
Fringe benefits	\$ 442.68	
Mileage (300 miles x \$0.30)	\$ 90.00	
Supervision of 4K Program – DEF Elementary		
S. Roe (20% x \$3,200/mo = \$640.00) x 3 months	\$1,920.00	
Fringe benefits	\$ 475.19	
Mileage (500 miles x \$0.30)	\$ 150.00	
Classroom Materials – XYZ Elementary	\$1,120.17	
Classroom Materials – DEF Elementary	\$1,475.02	
TOTAL	<u>\$7,473.06</u>	

*This example clearly identifies program operations and the time period that the goods and services were provided/performed. It also identifies the types of contributions, i.e., donated services (supervision) and materials. The example is also quantitative and auditable because it denotes who the supervisors are, approximately how much of their time was devoted to the program, and their salaries and fringe benefit amounts. **This is the level of detail required on vendor invoices/statements to properly document in-kind contributions.***



In general, vendors should report in-kind match contributions in the same manner and the same level of detail as the expenses presented for cash reimbursements are reported. For those vendors who perform only contract services and generally do not provide expense details, they should submit a separate invoice or statement that clearly identifies the nature of the contribution with sufficient detail to demonstrate their calculation.

The responsibility for maintaining records supporting reported in-kind donations rests with your First Steps County Partnership, not with your vendors. Auditors cannot be expected to contact and visit your vendors in order to obtain sufficient documentation to substantiate your reported in-kind donation. Failure to maintain adequate documentation could result in audit exceptions/findings.

QUESTIONS TO ASK YOURSELF ABOUT VALUED IN-KIND CONTRIBUTIONS

There are numerous additional goods that you may count, when necessary and properly documented, as in-kind contributions towards your match. If you ask the following questions and can answer, “yes” to each of them, count the good as an in-kind contribution.

- *Do I need this item for the operation of my First Steps program or administration?*
- *Do I know the fair market value of this item?*
- *Can I prove the fair market value of this item?*
- *Would an objective person agree with this value?*
- *Is the item funded with non-state dollars?*

New vs. used items

How to correctly determine the value of a used item can be challenging. Remember that an auditor will expect you to have assigned a “fair market value” to each good donated in-kind. Used items can be harder to quantify.

For example, what is the value of a used fax machine for the central office? Some of the ways to determine a fair market value for a used item include:

- Contact a thrift store to determine the value.
- Obtain IRS guidelines for valuing donations.
- Find a classified advertisement in a local paper that is selling a similar item for a particular price.
- Obtain the donating company’s book value of the item.

Remember, your records should include, but not necessarily be limited to, listing the item donated, value, supporting material to explain the valuation, date of donation, purpose and explanation related to First Steps, as well as the signature of the donor.



Discounts

Discounts qualify as in-kind contributions for match purposes when necessary goods or services are received at a reduced price by a First Steps' project or for administration. To be valid, these items would have been purchased at the full market value if a discount were not offered. The discount must be shown as a special contribution to First Steps that is above and beyond the donor's usual business practices.

For example, a sale at Wal-Mart advertised in the paper is not a discount for First Steps "in-kind" match purposes. However, if the local store gives you a special discount, it would count. A special discount might be half-price office supplies that are necessary for the First Steps office, and that half-price discount would be counted as an in-kind contribution of goods.

To document discounts, identify the full market value and actual price paid. The discount is the difference between the full market rate and the actual rate paid. Backup documentation such as receipts, a letter from the donor, an invoice showing the market value and the discount or a combination of these items is sufficient. When using a letter or an invoice, the donor should write a note to the partnership stating s/he is "making the special discount available as an in-kind contribution in support of the excellent work First Step's does to....". This clarifies for auditors that the discount is related to the First Steps program.

A service example might include the accountant who completed the annual audit in the example above. If the service were offered for \$50 per hour at 10 hours instead of at the person's standard rate of \$150 per hour, then the discounted rate you could claim for match purposes would be \$100 per hour for a total in-kind of \$1,000.



6-C. Counting and documenting CASH contributions that meet your 15% matching requirement

To count a contribution as a cash match, you must receive an actual check or cash from a donor. Checks given to the partnership should be submitted to the fiscal manager for deposit within five business days to ensure interest is maximized. To comply with state law, cash contributions made to the partnership will be held in a separate interest-bearing account.

Your area's fiscal manager will deposit the check and enter the value of the check into the accounting system as revenue. S/he will generate a summary report as well as a report of all spending against your cash account for your receipt and review. S/he will also be relied upon to compile annual match data that OFS will use in an annual fiscal report. Remember only your county First Steps director can authorize expenditures from your cash account (with appropriate board approval).

Private cash donations from local or state-wide sources may be used to help fund your programs and/or complete capital improvement projects such as the renovation, refurbishing, and upgrading of existing facilities.



6-D. Counting and documenting “**OTHER IN-KIND**” contributions that do not meet the 15% matching requirement

There are three types of non-official match/“other in-kind” contributions that will be captured in the forms and reports discussed in this section. They are:

- Contributions funded with state dollars
- Volunteer hours
- Contributions that are “non-essential” or that you would not have purchased to run your program.

While these items do not count toward your official 15% match requirement, they highlight the tremendous community support that exists in your community. It is important for First Steps to track and report these contributions so that all program support is captured. Attached are the forms you will need to complete and maintain in order to document these valuable contributions that do not count toward the 15% matching requirement.

Any questions should be directed to the OFS Chief Finance Officer at (803) 734-0479.

What are “other in-kind” contributions?

These are contributions, volunteer services, and state-funded items that do not count toward the 15% legislatively mandated match and are not included in the accounting system. They include:

State-funded contributions never count as part of the 15% match per state law. However, these items may be critical to your program. For example, a school may provide a classroom for one of your programs. While this is “essential” to your program and you would have purchased this space were the school not providing it, if it is funded with state dollars it may not be counted.

Volunteer services include donations of unpaid time provided by individuals that enhance First Steps’ initiatives such as time spent conducting the business of the agency (i.e., board and committee meetings). They are not professional services and therefore cannot be counted as a valued contribution. Federal guidelines suggest that volunteer time can be fairly valued at a rate of \$14/hour when demonstrating community support.

“Other in-kind” contributions include donations of unpaid services provided by individuals or groups that enhance or support First Steps’ initiatives, but are not essential to the operation of the program.

What additional items are generally considered “other in-kind” contributions?

- Time community members spend planning fund-raising events
- Any contributions that lack appropriate documentation to count as a valued contribution

- Food/snacks that do not count as an in-kind contribution or that was donated during non-meal times

Why should I document “other in-kind” contributions and volunteer services that don’t count toward my county’s annual 15% match?

It is important to document all support for First Steps. Each fiscal year, many community members will donate non-essential services or hours that contribute to your First Steps’ initiatives. Without this support and the efforts of individuals in the community, First Steps could not operate successfully. Because this information will not be included in the accounting system, these contributions would otherwise go undocumented. Summarizing these “other in-kind” contributions provides an opportunity to recognize all contributors in the annual report, end of the year recognition dinners, letters, brochures, success stories, media responses, etc.

How do I document these items?

You will want to maintain a notebook in the partnership office to document “other in-kind” contributions and volunteer services. You may wish to assign one person at the partnership office to be solely responsible for collecting and monitoring this information. At the beginning of each new fiscal year, you may develop your notebook based on the types of contributions and volunteer services you expect to receive. It may be helpful to place section tabs in the notebook that allow you to file pieces of documentation (such as volunteer forms or invoices) as they arrive.

You will want to maintain your records by type of contribution and quarter. A list of suggested items to include in your “other in-kind” contribution notebook is as follows:

- Quarterly Summary of “Other In-Kind” Contributions and Volunteer Services
- Volunteer Services may include items such as
 - Time spent at Board Meetings
 - Sub-committee service and/or time
 - Individual Volunteers and Interns

What kind of documentation should I maintain?

You should maintain documentation for your “other in-kind” contributions in a manner that is similar to your “valued” contributions. Invoices, letters, signed volunteer sheets, and copies of newspaper articles or ads that show the fair market value of items can also be retained for these contributions. When documenting time as a contribution, you will need to maintain a record of each volunteer’s time as well as their signature confirming the activity. Details on this subject can be found in section I of this chapter.



How often should I update my documentation?

Documentation of contributions made to a county partnership should be maintained regularly and compiled quarterly. You may wish to ask your sub-contractors to complete the attached form detailing non-valued contributions made to operate their programs on a quarterly basis. Contracts should require vendors to comply with your reporting needs.

It will be important to meet with your contracted providers individually at the beginning of each new fiscal year to explain your reporting needs. A monitoring schedule of each provider should be established to follow-up.

I. Attached Forms and Report Format Instructions

Two forms are attached to help you document volunteers and the hours they contribute to First Steps. This information will be useful for both county and state-level summaries.

First Steps Volunteer Tracking Form

To document volunteer time, please see the attached First Steps Volunteer Tracking Form and follow the instructions below.

1. Each time a Board or committee meeting occurs or an individual donates time to First Steps in a non-professional capacity, distribute the First Steps Volunteer Tracking Form to be signed by all in attendance. The volunteer signature on this form is confirmation of the date, type, and number of hours committed to First Steps.
2. Partnership staff should complete the information at the top of the form: the date, the meeting start and end time, and purpose as well as the total number of volunteers and their total hours at the bottom of the form. For example, if 10 people attend a board meeting that lasts for two hours, then you have received a contribution of 20 hours. This would be a community support contribution worth \$280 based on the federal standard.
3. After the meeting, check the form to ensure that it has been completed accurately.
4. File the form in the appropriate section of the notebook.

Individual Summary Form

This form will help you document unduplicated hours for individual volunteers throughout the fiscal year. It will be helpful in maintaining an accurate count of a large number of volunteers and their hours. You can quickly transfer the information from the volunteer tracking form in order to obtain an unduplicated number of volunteers and donated hours for the fiscal year. The instructions for completing the form are on the following page.

- ~~2~~-1. List each volunteer separately on the form along with a description of the type of volunteer work they have performed.
- ~~3~~-2. List the number of volunteer hours contributed each month.
- ~~4~~-3. Each year you will receive a report from the Office of First Steps asking you to list all additional volunteers and contributions not listed in the accounting system.

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First Steps Reporting Form for Community Support

This form should be used to document and summarize “other in-kind” contributions and volunteer services showing Community Support of the county partnership or to a First Steps funded program.

1. Do not include any contributions that are listed in the accounting software on this form.
2. For in-kind contributions of community support to county partnerships and funded programs, read Chapter 6b to ensure that the contribution cannot be valued.
3. In-kind contributions are categorized as they relate to the county partnership and/or to a funded program.
4. Ensure that documentation such as invoices or letters exists for each contribution listed as “other in-kind.”
5. Specify the date the contribution was received, the contributor, the type of documentation that exists, and the estimated value if applicable.
6. For volunteers, use the summary or tracking forms to complete the form. List the individual or committee, the total number of volunteers and their hours, and the purpose of the volunteer time/activity.



MONTHLY COMMUNITY SUPPORT AND STATE AGENCY MATCH REPORT

The following monthly report allows your partnership to record match and community support that is NOT captured in the First Steps' accounting system. Please complete this form on a monthly basis and file it in your county office. Data from these reports will be included in your annual county report to show the legislature how much community support exists for First Steps.

COUNTY: _____

MONTH: _____

A. **BOARD/SUB-COMMITTEE MEETING TIME** – Time spent attending board meetings and sub-committee meetings. (Use board minutes, to be attached to the report, to support this item)

Meeting type	Duration of meeting (use fraction of hours for example 1.5 or 2.25 hours)	Number of members in attendance at the meeting	Total hours contributed (multiply hours by attendance)
Board Meeting			
Sub-Committee Meeting			
Totals			

B. **VOLUNTEER ACTIVITIES** – Time spent by volunteer in support of activities that are not counted as official match. (Use volunteer sign-in sheets, to be attached to the report, as back up)

Activity	Description of Activity	Total volunteer hours
1.		
2.		
3.		
4.		
5.		

This month's Volunteer Highlights (Please fill in if you have a particular item of note during the month that shows a special contribution to First Steps)



MONTHLY COMMUNITY SUPPORT AND STATE AGENCY MATCH REPORT

C. **STATE AGENCY COLLABORATION AND MATCH** – This area records contributions made by state agencies in support of First Steps that cannot be counted as match because the law prohibits counting state dollars as match. (Please ask your collaborating partners to represent these items in dollars)

State Agency	Describe the match provided	Value of the match in dollars	How this match is invaluable to First Steps programming