The purpose of this memorandum is to clarify the Federal requirements concerning the use of in-kind contributions or donated funds as the State and Local shares in matching Federal funds for JOBS.

Federal regulations specify that the match for the 50% and 60% Federal reimbursement must be in cash and not in-kind. The cash can be from both local public or private funds, but the following requirements must be met.

Public funds may be used as the non-Federal share when:

1. These funds are appropriated directly to the State or Local agency, or transferred from another public agency to the State or Local agency and are under its administrative control.

2. These funds are not used to match other Federal funds.

3. The funds are not Federal funds, or are Federal funds authorized by Federal law to be used to match other Federal funds.
Donated funds from private sources may be used as the non-Federal share when claiming Federal reimbursement when the funds are:

1. Transferred to the State or Local agency and are under its administrative control.

2. Donated without any restriction which would require their use for assisting a particular individual or at particular facilities or institutions.

3. Not revertible to the donor.

These rules need to be considered when entering any contracts for JOBS services at the local level.

Any questions concerning this memorandum should be directed to Irid Gordon --Upstate Office at 1-800-342-3715, extension 4-7549, or Marvin Gold--Metropolitan Office at (212) 804-1108.

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