The purpose of this letter is to inform you of recent developments which have resulted in the decision to delay the start-up of COPE (College Opportunity to Prepare for Employment) at this time.

In November 1992, 92 LCM-179 was released which solicited joint proposals from local social services districts and community and 2-year colleges to operate the COPE program. While COPE was to be somewhat different from PACE (Public Assistance Comprehensive Employment), it was feasible that colleges currently operating PACE could continue these services under COPE. The basic difference between PACE and COPE was that COPE could provide a wider variety of components, particularly additional 1-year certificate or 2-year degree programs specifically for ADC JOBS participants. In this way, the FTEs generated by this training could legitimately provide matching funds for federal IV-F JOBS funds. The additional federal funds would make it possible to also provide the support services such as counseling and case management which PACE typically provides.

Contrary to the instructions in the LCM to use FTEs (Full-Time Equivalents) as the match for JOBS funds, proposals were received by this Department which reflected the use of matching funds from a variety of other sources, such as TAP and county funds, in addition to the FTE. The Department's Legal Counsel has reviewed these sources and raised serious questions
regarding their legitimacy to act as matching funds for federal IV-F funds. Furthermore, the only FTEs that were identified as a local match were already included in the colleges' operating budgets, and did not represent new FTEs. This factor potentially violates the federal IV-F non-supplantation requirement.

For the above reasons, we believe it is not prudent to go forward at this time and risk federal disallowances. Instead, based on the advice of the Department's Counsel, we are requesting guidance from the U.S. Department of Health and Human Services regarding the appropriateness of colleges' funding sources as match for IV-F funds.

In lieu of a state-level approach to involving colleges in the local JOBS program through COPE, a local district may wish to develop a local agreement with their college for the provision of JOBS activities. In this way, the JOBS funds would flow from the local social services agency instead of from SUNY to the college. Furthermore, such a local agreement could make use of county tax levy dollars to the college as local matching funds, and require no additional expenditure at the local social service district level. Certain criteria must be met in formulating an agreement between the local IV-A agency (LSSD) and the college for the social services department to use the college's county funds as the local share.

A copy of a federal action transmittal (JOBS-FSA-AT-90-16) is attached which describes the requirements that must be met in such an agreement. Through such a local agreement, assuming the activities are eligible for 60% federal reimbursement, the federal JOBS funds would account for 60% of the cost of the program, the state share would account for 20% (one-half of the non-federal share) and the existing county tax levy funds available to the college might account for the remaining 20%.

If you have any questions regarding the information in this letter, please contact Elaine Inman at 1-800-342-4100, extension 4-9101 or (518) 474-9101.

Frank Puig
Deputy Commissioner
DIVISION OF SERVICES AND COMMUNITY DEVELOPMENT