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Local Commissioners Memorandum

Transmittal:	04-OCFS-LCM-08
To:	Local District Commissioners
Issuing Division/Office:	Strategic Planning and Policy Development
Date:	August 10, 2004
Subject:	Match Requirements and Other Relevant Requirements for the Education and Training Voucher Program
Contact Person(s):	See Below
Attachments:	n/a
Attachment Available On – Line:	n/a

I. Purpose

The purpose of this LCM is to provide guidance on the twenty percent (20%) local match that is required for the newly established Education and Training Voucher Program enacted as part of the Promoting Safe and Stable Families Amendments of 2001. This LCM will also provide guidance on other issues relevant to the administration of an Education and Training Voucher Program by a local social services district.

II. Background

The Promoting Safe and Stable Families Amendments of 2001, Public Law 107-133, were signed into law on January 17, 2002. Title II, Section 201 of the Amendments, entitled “Education and Training Vouchers for Youths Aging Out of Foster Care,” amends section 477 of Title IV-E of the Social Security Act, targeting additional resources specifically to meet the education and training needs of youth aging out of foster care. Under this program, eligible youth may receive up to \$5,000 per year in federal funds to attend a post-secondary education or vocational training program. The Education and Training Voucher Program funds are subject to a twenty percent (20%) local match requirement. For Federal Fiscal Year 2003-2004, \$3,471,874 is available to New York State for this purpose. These funds must be expended by the state by September 30, 2004; districts must make and claim expenditures by August 15, 2004.

For Federal Fiscal Year (FFY) 2003-2004, social services districts were required by November 28, 2003, to submit to the appropriate OCFS regional office the names of eligible participants for the Education and Training Voucher Program. Youth eligible for vouchers under this program, were foster care youth and former foster care youth who have not yet attained the age of 21 years who are eligible for services under the Chafee Foster Care Independence Program (CFCIP), and youth adopted from foster care after the age of 16. A youth participating in the Education and Training Voucher Program at the time he or she attains 21 years of age may remain eligible until the youth attains 23 years of age.

The priorities for selecting eligible participants for the Education and Training Voucher Program for FFY 2003-2004 were as follows: (1) Priority was given to youth who were 20 years of age and would be 21 by September 30, 2004, and who were enrolled in and attending a post-secondary education or vocational training program and making satisfactory progress toward completion of the program; (2) Second priority was given to youth who were 18 and 19 years of age and who were enrolled in and attending a post-secondary education and vocational training program and making satisfactory progress toward completion of the program; (3) Third priority was given to youth who were 18, 19, and 20 years of age who had been accepted and enrolled in a post-secondary or vocational training program but were not attending the program; and (4) Fourth priority was given to youth who were 17 years of age who were accepted and enrolled in a post-secondary or vocational training program.

Statewide, 915 eligible youth were identified by local social services districts. A total of 757 youth were awarded funds under the Education and Training Voucher Program. All students in Priorities 1 and 2 were awarded funds. Students in Priority 1 were awarded the amount of federal funds requested, up to \$5,000. Students in Priority 2 did receive over 90 percent but less than 100 percent of the amount of federal funds requested, up to \$5,000.

All Education and Training Voucher funds for Federal Fiscal Year 2003-2004 have been awarded to local social districts for selected participants. In the event that youth drop out of their educational programs, do not make satisfactory progress toward completion of their program, or otherwise become ineligible, social services districts may re-allocate any unspent Education and Training Voucher Program funds to other youth within their jurisdiction who meet the selection criteria for Priorities 1 and 2 as outlined in 03-OCFS-LCM-18. As these funds must be expended by the state by September 30, 2004, districts must make and claim expenditures by August 15, 2004.

III. Matching Contributions

Education and Training Voucher Program funds awarded to districts are subject to a 20 percent local match requirement. Matching contributions may be in cash or in-kind contributions of services, equipment, or property, and may originate with a third party. No federal funds may be used for the match. If a match is not provided or the match amount does not reach the 20 percent level, OCFS will recover a pro-rata amount of federal reimbursement from the district.

Social services districts are advised that the 20 percent match requirement is not eligible for state reimbursement. If a district is providing financial support for post-secondary education or vocational training, the district must continue the same level of financial support. This continued financial support

may be counted in the matching funds amount. The match amount is calculated on an overall district basis, not on an individual youth basis.

Guidelines for what donated funds are allowable as matching contributions for the required 20 percent local match are as follows:

1. The donated funds must be provided by a private entity. They may not be provided by another governmental entity.
2. The donated funds must not be directed for a specific student. Donations to a particular child are not allowable.
3. The donated funds must be in the direct administrative control of the local social services district.
4. The donor of the funds may specify a geographic area or program. However, the funds cannot be used to purchase services from the donor. Therefore, the donor cannot be a sponsor or operator of a program to provide such activities. It would not be allowable if the donor specified the entity to provide the services.
5. Third party in-kind contributions (scholarships) must be for furthering the purpose of the Education and Training Voucher Program. They would not be allowable if they were designated for a particular student.

The following examples are intended to illustrate ways in which funds and in-kind contributions (scholarships) may or may not be used for the 20 percent match for the Education and Training Voucher Program.

1. **Not Allowed:** Privately underwritten scholarships to individual youth from the educational institution that a youth is attending, in the form of a directed donation to the local social services district. This would not be allowable because:
 - The scholarship cannot be directed to a particular youth.
2. **Allowable:** A donation for the Education and Training Voucher Program generally given to the local department of social services. This would be allowable because:
 - The funds are for furthering the purpose of the program.
 - The funds are in the direct administrative control of the local social services district.
3. **Allowable:** Privately underwritten scholarships that benefit youth from the educational institution that a youth is attending, in the form of in-kind provision of services. The scholarships consist of a private educational institution making an in-kind contribution generally benefiting the social services district and the Education and Training Voucher

Program by forgoing part of the tuition of room and board costs, and thus essentially providing some Education and Training Voucher Program purposed education at no charge, in equal amount for all youth enrolled there under the Education and Training Voucher Program, or for youth selected by the local social services district. This is allowable because:

- The scholarships (in-kind contributions) are provided by a private entity.
 - The scholarships (in-kind contributions) are for furthering the purpose of the Education and Training Voucher Program.
 - The scholarships are not designated for a particular student.
 - The scholarships are in the direct administrative control of the local social services district.
4. **Not Allowed:** Publicly underwritten scholarships to individual youth from a public institution that a youth is attending, whether in the form of a directed donation or in-kind contribution. This is not allowable because:
- Funds must be provided by a private entity. Public in-kind scholarships are not allowable because they may have funds from a federal source.
 - The scholarships are designated for particular students.
 - The scholarships are not in the direct administrative control of the local social services district.
5. **Not Allowed:** Publicly or privately underwritten scholarship to a youth in the form of cash from an entity outside the educational institution. This is not allowable because:
- The donated funds must not be directed for a specific student. Donations to a particular child are not allowable.
6. **Not Allowed:** Public or privately underwritten scholarship to a youth in the form of a directed donation to the local social services district from an entity outside the educational institution. This might be, for example, in the form of cash or a computer. This is not allowable because:
- The scholarships must not be directed for a specific student. Donations to a particular child are not allowable.
 - The donated funds must be in the direct administrative control of the local social services district.
7. **Not Allowed:** Loans from public institutions for college tuition. These would not be allowable because:

- Loans are not considered a donation or an in-kind contribution since there is an expectation of repayment.
 - Funds may not be provided by another governmental entity.
8. **Not Allowed:** Earnings of an individual youth being used toward an Education and Training Voucher for that youth. This is not allowable because:
- A youth cannot contribute to his or her own Education and Training Voucher.
9. **Not Allowed:** Contribution from foster or adoptive parents for a voucher for their particular youth. This is not allowable because:
- Contributions must not be directed for a specific student. Donations to a particular child are not allowable.
10. **Not Allowed:** Youth-specific contributions of non-public funds by a voluntary child caring agency for vouchers for youth in their care. This is not allowable because:
- Contributions must not be directed for a specific student. Donations to a particular child are not allowable.
11. **Not Allowed:** A computer donated by a local merchant and given directly to a youth or specified for a particular youth would not be allowable because:
- Contributions must not be directed for a specific student. Donations to a particular child are not allowable.
12. **Allowable:** A computer donated by a local merchant to the local social services district for the Education and Training Voucher Program. This is allowable because:
- The donated computer is in the direct administrative control of the local social services district.
 - The donated computer furthers the purposes of the Education and Training Voucher Program.

IV. Eligible Expenditures

In addition to tuition costs, the Education and Training Voucher Program funds may be used for discretionary costs associated with attending a post-secondary educational or vocational training program. These costs may include, but are not limited to, the following: (1) academic support services such as mentoring, career assessment and counseling, tutorial services, remedial instruction, and examination preparation; (2) non-tuition costs such as books, computers, fees, clothing, and transportation costs; (3) room and board services during school and school breaks, including furnishings;

and (4) child care costs at reasonable cost for the community in which the youth resides, based upon the number and age of the children of the eligible youth, and for a period that includes, but is not limited to, class-time, study-time, field work, internships, and commuting time.

The funds may be used for eligible costs from November 1, 2003, through September 30, 2004. Local districts must determine how to administer the funds for selected participants in the program. A district may choose to pay the educational program directly for such costs as tuition, student fees, and rent. Funds for such costs as clothing, supplies, or food may go directly to the selected participant. Students should not be expected to advance personal funds for costs reimbursable under the Education and Training Voucher Program.

The amount of the Education and Training Voucher must be disregarded for purposes of determining the recipient's eligibility for, or the amount of, any other federal or federally supported assistance, except that the total amount of educational assistance to a youth must not exceed the total cost of attendance, as defined in section 472 of the Higher Education Act of 1965. The total cost of attendance includes tuition and fees, books, supplies, transportation, miscellaneous personal expenses including the rental or purchase of a personal computer, room and board, and child care under certain circumstances.

Local social services districts must require that the total amount of educational assistance provided to a youth under the Education and Training Voucher Program, exclusive of the match amount, does not exceed the lesser of \$5,000 in federal funds per year or the total cost of attendance and avoids duplication of benefits under this and any other federal or federally assisted benefit program.

V. Claiming Procedures

Social services districts must make and report expenditures by August 15, 2004, for the Education and Training Voucher Program funds awarded to the district for selected participants. Only claims received by August 15, 2004, will be applied against FFY 2003-2004 Education and Training Voucher Program funds. Unclaimed award amounts will be redistributed to other eligible youth.

Program costs are reported on an LDSS-3922 (Revision date 12/00), Reimbursement Claim for Special Projects, with "ETV 2002-2003" indicated in the project name box. Purchase of service costs should be reported in the LDSS-3922, Client Related Cash section, columns 1 and 3 Non-Administrative. Contracts or Memoranda of Understanding (MOU) with private or public entities can be constructed to provide post-secondary education and training assistance using funds from this award. An acceptable method of cost allocation and other sources of funding will be necessary if the contract includes services for other purposes or populations. Social services districts must be careful not to duplicate other client-specific funding with these funds. Expenditures may begin any time after the district awards are published and must be claimed by August 15, 2004.

The costs of this program are reimbursed at 80 percent federal share up to the limit of the district's award. Costs in excess of the award are not eligible for state reimbursement, but the required 20 percent local match should be listed on the local share line of the LDSS-3922. When payments from these funds are made, districts receive a claims listing showing claims, awards and payments made.

Instructions for claiming program expenditures can be found in the Fiscal Reference Manual, Volume 2, Chapter 3.

The local district must sign the LDSS-3922 certification and submit the LDSS-3922 claim to:

Bureau of Financial Services
Office of Temporary and Disability Assistance
40 North Pearl Street, Claims Unit, 14th Floor, Section A
Albany, New York 12243

VI. Record Requirements

Social services districts must document a youth's eligibility for the Education and Training Voucher Program in accordance with federal and state requirements. Social services districts must document that a youth participating in the voucher program is making satisfactory progress toward completion of the educational or vocational program.

Social services districts are advised that any funding made available under the Education and Training Voucher Program will require districts to maintain a record of all expenditures over \$100 for each youth participating in the Education and Training Voucher Program. Receipts will be required to be maintained for any expenditures over \$250. This information is intended to provide guidance to social services districts for documenting Education and Training Voucher Program expenditures for Federal Fiscal Year 2003-2004.

A social services district must comply with all applicable Uniform Case Record (UCR) requirements. Participation of all eligible youth in the Education and Training Voucher program shall be documented under the case recording requirements of 18 NYCRR 430.12(4)(ii).

A social services district must retain all records related to the Education and Training Voucher Program for a period of three (3) years (i) from the date of the end of the federal fiscal year for which the funds are granted (September 30, 2004, is the end of the federal fiscal year for which these funds are provided) or, (ii) for records concerning an individual youth, from the date of the last activity covered by the youth's voucher, whichever is later. Any extension of time to expend funds for a particular federal fiscal year shall extend the period for retention of records.

VII. Reporting Requirements

A social services district is required by September 30, 2004 to submit to its OCFS regional office actual expenditures over \$100 and any updated information for each selected participant in the Education and Training Voucher Program. Social services districts are advised to provide this information on the excel spreadsheet that they received from their OCFS regional office identifying the selected participants in the district, the priority, the anticipated use of funds, and the amount of the federal award. For each selected participant, districts must enter the actual dollar amounts, over \$100, spent on academic support services, non-tuition costs, room and board and child care.

VIII. Reallocation of Unspent Funds

Social services districts are advised that only claims received by August 15, 2004, will be applied against the FFY 2003-2004 funds awarded to districts for the Education and Training Voucher Program. Claims for expenditures on behalf of youth selected under priorities 1 and 2 that are received after August 15, 2004, will not be reimbursed to the district. Any such unreimbursed late claims shall be the responsibility of the district. The district shall not seek to recoup such unreimbursed claims from the youth.

Any unclaimed award amounts will be re-distributed to eligible youth. Social services districts are advised that they are permitted to re-allocate any unspent Education and Training Voucher Program funds designated to youth in their district to other youth within their jurisdiction who meet the selection criteria for Priorities 1 and 2 as outlined in 03-OCFS-LCM-18. Youth in Priority 1 may receive the total amount of federal funds requested, up to \$5,000, to the extent that the county has these funds to re-allocate. When re-allocating funds to youth in Priority 2, the youth must only receive 90 percent of the amount requested, to the extent re-allocated funds are available in the county. Districts must inform their OCFS regional office of any un-spent Education and Training Voucher Program awards that the district will not be able to re-allocate, as these funds become available. These funds will be re-allocated to other youth in other local districts.

IX. Contact Information

Questions pertaining to the Education and Training Voucher Program should be directed to the appropriate regional office, Division of Development and Prevention Services:

BRO – Linda Brown (716) 847-3145
User ID: Linda.Brown@dfa.state.ny.us
RRO – Linda Kurtz (585) 238-8201
User ID: Linda.Kurtz@dfa.state.ny.us
SRO – Jack Klump (315) 423-1200
User ID: Jack.Klump@dfa.state.ny.us
ARO – Glenn Humphreys (518) 486-7078
User ID: Glenn.Humphreys@dfa.state.ny.us
YRO – Pat Sheehy (914) 377-2080
User ID: Patricia.Sheehy@dfa.state.ny.us
NYCRO -- Fred Levitan (212) 383-1788
User ID: Fred.Levitan@dfa.state.ny.us

Questions pertaining to claiming may be directed to the Office of Temporary and Disability Assistance, Bureau of Financial Services:

Marian Borenstein, Region VI - New York City, 212-961-8250
User ID: Marian.Borenstein@dfa.state.ny.us

Michael Borenstein, Region V, 631-854-9704,
User ID: Michael.Borenstein@dfa.state.ny.us

Virginia Scala, Regions I-IV – Upstate Office, 1-800-343-8859, extension 4-7549, or 518-474-7549
User ID: Virginia.Scala@dfa.state.ny.us

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