

**New York State Office for the Aging
Policy for Matching Funds Requirements for the
Naturally Occurring Retirement Community (NORC) Program**

Match Requirements

As specified in §209 of the NYS Elder Law, contractors are required to provide matching funds of at least twenty-five percent (25%) of the amount of state funding that is awarded. For Classic NORCs, at least fifty percent (50%) of the total matching funds required must be contributed by the housing development governing body or other owners or managers and residents of the apartment buildings and housing complexes. For Neighborhood NORCs, at least fifty percent (50%) of the total matching funds required must be contributed by community organizations located in or the residents of the geographical area in which the project is located. The following is an example of the match required, and from what source, based on a state funding award of \$150,000:

	Total State Funds	\$150,000
	25% Total Match	\$37,500
50% Housing/Community Match (of 25% total match)		\$18,750
50% All other allowable match sources (of 25% total match)		\$18,750

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 services. If a NORC program receives cash contributions, those are classified as cash matching funds. If a service provider or other party provides services to a program, these non-cash contributions can be considered in-kind match. In-kind services must meet all of the following criteria to be used 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 state 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) They must be services that are directly provided to NORC clients.

Please note: all matching funds must be specifically designated for and applied to the state funded NORC program. Expenditures or in-kind contributions for peripheral projects or activities are not allowable as match.

Public funds, which includes any funding received from a public entity such as the federal, state, or local government, may be used as a source of match only if the funds:

- Were not provided to the Contractor for a designated purpose (this includes, but is not limited to, funding designated to the Contractor for the purpose of providing NORC and/or NORC-like services as well as funding designated to the Contractor for a

specific service such as transportation or case management. For example, if a Contractor receives funding from their local government to operate a NORC program and has contractual obligations to perform in order to receive that funding, these funds would not be able to be used as match;

- Were provided to the Contractor to be used specifically to meet the match requirement of this contract; or
- Were provided to the Contractor to be used as needed.

Valuation of In-Kind Contributions

Allowable in-kind matching funds are **limited to direct service provision**. Third party donations of goods or space cannot be used as matching funds under the NORC program. In-kind contributions must be documented and verifiable. Records must be maintained by the Contractor to support the value placed on in-kind contributions. If another organization is providing the NORC program with an employee's services at no cost, then the individual's time that is donated, 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.

The value of unpaid services provided by individuals (i.e., volunteer or intern services) can be used to meet the minimum matching funds 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 valuation 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 matching funds 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.

Matching Funds from the Housing Entity and/or Owners

For Classic NORCs, at least fifty percent (50%) of the total matching funds required must be contributed by the housing development governing body or other owners or managers and residents of the apartment buildings and housing complexes. For Neighborhood NORCs, at least fifty percent (50%) of the total matching funds required must be contributed by community organizations located in or the residents of the geographical area in which the project is located. This can include dues and fees for service as well as contributions from residents and housing entities. Matching funds from housing entities, owners, residents, or the geographically defined community can be in the form of cash or in-kind services.

Required Documentation and Reporting

For contributions of in-kind services in excess of \$1,000 that are provided by another partner or service provider that are used as matching funds, a Memorandum of Understanding (MOU) must be submitted to NYSOFA. The MOU must describe the specific services this partner is committing to provide to the NORC program and provide details about how the value of the in-kind contribution was determined. A copy of the MOU must be provided to NYSOFA with the first claim that is 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 a source of in-kind match, then this should be reflected in the subcontractor agreement and this agreement must be submitted to NYSOFA.

For cash match, no additional documentation is required from the contributing party unless the source of the cash match is public funds. For any public funds cash match, documentation (e.g. an award letter) that indicates the source of the public funds (e.g. City Council Discretionary Funds) and the purpose of the funds must be submitted to NYSOFA annually with the application documents.

In-kind matching funds must be reported to NYSOFA when submitting claims for payment. Contractors are required to provide information about the source and value of in-kind contributions as well as a description of the services contributed.

The claiming and reporting requirements are the same for matching funds as state grant funds. Allowable program expenses, whether paid for with cash matching funds or state funds, must be submitted to NYSOFA for reimbursement in accordance with the NORC vouchering procedure.

Waiver of Housing or Community Matching Funds Requirements

NORC programs may request that NYSOFA waive part of the matching funds required by the housing development governing body or other owners or managers and residents of the apartment buildings and housing complexes, or geographically defined area in which the project is located; however, the total matching funds requirement must still be met from other allowable sources. Waivers for the total match requirement will not be considered. In order to qualify for a waiver, programs must be able to document that the area served by the NORC meets the criteria for a low income or hardship community. For these purposes, low income and hardship communities are defined as:

Low income community - A community where the annual income for the majority of residents is fifty percent or less than the median family income (MFI). These are the "Very Low" income limits provided by the US Department of Housing and Urban Development, which are derived from census data. The income limits for your program (county/state) can be obtained at: www.huduser.org; select Income Limits Data.

Hardship community - A community that does not qualify as low income as defined above, but due to other factors, such as the frailty or isolation of the residents, or a lack of funding available for supportive services, these residents are disadvantaged.

Programs that need to request a waiver of any part of the fifty percent housing development or community matching requirement must complete and sign a Request for Waiver of Housing or Community Matching Requirements. The waiver must specify whether the program is requesting a waiver on the basis of either low income or hardship conditions and include an appropriate explanation as to why this project cannot be implemented or sustained without a waiver.