

PURCHASE OF SERVICES CASH & IN-KIND CONTRIBUTIONS

GENERAL GUIDELINES

1. State legislation requires that Smart Start raise 19% of its annual state appropriation in matching cash and in-kind contributions. Smart Start of Mecklenburg County, in turn, requires each contractor to provide a match and is part of their contract agreement (Section 15 L).
2. Cash contributions reported by the contractor must be expended between July 1 and June 30 of the fiscal year in which they are received. In-kind gifts to the contractor must be received between July 1 and June 30 of the fiscal year.
3. To qualify as a cash or in-kind contribution, the contribution must meet the following requirements:
 - a. Contributions may not be funded with state dollars.
 - b. **The value of each in-kind contribution must be reasonable and supported with appropriate and verifiable documentation.**
 - c. The contribution must be a direct result of the Smart Start funded program. If the contribution was not generated as a result of the Smart Start activity and is just a general contribution to the organization or to another non-Smart Start activity, it should not be reported as a contribution to Smart Start. That is, a contribution that a contractor receives should not be reported as a contribution unless it will be used directly for the Smart Start activity.
 - d. The contribution must be made to initiate or expand a Smart Start activity. If Smart Start funds are used to expand an activity rather than initiate a new one, only contributions that support the expansion effort may be counted.
 - e. The contribution must be necessary and reasonable for the proper and efficient accomplishment of the program goals. The activity descriptions and budget in contract must be reviewed to ensure the contribution supports accomplishment of program goals.

PROCEDURES

1. On the 10th of the month following each quarter, the contractor will provide a report and documentation of cash and in-kind contributions to their Smart Start activities during the reporting period.
2. Smart Start staff reviews the report and documentation, determines what is allowed for the match and reports it to the electronic reporting system by the NCPC established due dates.