

**WISCONSIN DEPARTMENT OF HEALTH SERVICES**  
**Division of Health Care Access and Accountability**  
**1 W. Wilson St.**  
**Madison WI 53703**

---

To: FoodShare Wisconsin Employment and Training (FSET) Handbook Users

From: Rich Albertoni, Bureau Director  
Bureau of Enrollment Policy and Systems

Re: **FSET Handbook Release 11-02**

Release Date: 04/28/11

Effective Date: 04/28/11

**EFFECTIVE DATE**

The following policy additions or changes are effective 04/28/11, unless otherwise noted. **Yellow Highlighted** text denotes new text. Text with a strike through it in the old policy section denotes deleted text.

**POLICY UPDATES**

**2 FSET Funding > 2.1  
General Funding Rules**

This subsection is new. Subsequent subsections were renumbered.

**New Text:**

County and tribal governments may choose to utilize funding to administer the FSET program in-house or may elect to subcontract with an employment and training agency to provide some or all FSET services.

FSET funding is categorized by purpose and function.

1. 100% Federal funding, otherwise known as Supplemental funding, is designated for administrative costs associated with service provision.
2. 50/50 Match funding is designated for administrative costs that go above and beyond what is funded with 100% Federal funding and for participant support costs. Contingent on the availability of funds, federal dollars are used to reimburse 50% of the total costs incurred by an agency. 50/50 Match may include funding from the following sources if certain criteria are met:
  - a. **GPR (State funding) matched with federal funds**
  - b. **Local agency funding matched with federal funds. Local funds typically consist of city or county tax levy or charitable donations.**
  - c. **The value of In-kind goods or services provided to or by a governmental agency, matched with federal funds. Only public agencies may claim in-kind expenses,**

Regardless of funding source all allowable costs funded with FSET dollars must be federally approved as reasonable and necessary.

**Reasonable Costs:**

- A cost is reasonable if its nature and amount does not exceed that which a prudent person would pay under similar circumstances.
- Provides a program benefit generally commensurate with the cost incurred,
- Are in proportion to other program costs for the function that the costs serve, and
- Are within the scope of FSET.

**Necessary Costs:**

- Are incurred to carry out essential functions of FSET,

- Cannot be avoided without adversely affecting program operations,
- Are a priority expenditure relative to other demands on availability of administrative resources, and
- Do not duplicate existing efforts. FSET funding must not be used to cover costs of goods or services that are available for free elsewhere.

**2 FSET Funding > 2.2  
Federal 100 Percent  
Allocation**

**Old Text:**

Funds are to be used by the FSET Agency for the purpose of providing employment and training services which have been designed to assist FSET participants obtain unsubsidized employment. Supplemental funding may be used for expenses related to the development, administration and/or contracting for allowable services. Supplemental funding cannot be used to reimburse participant expenses.

**Note:** A provision of the 2008 USDA Farm Bill does not allow State agencies to carry over any unused 100 percent FSET funding to the next calendar year.

**New Text:**

**Note:** Federal regulation does not allow State agencies to carry over any unused 100 percent FSET funding to the next calendar year.

Allowable administrative costs may include the following:

- Salaries and benefits of personnel involved in FSET and administrative support (see below);
- Office equipment, supplies, postage, duplication costs and travel that is necessary to carry out the program's objectives;
- Outreach and marketing materials
- Development and production of FSET materials when no other appropriate materials exist;
- Lease or rental costs;
- Maintenance expenses; and
- Other overhead costs;

**2 FSET Funding > 2.3  
Supportive Services> 2.3.1  
Supportive Services  
Introduction**

**Old Text:** (from 2.2.1)

For every dollar the FSET agency or tribe incurs as an allowable expense, fifty cents will be reimbursed. ~~County and tribal governments may choose to subcontract funds from 50/50 match to their Employment and Training contract agency or may elect to operate the entire FSET Program. 50/50 match funding refers to two separate sources of funding.~~

4. Base or 50/50 GPR/Federal is an annual allocation of State General Purpose Revenue (GPR) matched with Federal FSET funds. ~~These funds may be used to cover administrative costs that exceed the 100% Federal allocation, as well as participant reimbursement costs and job retention.~~
2. 50/50 Local/Federal Match consists of local funding (typically tax levy) matched with Federal dollars, used to fund new or enhanced services to expand the FSET program. Local/Federal match must meet certain criteria prior to receiving State and Federal approval.

**Note:** FSET cannot fund services that are available to the public at no cost. If there is a cost, FSET participants cannot be charged more than what is charged to the public for the same service.

**New Text:**

50/50 Match refers to a reimbursement rate of 50% of total expenses incurred by the agency. For every dollar the FSET agency incurs as an allowable expense, fifty cents will be reimbursed with federal funding. Match funding is categorized according to funding source.

1. Base or 50/50 GPR/Federal Match is an annual allocation of State General Purpose Revenue (GPR) matched with Federal FSET funds.

2. 50/50 Local/Federal Match consists of local funding (typically tax levy) matched with federal dollars, used to fund new or enhanced services to expand the FSET program. Local/Federal match must meet certain criteria prior to receiving State and Federal approval.
3. In-kind 50/50 Match is an allowable source of funding source for public agencies if specific criteria are met.

**Note:** FSET cannot fund services that are available to the public at no cost. If there is a cost, FSET participants cannot be charged more than what is charged to the public for the same service.

**2 FSET Funding > 2.3  
Supportive Services> 2.3.2  
Third Party (Local 50/Federal  
50) Match Criteria**

**Old Text:** (from 2.2.2)

**Local/Federal (50/50) Match Criteria**

1. ~~Services funded by Local/Federal match must clearly go above and beyond what is currently offered or available to the public at no cost.~~
2. ~~Funding cannot be matched if the intent is to expand existing employment and training services, available at no cost, to now include FSET participants. Match is not allowed to cover budget shortfalls, or to expand services that are under utilized. Match is not allowed to facilitate program growth unless services go above and beyond existing services and are approved by FNS as part of the state E&T plan.~~
3. To claim any expenditures under FSET, participants must be eligible and receiving FS benefits;
4. Funds cannot be federal, with the exception of Community Block Grants and some types of federal tribal funding;
5. Funds must be "cash", i.e. actual costs, they cannot be "in-kind" match;
6. Funds cannot be state or local funds which are already designated as match for another program;
7. ~~Funds must not supplant any existing funds. The funds must be used to provide new and enhanced services to participants.~~
8. All cash contributions must:
  - Be verifiable;
  - Not contributed for another federally assisted program;
  - Necessary and reasonable for accomplishment of FSET project objectives;
  - Not paid by the federal government under another assistance agreement;
  - Are in a budget as approved in the FSET State Plan

**New Text:**

**Third Party (Local 50/Federal 50) Match Criteria**

Third Party Match is a source of funding that allows agencies the opportunity to provide new or enhanced services to expand service delivery. Agencies who have access to this type of match must comply with specific requirements prior to receiving approval for its use.

1. Dollars put forth as Third Party Match must not supplant existing funding. This means that funding used as match cannot replace existing funding. It cannot be used as a means to double the amount of existing funds an agency has available for service provision.
2. Services must clearly go above and beyond what is currently offered or available to the public at no cost.
3. Match is not allowed to cover budget shortfalls, or to expand services that are under utilized. Match is not allowed to facilitate program growth unless services go above and beyond existing services and are approved by FNS as part of the state E&T plan.
4. To claim any expenditures under FSET, participants must be eligible and receiving FS benefits;
5. Funds cannot be federal, with the exception of Community Block Grants and some types of federal tribal funding;

6. Funds must be "cash", i.e. actual costs, they cannot be "in-kind" match unless the conditions under 2.3.3 are met;
7. Funds cannot be state or local funds which are already designated as match for another program;
8. All cash contributions must:
  - Be verifiable;
  - Not contributed for another federally assisted program;
  - Necessary and reasonable for accomplishment of FSET project objectives;
  - Not paid by the federal government under another assistance agreement;
  - Are included in the federally approved FSET State Plan

**2 FSET Funding > 2.3 Supportive Services> 2.3.3 In-Kind Donations**

**New Text:**

In-kind donations do not involve the transfer of cash. In-kind donations may be an allowable FSET expense under certain conditions:

1. In-kind donations in the form of volunteer time or other non-billable goods or services (e.g., there is no cash transfer between parties) are not allowable unless they are provided to or by a governmental agency. Only public agencies are allowed to claim in-kind charges. The value of in-kind donations including volunteer services to a private entity (private schools, churches, non-governmental entities, etc.), do not represent an expenses to the State, therefore federal regulations do not permit them to be considered as a cost to the program and thus are not reimbursable.
2. In-kinds from government agencies are not allowable if they are already being charged to another Federal funding source.
3. A donated service or a good cannot be claimed as an in-kind if it is not reasonable, or necessary for the purposes of providing FSET services.

**Example 1:** Although public schools are considered a governmental agency, the cost of student's time to get high school credit hours by volunteering for FSET is not an allowable in-kind charge. The services available to the student are already available for free.

**Note:** Work registration has guidelines specific to 16 & 17 year olds. Therefore, the minimum age for a FSET enrollment is 16 years of age.

4. The agency must maintain records or an audit trail to support the costs claimed as in-kind.

To assess the value of a volunteer's time or service to a public organization the following principles must be applied:

- The volunteer's wages are computed on a reasonable hourly basis in accordance with the duties being performed for FSET, or wages are computed based on the Federal minimum hourly wage established by the United States Department of Labor, and
- Time reporting must be documented for each volunteer as it occurs. Clear and concise records must be maintained and available for audit, and
- The value of the volunteer's time is not being used as a match for any other Federal grant.

To assess the value of donated goods or space, the following principles must be applied:

- The value for goods other than publicly owned space is

**2 FSET Funding > 2.4  
Supportive Services> 2.4.1  
Supportive Services  
Introduction**

- computed on reasonable fair market value, and
- When valuing space owned by a public agency, depreciation or use allowance is used for cost computations, and
- The value is not being used as a match for any other Federal grant or for another Federal program.

**New Text:**

FSET agencies must provide supportive services to FSET participants for expenses that are reasonable and necessary and that directly relate to participation in FSET. Support services are not allowable as a stand alone service. FSET enrollment for the sole purpose of receiving support services is not allowable. A participant must be enrolled and engaged in an allowable FSET component/activity in order to be eligible for support services.

Examples of allowable Support Services include:

- Career Counseling
- Child Care
- Participant Reimbursement
- Referrals to other programs and services
- Case Management

Allowable support costs for FSET must meet the following the following conditions:

- The product or service must directly relate to an approved FSET program activity and be necessary and reasonable;
- The product or service may not be available through another government program or available at no cost to the participant through a private source, e.g., charitable donations; and
- The product or service and its cost must be included as part of the annual state plan approved by the Federal Food & Nutrition Service.

Support services referrals for an FSET participant are tracked on WPSS, the support services tracking screen in CARES . This screen is used to list all instances of support services being requested, provided, or referred to a participant.

CARES screen WPSS is used to record referrals and any costs associated with FSET agencies' cost for the support services to a participant. This can be used as a case management tool to track the support services a participant has requested and/or received while participating in the program. Managers can use this screen to monitor how support services are being utilized by the office.

**2 FSET Funding > 2.4  
Supportive Services> 2.4.3  
FSET Participant  
Reimbursement> 2.4.3.2  
FSET Participant Expenses**

**Old Text:**

The federal Food & Nutrition Service created the following list to clarify expenses that may be funded through 50/50 funding Review each item in the context of being reasonable and necessary for successful participation in the FSET program.

FSET is the payer of last resort. Reimbursement is not allowable for services that are available for free.

Item	Almost Always	Sometimes	Never	Other Details
Auto Repairs			X	Currently there are no exceptions.

**New Text:**

The federal Food & Nutrition Service created the following list to clarify expenses that may be funded through 50/50 funding Review each item in the context of being reasonable and necessary for successful participation in the FSET program.

FSET is the payer of last resort. Reimbursement is not allowable for services that are available for free.

Item	Almost Always	Sometimes	Never	Other Details
Auto Repairs		X		Only under specific conditions*

\*Auto Repairs may be an allowable expense if **all** of the following conditions are met:

- The repairs are reasonable and necessary for participation in an approved FSET activity, **and**
- The FSET volunteer resides in a rural county or area of the state where there is no or very limited public transportation, **and**
- Car pooling is not a realistic option, **and**
- Cost estimates are verified from at least two auto repair shops, **and**
- The title of the auto is registered in the name of the FSET volunteer, **and**
- The FSET volunteer holds a valid drivers license, **and**
- The cost of the repairs will not exceed the value of the auto, **and**
- Repairs are not for cosmetic reasons, **and**
- Reimbursement is limited to a one time expense, **and**
- The agency can guarantee that the repairs cannot be paid by another source.