

FaDSS Policy 8.0 – Third Party Funds

Policy Statement

It is the policy of the FaDSS program that third party funds may be utilized in accordance with all FaDSS fiscal and program policies and requirements.

Third party funds are funds expended on behalf of families enrolled in the FaDSS program. Funds may be utilized to assist individual families or activities benefitting multiple families. Grantees are not required to allocate third party funds from their FaDSS grant. However, if grantees designate third party funds, the monies must be utilized within the fiscal and program requirements of the FaDSS program.

Any funds deemed to have been spent inappropriately, illegally or in violation of fiscal and program requirements must be repaid by the grantee. Documentation, including receipts, must be available in grantee records. Documentation, including justification of payments on behalf of families, must be clearly recorded in family files for payments made to third party vendors on behalf of families.

General Information

Payments directly to families are not allowable; the funds must always be paid to a third party vendor. Funds may be spent on behalf of families in crisis, on activities benefitting groups of families, and in other situations with prior approval from FaDSS Program Managers.

When considering the use of third party monies, grantees must consider the following:

Search for Comparable Benefits: Grantees are required to explore and access available resources; however, doing so should not impede the provision of timely assistance to families.

Impact on Families: Grantees should assess the long-term impact that funds will have on families and must document how the funds will have a significant impact on a family's overall success. Grantees should also indicate how a family would provide for this need after the assistance is provided.

Goal Attainment: Grantees must document the direct effect of funds on the goal attainment of the family. A strong correlation must be made between the family's goals and the need for third party funds.

Amount of Payments: Grantees may not spend more than \$500 on an individual family without prior authorization from the FaDSS Program Manager.

Duration of Payments: Third party funds are intended to provide short-term assistance to families and may not be utilized to supplant long-term support. Grantees may not provide ongoing assistance to families beyond four months unless prior authorization is obtained from the FaDSS Program Manager.

Examples of **allowable** third party expenditures include:

- Family Night Activities

- Food for families
 - Supplies such as crafts
- Family Assistance Funds
 - Pantry items: i.e. -toilet paper, diapers, cleaning supplies., personal hygiene products
 - Car repairs
 - Registration fees
 - Utility bills
 - Rent deposits
 - Clothing

Examples of **disallowable** third party expenditures include:

- Purchasing gift cards or gift certificates
- Education and training (tuition or cost of curriculum)
- Criminal or court fines including traffic fines
- Payments for goods or services benefitting grantee personnel
- Payments made directly to families
- Purchasing real estate
- Purchasing vehicles
- Child care expenses including camps

Please reference the Frequently Asked Fiscal Questions guidance for more information.

Effective: June 8, 2021