

✓ Match and Leveraged Resources

SMART 3.0 Training
Dallas, TX
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✓ Today's Speakers



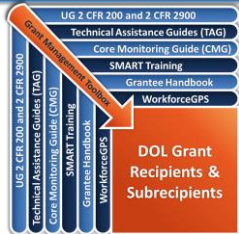
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✓ Grant Management Toolbox




The diagram shows a stack of resources for DOL Grant Recipients & Subrecipients. From top to bottom, the items are: UG 2, CFR 200 and 2 CFR 2900; Technical Assistance Guides (TAG); Core Monitoring Guide (CMG); SMART Training; Grantee Handbook; and WorkforceGPS. A red arrow points from the 'Grant Management Toolbox' label to the 'WorkforceGPS' item.

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Grant Management Toolbox References


- SMART Training
- Core Monitoring Guide
- Technical Assistance Guides
- ETA Grantee Handbook
- WorkforceGPS Resources



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Module Overview

- Match
- Leveraged Resources
- Reporting Match and Leveraged Resources
- Valuing and Documenting Match and Leveraged Resources
- Common Mistakes




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Match vs. Other Leveraged Resources

- Match
 - Required by statute
 - Required in Funding Opportunity Announcement (FOA)
 - Report on the Recipient Share of the ETA-9130
- Other Leveraged Resources
 - Specified in FOA
 - Leveraged resources are to be reported on the Recipient share of the ETA-9130, either in the Recipient Share or Additional Expenditure Data Required sections


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 Match

- ✓ Definition and Criteria for Match
- ✓ Types of Match
- ✓ Valuation
- ✓ Documentation
- ✓ Program-Specific Provisions
- ✓ Common Mistakes

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 What is Match?

Cost sharing or matching [2 CFR 200.29](#) and [2 CFR 200.306](#)

- ✓ The portion of project costs not paid by Federal funds (unless otherwise authorized by Federal statute).
- ✓ Additional non-Federal funds expended to support grant objectives.
- ✓ When required by statute, or in the FOA, as a condition of funding.
 - ▶ H-1B: percent of grant award
 - ▶ SCSEP: percent of total costs (Federal award + match)
 - ▶ YouthBuild: percent of total grant award
- ✓ Must be spent on allowable grant activities

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 What is Match? DOL Programs

[2 CFR 200.306\(b\)\(5\)](#)

DOL Programs –

- ✓ Unless specified by Federal statute, cost-sharing or match cannot be “paid by the Federal government under another Federal award.”



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✓ Criteria for Match

[2 CFR 200.306\(b\)](#) Criteria to Qualify as Match

Verifiable in recipient records	Not used to support another Federally funded program	Necessary and reasonable	Allowable cost under Cost Principles
Not paid with Federal funds	Provided for in approved budget and allowable under the grant	Conform to other applicable Uniform Guidance provisions	


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✓ Criteria for Match – Exception

DOL Exception at [2 CFR 2900.8](#)

✓ Match is only recognized when the funds are expended on the program.



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✓ Two Types of Match

Cash	In-kind contributions
<ul style="list-style-type: none">• Can be cash funds provided by the grant recipient or from a third-party and expended on allowable grant activity• Valued at the amount expended (not received)	<ul style="list-style-type: none">• Can be goods or services purchased and expended by the grant recipient or contributed from a third-party• Used by the grant recipient on allowable grant activities

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✓ Cash Match Examples

- ✓ Personnel services not paid for with grant funds or other Federal funds
 - ▶ Grant recipient/subrecipient staff
 - ▶ Third-party services not paid for with grant funds
- ✓ Equipment and supplies used by the grant but not paid for with grant funds
- ✓ Unrecovered or unclaimed indirect costs
 - ▶ Requires prior Grant Officer approval
 - ▶ Subject to cost limitations
- ✓ Donated space
- ✓ Other recipient/subrecipient resources used to support the grant but not charged to the grant

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✓ Match Exclusions

It's NOT Match if ...



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✓ In-Kind Contribution Examples

- ✓ Personnel services
 - ▶ Volunteers or paid non-recipient staff
- ✓ Services provided by a third party
- ✓ Equipment & supplies donated for grant use
- ✓ Space donated for grant use
- ✓ [2 CFR 200.306](#) and [2 CFR 200.434](#)




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✓ Valuation Standards for Match

[2 CFR 200.306](#) and [2 CFR 200.434](#)

- ✓ Uniform Guidance has specific valuation standards
- ✓ Donated real and personal property, supplies, etc.
 - ▶ Fair market value at time of donation
 - ▶ Appraisal required for donated buildings and space use
- ✓ Donated services
 - ▶ Integral and necessary part of the project
 - ▶ Rates consistent with those paid for similar work
 - ▶ Same documentation as regular personnel services
- ✓ **Non-profits:** if value of donated services is material and supported by indirect costs, donated services must receive allocable share of indirect costs



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✓ Valuation of In-Kind – Personnel

Personnel Services

- ✓ Individual performing regular job activity
 - ▶ Regular rate of pay + allocable fringe benefits
- ✓ Individual performing other volunteer services
 - ▶ Rates consistent with recipient pay for like work
 - ▶ Rates of pay for similar work in the local area
 - ▶ Include reasonable amount for fringe benefits

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✓ Valuation of In-Kind – Equipment, Supplies, & Space

- ✓ **Loaned equipment**
 - ▶ Fair rental value
- ✓ **Donated Supplies**
 - ▶ Fair market value at time of donation
- ✓ **Donated equipment or supplies**
 - ▶ Fair market value at time of donation or;
 - ▶ Depreciation (when item has long term value)
- ✓ **Donated space use**
 - ▶ Fair rental value of comparable space
 - ▶ Depreciation
- ✓ **Donated buildings**
 - ▶ Depreciation

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Documentation

- ✓ Source documentation [2 CFR 200.306\(b\)](#)
 - ▶ Recorded in books of account
 - ▶ Included in audit scope and review
- ✓ Support for third-party contributions
 - ▶ Verifiable from subrecipient records or
 - ▶ Maintained by recipient;
 - ▶ Methods used to value in-kind
- ✓ If not expended and not in the financial records, it does not qualify as match
 - ▶ Same type of financial records needed for match as for allowable grant expenditures

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Program-Specific Provisions – YouthBuild

YouthBuild Funding Opportunity Announcement (FOA)

- ✓ Must provide new cash or in-kind resources as match during the grant period equivalent to exactly 25 percent of the grant award
- ✓ DOL encourages additional cost sharing above 25 percent to be committed as leveraged resources
 - ▶ May use to cover costs or materials not otherwise allowable as a charge to grant funds
 - ▶ Must count, document, and report
- ✓ From a variety of sources: public sector, non-profits, private sector, investors, and philanthropic communities

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Program-Specific Provisions – H-1B

H-1B FOA: B. Cost Sharing or Matching

- ✓ Required match of 25 percent of grant award
 - ▶ Must be included on SF-424 and 424A
- ✓ Encouraged (not mandatory) to propose progressive match that increases with each year of the grant
 - ▶ Grant funds pay most of early implementation costs and other funds cover progressively larger share over life of grant
- ✓ DOL expects most match will come from employers
- ✓ Compliance measured at end of grant
 - ▶ If not met, must reimburse ETA for the amount of unmet match

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✓ Program-Specific Provisions – SCSEP

- ✓ SCSEP: Notice of Award
 - ▶ Dollar amount of match specified in Notice of Award
 - ▶ DOL will pay no more than 90 percent of total cost of activities
 - total cost = grant funds + match expenditures
- ✓ Grants with no cost sharing or match requirement
 - ▶ Other resources contributed to project are leveraged resources and not match

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✓ Common Mistakes

- ✓ Not verifying third-party records to support claimed match
 - ▶ Need to monitor
- ✓ Third parties do not retain match records after the grant ends
 - ▶ Need to collect records or ensure their proper storage
- ✓ Rely on letters of intent and undocumented assurances
 - ▶ Not acceptable documentation
- ✓ Staff costs as match not supported
 - ▶ Need documentation to support time charges
- ✓ Value of in-kind contributions not documented or supported
 - ▶ Apply same standard as with direct grant expenditures
 - ▶ Use valuation methods cited in this training
- ✓ Cannot be counted as **BOTH** match/leverage and charged directly or indirectly to the Federal award



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✓ Summary of Uniform Guidance Provisions

- ✓ High standard of supporting documentation
- ✓ **Verifiable** in the records of the non-Federal entity
- ✓ Donated assets may either be depreciated as a grant cost or claimed as match, not both
- ✓ Allowable under Subpart E - Cost Principles and grant terms and conditions
- ✓ Within the allowable cost limitations, and
- ✓ Incurred during the grant's period of performance

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 Knowledge Check 1 – Questions

- The Uniform Guidance at [2 CFR 200.306\(d\)](#) states that valuation for in-kind contributions for goods or services must be established in accordance with which subpart of the Uniform Guidance:
 - Subpart A - Acronyms and Definitions
 - Subpart B – General Provisions
 - Subpart C – Pre-Federal Award Requirements.
 - Subpart D – Post Federal Award Requirements
 - Subpart E – Cost Principles
- True or False? All match contributions, regardless if from the grant recipient or a third-party, must have documentation to support the valuation of the good or service.
- True or False? If the grant recipient is using unrecovered indirect costs to meet a match requirement, it must obtain prior approval from the Grant Officer.

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 Knowledge Check 1 – Answers

- The Uniform Guidance at [2 CFR 200.306\(d\)](#) states that valuation for in-kind contributions for goods or services must be established in accordance with which subpart of the Uniform Guidance:
 - Subpart A - Acronyms and Definitions
 - Subpart B – General Provisions
 - Subpart C – Pre-Federal Award Requirements.
 - Subpart D – Post Federal Award Requirements
 - Subpart E – Cost Principles**
- True or False? All match contributions, regardless if from the grant recipient or a third-party, must have documentation to support the valuation of the good or service. **True**
- True or False? If the grant recipient is using unrecovered indirect costs to meet a match requirement, it must obtain prior approval from the Grant Officer. **True**

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 Leveraged Resources

-  Definition
-  Program Application
-  Examples

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✓ What are Leveraged Resources?

<p>Not defined in statute, regulation, or administrative requirements</p> <ul style="list-style-type: none"> • All resources used to support grant activity 	<p>Resources (including match) that support the outcomes of the grant activity</p>	<p>Must be costs allowable under OMB Uniform Guidance</p>
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✓ Leveraged Resources Apply to All Grant Programs

Leveraged Resources:

- ✓ Other funds or in-kind contributions to support program objectives are always welcome
- ✓ Circumstances
 - ▶ Can be used for all grants including grants where match is not required
 - ▶ Do not always qualify as match
- ✓ Leveraged funds are relevant to formula-funded grant activities as well as discretionary grants

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✓ Examples of Leveraged Resources

- ✓ Services provided to grant participants funded by another Federal grant
- ✓ Rental payments of a structure using non-Federal funds that would house grant activity
- ✓ Employer paid release time (as appropriate)
- ✓ Training curriculum donated for use by grant recipient

Note: Valuation of leveraged resources follows same requirements as match

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Reporting Match and Leveraged Resources

- ✓ Quarterly Financial Reports (9130 line items)
- ✓ Quarterly Narrative Progress Reports

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Reporting Match and Leveraged Resources

- ✓ 10j. Total Recipient Share Required
- ✓ 10k. Recipient Share of Expenditures
- ✓ 10l. Remaining Recipient Share to be Provided
- ✓ 11a. Other Federal Funds Expended

Recipient Share:	
10j. Total Recipient Share Required	
10k. Recipient Share of Expenditures	
10l. Remaining Recipient Share to be Provided (line j minus k)	\$ -
11. Additional Expenditure Data Required	
11a. Other Federal Funds Expended	

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Quarterly Narrative Progress Report

For discretionary grantees:

- ✓ Opportunity to report other leveraged resources used that could not be reported on the 9130
- ✓ All leveraged resources and match provided, including those reported on the ETA 9130

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 **Common Mistakes**

✓ Avoid common mistakes and their consequences

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 **Common Reporting Mistakes**

<p>Grant application and performance narrative include leveraged resources</p> <p><small>But omitted from 9130 report</small></p>	<p>Determining the value of cash and in-kind contributions</p>	<p>Not reporting stand-in costs</p> <ul style="list-style-type: none"> When no match is required
<p>Lack of source documentation</p>	<p>Not looking for alternative sources of match if original proposed match falls through</p>	<p>Not reporting match concurrently as it is being expended</p>

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 **Some Do's and Don'ts**

Do's	Don'ts
<ul style="list-style-type: none"> Read carefully to determine whether there is a match requirement for your grant Report all allowable match and leveraged resource expenditures 	<ul style="list-style-type: none"> Do not promise to provide matching funds if not required Do not include leveraged resources on the SF-424A

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✓ Match During Closeout

If required match is not met:

- ✓ Determination whether required by statute or regulation:
 - ▶ If required under statute or regulation, Federal share is proportionally reduced
 - ▶ Shortfall may affect future award potential
 - ▶ The required match must be reported on the ETA 9130 under line 10.j., Total recipient share required

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✓ Leveraged Resources During Closeout

When leveraged resources are not met:

- ✓ No formal penalties
- ✓ May affect future funding



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✓ Knowledge Check 2 – Questions

1. True or False? When match is required on a grant, the Funding Opportunity Agreement (FOA) contains important information about specific match requirements.
2. True or False? The documentation and reporting requirements applicable to grant funds also apply to match and leveraged resources.
3. A key and important change related to match is at DOL's exception at 2 CFR 2900.8. It states that in addition to the guidance set forth in 2 CFR 200.306(b), for Federal awards from DOL, the grant recipient accounts for funds used for match within its accounting system as the funds are:
 - ▶ Committed
 - ▶ Obligated
 - ▶ Expended
 - ▶ Received

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Knowledge Check 2 – Answers

1. True or False? When match is required on a grant, the Funding Opportunity Agreement (FOA) contains important information about specific match requirements. **True**
2. True or False? The documentation and reporting requirements applicable to grant funds also apply to match and leveraged resources. **True**
3. A key and important change related to match is at DOL's exception at 2 CFR 2900.8. It states that in addition to the guidance set forth in 2 CFR 200.306(b), for Federal awards from DOL, the grant recipient accounts for funds used for match within its accounting system as the funds are:
 - ▶ Committed
 - ▶ Obligated
 - ▶ **Expended**
 - ▶ Received

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Module Review

- ✓ Match is one type of leveraged resource, but only match is required in some grants while leveraged resources are voluntary additional support to the grant
- ✓ The valuation of match and leveraged resources must meet the requirements in the Uniform Guidance and DOL exception
- ✓ Match and leveraged resources must be documented in the same manner and extent as grant-funded expenses
- ✓ Report match and leveraged resources accurately and in the same quarter in which they are expended
- ✓ Report all match in excess of the required amount in order for the excess to qualify as stand-in costs

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Core Monitoring Guide – Objective 3.d Match and Leveraged Resources

- ✓ **Indicator 3.d.1: Match Policies and Procedures**
 - ▶ Does the grant recipient have written policies and procedures for match requirements?
- ✓ **Indicator 3.d.2: Expending Match**
 - ▶ Does the grant recipient report match when expended on allowable grant activity and not when received? If applicable, does it report subrecipient match and/or leveraged resources?
- ✓ **Indicator 3.d.3: Valuation and Documentation**
 - ▶ Does the grant recipient have supporting documentation that supports the match reported on the performance and financial reports? Is the documentation appropriate?
- ✓ **Indicator 3.d.4: Leveraged Resources**
 - ▶ Is the grant recipient required through the FOA to provide leveraged resources? If so, are Federal leveraged resources reflected on the ETA-9130 Financial Report?

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SMART Checklist

- ✓ Match and Leveraged Resources
 - ❑ Develop or update written policies and procedures to record and support any required match or leveraged resources committed or identified in the award or program regulations including the revised standards for documentation.
 - ❑ Incorporate the requirement that match must be reported to DOL when expended. [[2 CFR 2900.8](#)]
 - ❑ Confirm that the calculation of the value of in-kind contributions, including volunteer services and donated space, is performed accurately including at the subrecipient level.

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SMART Checklist (cont.)

- ❑ Communicate and train staff on policies and procedures outlining the new documentation, valuation, and reporting requirements for match and/or leveraged resources.
- ❑ Establish a process or procedure that prompts staff and/or Board members to take action if originally committed match or leveraged resources do not materialize prior to the expiration of the grant or subaward.
- ❑ Ensure that the use of unrecovered indirect costs to meet a match requirement received prior approval from the Grant Officer.

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ETA and Uniform Guidance Resources

- ✓ [Core Monitoring Guide](#)
 - ▶ *Objective 3.d Match and Leveraged Resources*
- ✓ [Grant & Financial Management Technical Assistance Guide](#)
 - ▶ *Chapter 13: Match and Leveraged Resources*
- ✓ [Department of Labor Exceptions 2 CFR Part 2900](#)
 - ▶ [2 CFR 2900.8](#)
- ✓ [Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards 2 CFR Part 200](#)
 - ▶ [2 CFR 200.29](#)
 - ▶ [2 CFR 200.306](#)
 - ▶ [2 CFR 200.434](#)

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Web Resources

- ✓ What is the best way to find your local American Job Center (AJC)?
 - ▶ See DOL's [Service Locator](#)
- ✓ Want More Information?
 - ▶ [DOLETA.gov/Grants](#)
 - Funding Opportunities
 - How to Apply
 - Manage Your Awarded Grant
 - Resources and Information
 - ETA Grantee Handbook
 - Annual Grant Terms Template
 - Core Monitoring Guide
 - Technical Assistance Guides
 - Uniform Guidance Quick Reference Sheet
- ✓ Want More Training?
 - ▶ Workforce GPS's [Grants Application and Management Community of Practice](#)
 - Financial Reporting
 - Subrecipient Management and Oversight
 - Indirect Cost Rates
 - Policies and Procedures
 - Procurement and Performance-Based Contracts
 - Capital Assets and More
 - ▶ [WorkforceGPS](#)

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Remember the Grant Management Toolbox!

The diagram illustrates the 'Grant Management Toolbox' which includes: UG 2 CFR 200 and 2 CFR 2900, Technical Assistance Guides (TAG), Core Monitoring Guide (CMG), SMART Training, Grantee Handbook, and WorkforceGPS. An arrow points from this toolbox to a box labeled 'DOL Grant Recipients & Subrecipients'.

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Questions?

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