

**FREQUENTLY ASKED QUESTIONS
REGARDING MATCHING REQUIREMENTS**

May 17, 2019

1. With the passage of the 2018 Farm Bill, why do some programs have to match and others do not?

The 2018 Farm Bill removed the matching requirements put in place by the 2014 Farm Bill which, as a result, requires that NIFA revert back to the authorizing program legislation; the program legislation match requirements varies by program.

2. I am interested in a program, how can I determine what the cost-sharing/match requirement is for the program?

Each request for application (RFA) will stipulate whether there is a cost-share/match requirement and the applicable details. NIFA also provides two tables that provides cost-share/match information on a program-by-program basis. The [Matching requirement Table](#) simply includes the current match by program and the [current and past matching requirements table](#) contains the current and some historical match requirement information by program.

3. If I have a continuation award or a renewal, will my award be subject to the new cost-sharing/match requirement?

Updated matching requirements do not apply to existing awards, including continuation and renewal awards (same grant number and scope of work) that are modified to add funding or to extend the period of performance. The same requirements associated with these original awards will continue to be applicable.

4. Can the match requirements be waived?

Some programs have waiver options under the 2018 Farm Bill while others do not. NIFA prepared a [matching chart](#) that includes the match requirement by program. The chart indicates when waiver authority is available. The requests for applications (RFA) will include further details regarding the match or applicable waiver as appropriate. NIFA cannot approve matching waivers unless the 2018 Farm Bill or the program authorization contain matching waiver authority for that particular program.

5. What can be used towards match?

Allowable costs using cash and third-party in-kind contributions may be used towards required match, unless otherwise stipulated in the RFA. For guidance on allowable match, please see 2 CFR 200.306.

6. What are third-party in-kind contributions?

2 CFR 200.96 defines third-party in-kind contributions as the value of non-cash contributions (i.e., property or services) that—

(a) Benefit a federally assisted project or program; and

(b) Are contributed by non-Federal third parties, without charge, to a non-Federal entity under a Federal award.

2 CFR 200.306 provides details on valuation of in-kind contributions.

7. How do you determine whether a cash or third-party in-kind contribution is allowable?

Like project costs supported with Federal funds, cost-sharing/match, except where otherwise authorized by statute, must meet the following general criteria in order to be allowable:

- Be necessary and reasonable for the performance of the Federal award and be allocable thereto under these principles.
- Conform to any limitations or exclusions set forth in these principles or in the Federal award as to types or amount of cost items.
- Be consistent with policies and procedures that apply uniformly to both Federally-financed and other activities of the non-Federal entity.
- Be accorded consistent treatment. A cost may not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost.
- Be determined in accordance with generally accepted accounting principles (GAAP), except, for state and local governments and Indian tribes only, as otherwise provided for in this part.
- Not be included as a cost or used to meet cost sharing or matching requirements of any other Federally-financed program in either the current or a prior period. See also 2 CFR 200.306 Cost sharing or matching paragraph (b).
- Be adequately documented.

2 CFR 200.306 (b) identifies that cost-sharing/match is to meet the following criteria:

- (1) Are verifiable from the non-Federal entity's records;
- (2) Are not included as contributions for any other Federal award;
- (3) Are necessary and reasonable for accomplishment of project or program objectives;
- (4) Are allowable under Subpart E—Cost Principles of this part;
- (5) Are not paid by the Federal Government under another Federal award, except where the Federal statute authorizing a program specifically provides that Federal funds made available for such program can be applied to matching or cost sharing requirements of other Federal programs (e.g., Tribal Endowment Interest);
- (6) Are provided for in the approved budget when required by the Federal awarding agency; and
- (7) Conform to other provisions of this part, as applicable.

Cost-sharing/matching must be for purposes authorized by statute or regulation. Each RFA contains the legislative authority for the source of funds to be used for grant awards. The

authorizing statute contains authorized uses of funds and may also contain unallowable activities or costs. Additionally, prior approvals that apply to the award also apply to match. NIFA's Administrative Provisions (7 CFR 3430) and any applicable program regulation may also address funding restrictions (e.g., 7 CFR 3430.52(b) addresses restrictions on the treatment of indirect costs as in-kind matching contributions).

8. What documentation do I need to submit with my application about the required match?

The request for applications (RFA) will describe what must be submitted with the application. Those instructions will provide that the Budget Justification must list matching sources along with the identification of the entity(ies) providing the match as well as the total dollar amount being pledged. NIFA is no longer requiring written verification of commitments of matching support (a pledge agreement).

9. Can I apply unrecovered indirect costs, including indirect costs on cost-sharing/match, to my cost-sharing/match requirement?

No. While 2 CFR 200.306(c) states that unrecovered indirect costs, including indirect costs on cost sharing or matching may only be included as part of cost sharing or matching with the prior approval of the Federal awarding agency, NIFA competitive awards are subject to 7 CFR 3430.52(b) which does not allow these costs to be included towards required cost-share/match.

10. My institution has received NIFA awards and we were not required to sign and return the award. Why are we now having to sign an award?

In instances where match is required, any resulting award requires the signature of an Authorized Representative (AR). The purpose of the signature is to ensure that grantees are aware of the matching requirements and their commitment to meet the matching requirement. Only when NIFA receives the award signed by the AR will award funds be released and available for drawdown.

11. We received an award agreement but do not have access to the funds. Why?

Where match is required, the award document requires a bilateral agreement and all funds will be withheld pending NIFA's receipt of the fully executed grant award document. Upon receipt of the counter-signed Notice of Award (Award Face Sheet), NIFA will release grants funds for placement in the Automated Standard Applications for Payment System (ASAP) payment system; ASAP, operated by the Department of Treasury's Bureau of the Fiscal Service, is NIFA's designated payment system for awards.

12. Match is required as part of my NIFA award. Will NIFA do any post-award follow up on the match requirement?

NIFA's receipt and review of grantee's annual and final SF 425 financial reports is used to determine if grantees are reporting match expenditures in accordance with the award. To ensure grantees are complying with matching requirements post award, NIFA OGFM staff may also conduct administrative reviews during the period of performance.

13. I currently have a NIFA award but I will be moving to a different institution, therefore I will seek a Project Director transfer (i.e., process to transfer award from current institution to latter institution). Will the award at the latter institution be subject to the updated match requirement?

It depends upon the situation. The updated match requirements apply to new awards beginning December 21, 2018, if the authorization was impacted by the new Farm Bill language. For A. and C. below the updated match would apply since they would be considered a new award and for B., it would be subject to original award requirements and match would not change.

- A. If the period of availability of the appropriation has NOT passed (i.e., the funds are still eligible for award and the appropriation has not expired): In this case the transfer is considered a new obligation and a new award to the latter institution (i.e., Farm Bill language is applicable).
- B. If the period of availability of the appropriation HAS passed and this criteria is met: 1) continue to be a need for the project, 2) the purpose and scope of the replacement grant must be the same as the purpose and scope of the original grant (e.g., if the project is serving a particular region then it must continue to serve that region to qualify for a replacement grant; a change in region is considered a change in scope), and 3) the latter institution must be an eligible institution, then it is considered a replacement grant. In this case, any applicable limitation from the initial award would be applicable in the replacement grant since it is not considered a new award.
- C. If the criteria noted in item B. can't be met, it's a new obligation/new award with current year funds, (i.e., then Farm Bill language is applicable).