

September 23 Fiscal Office Hours: Match and Leveraged Resources

Zoom Q&A

1) Is the cash match required to be used before grant funds?

No, there is no requirement that cash match funds need to be spent prior to drawing funds from Payment Management System (PMS). However, you must ensure that at the end of the grant's period of performance, you have met your match/ cost-sharing requirement. Please see [2 CFR 200.306](#), [2 CFR 2900.8](#), and [20 CFR 688.530](#) for match/cost-sharing requirements.

2) Where can we get help on how to report leveraged funds in our financial statements. Or are leveraged funds required to be reported on the financials for YouthBuild?

There are resources on reporting leveraged funds on the WorkforceGPS site at the following links:

- [Cost-Sharing Leveraged Resources](#)
- [SMART 4.0 Grants Management Training](#)

In addition, please review the reporting instruction for the ETA-9130 quarterly report and the quarterly narrative progress report (QNR).

Non-Federal leveraged funds/resources are not required unless specified in the Funding Opportunity Announcement (FOA). However, if used on allowable grant activity, in place of grant funds, then they must be reported on the ETA-9130 in line 10k – Recipient Share of Expenditures. Please review the instructions on line 10k.

Federally leveraged funds/resources are also not required. However, if used on an allowable grant activity, they must be reported in the ETA-9130 on line 11a – Other Federal Funds Expended. Please review the instructions on line 11a.

In your required QNR, you must identify all match and leveraged resources used on allowable grant activities for that quarter. In addition, if there were any leveraged funds/resources spent on activities allowable under the Uniform Guidance and DOL's exceptions, but not allowable under the YouthBuild program, these must be reported on your QNR and not on your ETA-9130.

3) If we receive a one-off, in-kind donation from a company that is for an allowable, reasonable, and allocable cost that was part of our budget, do we have to get an MOU for it to count for match? It seems odd to request an MOU from the donor if they don't plan to give to us regularly.

No, an MOU is not required for all in-kind donation to be considered allowable as part of your match requirement. If the one-off in-kind donation is relatively small and only in addition to the match contributions listed in your match narrative as opposed to replacing a significant contribution needed to meet your match requirement, then an amendment changing your match narrative may not be necessary. However, if the in-kind donation is considerably large and/or it is also replacing a match requirement contribution that was provided for in the match narrative with a letter of commitment attached to it, then this could result in an amendment being needed due to a significant change in your match narrative. Should this be the case, you may also need to obtain a new letter of commitment from the organization that is providing the new in-kind donation. We recommend you speak to your FPO about the possibility of an amendment to your match narrative. Any amendment would need to meet the requirements at [2 CFR 200.308](#), the terms and conditions of your award, and be requested at least 30 days prior to the action taking place in accordance with [2 CFR 2900.10](#). As always, it is important to have records that are verifiable for each cash or in-kind match (2 CFR 200.306(b)). We recommend speaking to your FPO on the sufficient documentation required for the in-kind donation to be: deemed necessary, reasonable, allocable, and allowable by the [Cost Principles at Subpart E](#); DOL's exceptions at [2 CFR 2900.8](#); the match/cost-sharing requirements at [2 CFR 200.306\(b\)](#); and the valuation requirements at [2 CFR 200.306\(i\)](#).

4) Is there a reason the DOL is not using SF-425 for financial reporting as mentioned in 2 CFR 200.328?

Due to statutory requirements for some of our WIOA programs, DOL-ETA has special permission from OMB to use our own financial status report, the ETA-9130. Many of our programs are statutorily required to report additional financial information that is not included in the SF-425. The ETA-9130 comes in a basic version and 13 different program-specific versions to account for each of the different programs requiring additional financial information. [You can read more about our financial reporting here.](#)

5) Can leveraged funds count as in-kind match?

Yes, any non-Federal leveraged resource may instead be used to meet your match/cost-sharing requirement. However, it must meet the match/ cost-sharing documentation standards set forth in the Uniform Guidance at [2 CFR 200.306\(g\)-\(j\)](#) and DOL's exceptions at [2 CFR 2900.8](#).

6) I've been told the Other Federal Funds expended line item is both for leveraged federal funds as well as any match above and beyond the required match line item (regardless of whether it is federal or not). I just wanted to confirm this is correct since some of that excess match may NOT be federal.

The “Other Federal Funds Expended” line-item 11a on the [ETA-9130 Basic](#) is for all Federally funded leveraged resources. By definition, at [2 CFR 200.1](#), match/cost-sharing is the portion of project costs not paid by Federal funds or Federal in-kind contributions to meet matching requirements. Therefore, any match, that is not Federally funds, that goes beyond your required match must be reported onto line-item 10k, “Recipient Share of Expenditures”. This line-item states that, “These expenditures should include both match and other non-Federal leveraged resources. The value of allowable non-Federal in-kind match contributions should also be included”. You will be reporting a breakdown of these two line-items on the corresponding quarterly narrative report (QNR).

In summary, any Federally funded leveraged resources need to be added to line-item 11a. Any allowable match funds, in-kind match valuations, and allowable non-Federal leveraged resources must be added to line-item 10k.

7) Would it be possible to change the source and line items of match that was specified in the approved grant?

Yes, it is possible to change the source and line-items of your match requirement in the grant agreement, but since a grant amendment may be necessary to make the requested changes, we recommend you always speak to your FPO first before attempting to change anything specified in the grant agreement. Any source and line-item change to your match provisions will not change the YouthBuild program requirement for you to provide matching funds equal to 25% of the Federal share of costs, as required by the FOA.

8) Can you provide links/information for the community pages?

DOL-ETA uses WorkforceGPS as the primary website to house old and new trainings and resources for grant programs. To view technical resources and tools for grants management, it is recommended you look to the [Grants Application and Management community page](#) (If you have specific YouthBuild questions, it is recommended you use [their community page](#). Make sure you [create a WorkforceGPS account](#) to receive the latest updates.

9) If we are short on match, do we owe back the variance (25% match requirement - match received) or is there a different calculation? IE: If match required was \$375k but we only have \$250k, do we have to cut a check back to DOL for \$125k?

YouthBuild’s match is calculated as grant recipients providing 25% of the total Federal share of costs, with either cash or in-kind contributions. Your organization’s match requirement and the amount of Federal funds received by DOL-ETA composes the entire grant award. If your organization can no longer meet the match requirement, please

contact your FPO as soon as possible. If you find another third party that can contribute to your grant's match requirement, your organization may need to provide a new letter of commitment. Your FPO can help you submit a Statement of Work amendment. This type of amendment requires prior written approval from the Grant Officer ([2 CFR 200.308](#)).

If a substitute for match cannot be located, and you are unable to meet the 25% match requirement by the end of the grant's period of performance, then either your grant funds will be proportionally reduced, or you will be required to pay DOL-ETA, in the amount of the shortfall, with non-Federal funds.

10) Can the physical location where the program takes place be counted as match?

If your organization is using donated space or donated real property for allowable grant activity and is not being paid for with grant funds, this would be an allowable in-kind match. The allowable amount is determined based on the **proportionate share** of the purchase cost related to the amount of space that is being used for the grant program. For example, if you are only using 50% of the space on allowable grant activity, then only 50% of the value of the space can be claimed as match.

- If using donated space: the valuation of the space must not exceed fair rental value or comparable space, and that evaluation must be conducted by an independent fair market appraiser.
- If using donated real property: the valuation should be established by an independent fair market appraisal. This should include the amount of allowable depreciation attributable to the period for which the building is being used by the grant program.

NOTE: In-kind match items cannot be charged as a depreciated resource AND count towards a cost-sharing requirement. You can **only** charge one or the other.

When making the distinction between allowable and unallowable costs, grant recipients need to consider whether the activity and associated costs are directly related to participant training. This is done by considering the Cost Principles ([Subpart E](#)) in the Uniform Guidance, and more specifically, the factors of allowability ([2 CFR 200.403](#)). Is the cost necessary, reasonable, AND allowable? If so, it may be charged to the Federal grant. And if a cost can be charged to a Federal grant, then it could possibly be allowable as a match contribution.

The Uniform Guidance at 2 CFR 200.306(b) lists additional criteria for match costs. They are as follows:

- Be verifiable in recipient records
- Cannot be used to support another Federally-funded program
- Must be necessary and reasonable
- Must be allowable under the Cost Principles

- Cannot be paid for with Federal funds
- Must be provided for in an approved budget and be allowable under the grant
- Must conform to other applicable Uniform Guidance provisions
- Must be allocable

DOL's exceptions to the Uniform Guidance (found at 2 CFR 2900.8) also lists one extra requirement for matched resources, which provides that cost-sharing items are tracked in an accounting system as the funds are expended.

11) Is that only for rent, or can it be mortgage expense as well? Also, property taxes?

When making the distinction between allowable and unallowable costs for match, grant recipients need to consider whether the activity and associated costs are directly related to advancing the grant's purpose. If the incurred costs are not directly related to allowable grant staff activities, as it would not be considered necessary nor reasonable for the performance of the Federal award (2 CFR 200.403). The Uniform Guidance provides more guidance on taxes, wherein if nonprofits have taxes they are required to pay and are paid/accrued in accordance with GAAP, these costs are generally considered allowable ([2 CFR 200.470](#)). For any other questions relating to allowable costs, please refer to the Uniform Guidance Cost Principles, found at 2 CFR 200, Subpart E.

If the space is needed for participant activity or to house grant staff, the costs associated with this space may be considered allowable match if grant dollars would have been used to pay for these costs. Just like grant expenses, claims on match can only be attributable to the YouthBuild program's proportionate share of these types of costs. Your organization can only recognize the relative benefit that is attributable to your YouthBuild program. Please see your Federal Project Officer for more information.

12) Is the complete uniform guidance document in workforce gps?

The Uniform Guidance regulations were created by the Office of Management and Budget (OMB) and are contained here on the electronic [Code of Federal Regulations](#) (eCFR) website. It is recommended to check the eCFR link for regulations, as that is where amended versions (with minor, non-substantive edits) are posted.

[WorkforceGPS](#) is DOL-ETA's main repository for technical assistance tools and resources. While WorkforceGPS may reference the Uniform Guidance in their tools and resources, it's best practice to use the eCFR website to access the most complete and accurate version of the Uniform Guidance.

13) Can match and leverage be reported retroactively?

Best practice is to report match and leveraged funds in the quarter in which they are expended/ incurred. For match resources, this is reported on Line 10j: Total Share Required, whereas non-Federal leveraged resources are reported on Line 10j: Total Share required and for Federal leveraged resources on Line 11a: Other Federal Funds Expended. Note that both match and other non-Federal leveraged resources should be reported on Line 10k: Recipient Share of Expenditures of the ETA-9130. If you forget to report a match resource in the quarter it was expended/ incurred, it can be retroactively recorded on the final ETA-9130 report. Note that the final ETA-9130 report is cumulative. Any costs, including match and leveraged resources, not reported in the quarter it incurred must be reported on the final ETA-9130. It is recommended to include a comment in Line 12: Remark to explain to ETA any retroactive match and/or leveraged resources reported on the final report.

14) I also understand that although most people use uniform guidance each federal agency may have its own guidance as well

All grant recipients, regardless of Federal agency grantor, must follow the Uniform Guidance for administrative requirements, cost principles, and audit requirements. In some instances, large Federal agencies might have exceptions to the Uniform Guidance, which are additional requirements. DOL-ETA's exceptions can be found at [2 CFR Part 2900](#).

In addition to the Uniform Guidance and DOL's exceptions, YouthBuild also has program-specific requirements that can be found at [20 CFR Part 688](#). In addition, as part of WIOA, YouthBuild grant recipients must also follow the WIOA's Administrative Provisions at [20 CFR Part 683](#). Lastly, your YB grant has a grant terms and conditions that are included in your grant agreement. These are additional requirements that you will need to follow. Please refer to term A(1) in your grant agreement for a general listing of requirements for all DOL-ETA grant recipients.

If there is any discrepancy between governing authorities, such as the Uniform Guidance and the YouthBuild programmatic requirements, grant recipients should look to term "A(1): Applicable Requirements" in their Grant Terms and Conditions to see which authorities take precedence.