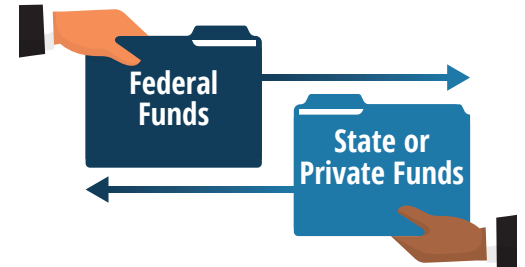


# Matching or Cost Sharing Requirements



*Matching or cost sharing means that a portion of the project's cost is not paid by federal funds.*



## Tip:

Matching requirements can vary across the different Department of Justice programs; therefore, grantees must thoroughly read their award announcement and award notice to understand every aspect of their grant's match requirement.

## Cash Match

Cash matching includes cash spent for project-related costs. The allowable cash match must include costs that are necessary, reasonable, and allowable under the federal program.



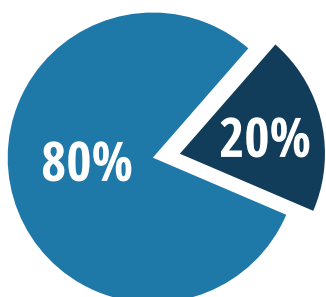
## Third-Party In-Kind Match

Third-party in-kind matching includes, but is not limited to, the valuation of non-cash contributions provided by a third party. An in-kind match may be in the form of services, supplies, real property, and equipment. The value of the service may be used for the matching requirements, if the services are necessary, reasonable, and allowable under that federal program. Grantees are allowed to use unrecovered indirect costs for matching or cost sharing requirements; however, this requires prior approval from the federal awarding agency.

## Determining the Match Amount

**Step 1:** Award Amount ÷ Percentage (%) of Federal Share of Total Project Cost = Total Adjusted Project Cost

**Step 2:** Total Adjusted Project Cost x Percentage (%) of Recipient Share of Total Project Cost = Required Match



## Example of Calculating the Matching Requirement

The federal government offers a \$100,000 grant, and the match requirement is an 80/20 ratio (federal/recipient).

- Start with the federal government grant amount: \$100,000
- Compute total project cost:  $\$100,000 \div .80 = \$125,000$
- Compute amount the recipient contributes:  $\$125,000 \times .20 = \$25,000$