

Asked Questions (FAQ): Budget and Match

Updated: 4/11/2014



1. What is match?

A key requirement of our University Transportation Center (UTC) federal funding is that all expenses must be matched 100% from **non-Federal** sources. Matching funds (cash and in-kind) must be necessary or reasonable for proper and efficient accomplishment of project objectives. All matching funds will need to be documented in an auditable way, either through accounting processes at partner universities or by external sponsors. Match is also commonly referred to as cost-share.

NITC operates under federal guidelines found in the Office of Management and Budget Circular A-110 Subpart B 23: <http://www.whitehouse.gov/omb/circulars/a110/a110.html#23>. OTREC staff and partner university research office staff can also assist.

2. What can be used as match?

Cash match is considered any direct financial contribution provided by a partner to directly support the project in the form of salaries, benefits, tuition, expendable property, supplies and services, etc.

In-kind match is generally defined as a contribution, other than cash, donated or pledged, that originates from the gifting of the value of time, goods, services, equipment or other expendable property. The evaluation of in-kind match must be determined by the donor, his/her authorized representative or a qualified third party. It must be assessed at a “real” fair market value rate. In-kind match is also allowed, as long as it is documented in an auditable way.

Third party in-kind non-federal match may include: unrecovered indirect costs, values for recipient contributions of services, volunteer services furnished by professional and technical personnel, consultants or other skilled or unskilled labor if service is integral or necessary part of the project, or donated supplies.

3. What do you mean by “non-Federal”?

The original source of the funding cannot be the U.S. federal government. This even applies to funds that a federal agency gives to another entity (e.g. state or local agency). Just because it goes through a non-federal agency, it’s still federal money and not eligible to be used as match for NITC.

4. Are there exceptions to the “non-Federal” requirement?

Yes, there are some exceptions to the non-federal requirement. Match may include funds provided to a recipient under sections 503, 504(b), or 505 of Title 23, United States Code. Those sections refer to the technology deployment, local technical assistance, state planning and research (SPR) and federal cooperative research programs managed by the Transportation Research Board (e.g., NCHRP). Sponsors providing these funds will know if their funds fit these exclusion categories.

5. Can NCHRP funds be used as match?

Yes. NCHRP is funded by voluntary contributions from state Departments of Transportation. The contribution is recommended at 5.5% of the state apportionment of the SPR funding received. States typically pay this contribution from SPR funding.

6. What expenses are *not* allowed on OTREC grant budgets?

Non-compensation stipends for international students are not allowed. Advanced prior approval is required to purchase equipment (unit cost of \$5,000 or more) and international travel. Expenses for items normally considered already covered by university overhead (phones, copying, postage, office space, computers, administrative support, etc.) should not be included in the budget grant request. There are exceptions. For example, if your project involves a mail survey, you can include the printing and postage costs.

7. Can I use expense items for matching funds that are typically not allowed as project expenses (for example, equipment or international travel)?

Our sponsor guidelines note that, “any restriction on the use of Federal funds applies equally to non-Federal matching funds.” In the case of equipment and international travel, it can be used as match with *prior* approval and the PI can demonstrate that these expenses are used to *accomplish program objectives and the purpose of the grant*, are completely auditable and can be tracked through the life of the grant.

Expenses for items normally considered already covered by university overhead (phones, office space, admin, etc.) should not be included in the match budget.

8. How far back can I go to use match?

Match for NITC cannot go back past January 1, 2012.