



What sources are allowable to meet the matching requirement?

In accordance with federal regulations (listed in detail below), an applicant may contribute as cost-share any expenses that are allowable as direct expenses. In other words, if you can't charge it directly to the award, you can't use it as cost-share.

a. Allowable Costs for For-Profit Entities and Certain Non-Profit Organizations.

For for-profit entities and nonprofit organizations listed in Attachment C to OMB Circular A-122 (codified at 2 C.F.R. Part 230), EERE determines the allowability of costs through reference to the for-profit cost principles in the Federal Acquisition Regulations (48 C.F.R. Part 31).

b. Allowable Costs for Nonprofits.

For nonprofit organizations *not listed* in Attachment C to OMB Circular A-122 (codified at 2 C.F.R. Part 230), EERE determines the allowability of costs through reference to the cost principles for nonprofit organizations in OMB Circular A-122 (Codified at 2 C.F.R. Part 230).

c. Allowable Costs for Institutions of Higher Education.

For institutions of higher education, EERE determines the allowability of costs through reference to OMB Circular A-21, "Cost Principles of Educational Institutions" (codified at 2 C.F.R. Part 220).

d. Allowable Costs for States and Local Governments.

For States, local governments, and tribes, EERE determines the allowability of costs through reference to OMB Circular A-87, "Cost Principles for State, Local, and Indian Tribal Governments" (codified at 2 C.F.R. Part 225).

e. Unallowable Direct Costs in Addition to Those in OMB Circulars A-21 & A-122.

Interest penalties for late payments to the Recipient and subrecipients are not allowable costs under this Award.

f. Project Costs.

All project costs must be allowable, allocable, and reasonable. The Recipient must document and maintain records of all project costs, including, but not limited to, the costs paid by Federal funds, costs claimed by its subrecipients and project costs that the Recipient claims as cost sharing, including in-kind contributions. The Recipient is responsible for maintaining records adequate to demonstrate that costs claimed have been incurred, are reasonable, allowable and allocable, and comply with the applicable cost principles. Upon request, the Recipient is required to provide such records to EERE. Such records are subject to audit. Failure to provide EERE adequate supporting documentation may result in a determination by the Contracting Officer that those costs are unallowable.

In-Kind Contribution: In-kind contributions are those wherein a value of the contribution can be readily determined, verified and justified but where no actual cash is transacted in securing the good or service comprising the contribution. Two examples of in-kind contributions are: (1) The donation of volunteer time valued at a rate that would be reasonable for the time devoted had the volunteer been compensated for the time. For example, if you solicit volunteers from the local high school to help run surveys on a research project without compensating the volunteers, it would be appropriate to value the volunteer's time at, say, minimum wage for the number of hours volunteered; (2) The donation of non-institution space where such space would normally carry a fee for purposes other than supporting this particular project (i.e. some negotiation between the PI and the donator, or a benefit will accrue to the donator of the space other than immediate monetary reimbursement for the use of the space). This might be utilization of the local Bank Conference Center without having to pay the pre-defined and published rate. In-kind contributions must be documented with official correspondence from the organization providing the in-kind cost sharing to include appropriate substantive documentation such as published rate schedules, time cards for volunteers, etc.

Cash Contribution: Cash contributions differ from in-kind contributions in that an actual cash transaction occurs and can be documented in the accounting system. This includes allocation of compensated faculty and staff time to projects. Although it is easy to mistake the allocation of compensated faculty/staff time as a donation or as In-Kind because the faculty or staff member would be compensated regardless of the advent of the sponsored project, the value is the result of a cash transaction and should be treated as a cash contribution. Other examples of cash contribution include the purchasing of equipment by the institution or other eligible sponsor for the benefit of the project requiring cost sharing.

10 CFR 600.302 Definitions

Cash contributions means the recipient's cash outlay, including the outlay of money contributed to the recipient by third parties. (Accountable transaction in the Entity's Financial System within the project period)

Outlays or expenditures means charges made to the project or program. They may be reported on cash or accrual basis. For reports prepared on a cash basis, outlays are the sum of cash disbursements for direct charges for goods and services, the amount of indirect expense charged, the value of third party in-kind contributions applied, and the amount of cash advances and payments made to subrecipients.

For reports prepared on an accrual basis, outlays are the sum of cash disbursements for direct charges for goods and services, the amount of indirect expense incurred, the value of in-kind contributions applied, and the net increase (or decrease) in the amounts owed by the recipient for goods and other property received, for services performed by employees, contractors, subrecipients and other payees, and for other amounts becoming owed under programs for which no current services or performance are required.