# Educator Effectiveness Division – Program Application Guidance on Matching or Cost-Share

May 21, 2020

## 1. Must grantees secure cost share or matching funds to support their project activities?

Yes. Each grantee must meet the statutory cost share or matching requirement of their respective grant program. These funds may be provided in cash or through in-kind contributions. Applicants must include the required EED Budget Worksheet, which details their cost share and matching contributions. Applicants should verify that their non-Federal budgets reflect the costs allocations appropriate to each program.

For the **Teacher Quality Partnership (TQP) program**, applicants should provide from non-Federal sources, at least half of the total cost of their project for each budget period in order to meet the 100 percent non-Federal matching requirement as outlined in section 203(c) of the Higher Education Act of 1965, as amended (HEA).

For the **Teacher and School Leader Incentive Fund (TSL) program**, applicants should provide from non-Federal sources, at least one-third (1/3) of the total cost of their project for each budget period in order to meet the 50 percent non-Federal matching requirement as outlined in section 2212(f) of the Elementary and Secondary Education Act of 1965, as amended (ESEA).

For the **Supporting Effective Educator Development (SEED) program**, applicants must provide from non-Federal sources, at least one quarter (1/4) of the total cost of their project for each budget period in order to meet the 25 percent non-Federal cost share or matching as outlined in section 2242(c) of the ESEA.

## 2. When must a grantee identify the required cost share or matching?

A grantee must identify the required cost share or matching funds at the time of application. Each applicant must a provide a budget summary using the required *EED Applicant /Grantee* *Budget Worksheet* and a budget narrative which identifies both federal and non-Federal costs for each budget period. This new *EED Applicant /Grantee Budget Worksheet* is a change from years past and previously was not required. Submission of the required *EED Applicant /Grantee Budget Worksheet* serves as confirmation that non-Federal funds have been secured and will be available at the time of award if the applicant is successful.

**3. Do factors in the selection criteria consider whether the cost share or matching requirement has been met?**

Yes. The NIA selection criteria for all programs includes sub factors such as “the adequacy of support, including facilities, equipment, supplies, and other resources, from the applicant organization or the lead applicant organization”; “The extent to which the applicant demonstrates that it has the resources to operate the project beyond the length of the grant, including a multi-year financial and operating model, and accompanying plan; and the demonstrated commitment of any partners…”; and “The adequacy of the management plan to achieve the objectives of the proposed project on time and within budget….” which may include a consideration of demonstrated matching support.

## 3. May an applicant request that the Secretary reduce the required level of cost share or matching?

Yes. However, the Secretary **does not**, as a general matter, anticipate waiving this requirement. Furthermore, given the importance of cost-sharing to the long-term success and sustainability of the proposed project; applicants must identify appropriate matching funds in the proposed budget. An applicant that anticipates the need to seek a waiver, should include with the application, a request to reduce the matching requirement, along with a justification for the request.

## 4. Should applicants submit just a Year 1 budget that includes cost share or matching, or submit a budget that includes cost share or matching that reflects the entire project performance period?

Applicants should submit a multi-year budget for the entire proposed project performance period. For TQP submit a 5-year budget. For TSL, submit a 3-year budget. For SEED, submit a 3-year budget. This budget should include both Federal and non-Federal funds for each year of the project period.

Applicants should use the new Required EED Applicant/Grantee Budget Worksheet to complete a budget summary and budget narrative for both federal and nonfederal funds. This required budget worksheet is found on the program webpage and should be submitted in the Budget Narrative Attachment section of your application.

## 5. May more than one partner or other entity contribute toward the non-Federal cost share or matching?

Yes. Cost share or matching funds (cash or in-kind) may come from one or more entity or partner; not all partners are required to contribute towards cost share or matching.

## 6. Are there limitations on the funds or in-kind contributions that may count towards meeting the cost share or matching requirement?

Yes. What can be appropriately included as matching funds are governed by the program statute and the cost principles found in Subpart E of 2 CFR part 200, the *Uniform Administrative Requirements, Costs Principles and Audit Requirements for Federal Awards* (Uniform Guidance). The Uniform Guidance requires that funds used to meet cost share or matching requirements must be allowable as if they were paid for with Federal grant funds. See [2 CFR § 200.306(b)(4)](https://www.ecfr.gov/cgi-bin/text-idx?SID=f82e9a37d8c7c2503c42e85c77e12d60&mc=true&node=se2.1.200_1306&rgn=div8).

## 7. Do the requirements of “supplement, not supplant,” apply to cost share or matching funds?

Yes. The supplement-not-supplant provision provides that grantees must not use federal grant funds to pay for activities that are already being carried out, or must be carried out, by the grantee or its partners with other Federal, State or local funds. Non-Federal funds committed for the purposes of cost-share or matching must likewise supplement, not supplant, non-program funds that would be provided in the absence of the grant. Each program—TQP, TSL, and SEED have a supplement-not-supplant provision.

## 8. May a grantee use unrecovered indirect costs (i.e., indirect costs that a grantee could have claimed under its approved indirect cost rate agreement but did not or could not claim under its grant) to meet the cost share or matching requirement?

No. The Department will not approve the use of unrecovered indirect costs to meet program cost share or matching requirements. See 2 CFR § 200.306(c).

## 9. What are some examples of acceptable in-kind contributions to help meet the non-Federal cost share or matching requirement?

Some examples of costs, services, or in-kind contributions that may be claimed as match are included in the list below. As noted in Question 6, any match cost item must be allowable under the Cost Principles of the Uniform Guidance as if it was paid for with Federal grant funds. This is not an exhaustive list and all items below may not be allowable for all three programs.

1. Personnel costs associated with the management or administration of the project.
2. Personnel costs associated with the time that project participants engage in project activities, including, but not limited to:
   1. Professional Development (see the definition of “professional development” in section 8101(42) of the ESEA).
   2. Mentoring, coaching, or teacher leadership.
   3. Classroom instruction time implementing new strategies or activities stemming from the results of the educator evaluations and support system.
   4. Project planning activities, including participation in professional learning communities.
   5. Formative or summative evaluation activities and costs of reviewing research-based practices relating to the project.
3. Non-personnel costs relating to the implementation, management, or administration of the project that are discounted or provided, including, but not limited to:
   1. Training-related supplies.
   2. Project-related communications.
   3. Technology integral to the project.
   4. Purchases, upgrades, or licensing fees needed for project data management systems.