

COST SHARING/MATCHING FUNDS

Colorado Springs School District 11 (the District) may be required to provide cost sharing or matching funds as a condition for the receipt and maintenance of a grant or award. The District will comply with and properly document all cost sharing or matching funds requirements, as determined by the grantor and applicable regulations.

Reason

The specific requirements for cost sharing/matching are found in the laws, regulations, and the provisions of contracts or grant agreements pertaining to the program, along with 2 CFR Section 200.306, which provides criteria for acceptable costs and contributions for cost-sharing/matching on all federal grants. In accordance with these requirements, the District is responsible for ensuring that grant programs that have a cost sharing/matching component follow federal (and/or grantor) requirements, and to set forth consistent criteria for costs to qualify as cost sharing on grant programs. The District must also ensure that supporting documentation for those grant programs which have a cost sharing/matching component is maintained. Failure to comply with cost sharing and match requirements can have adverse consequences including loss of future funding.

Requirements

The District should make cost sharing commitments only when required by the grantor. All required cost sharing or matching funds will be shown as part of the total approved grant budget submitted with the proposal/application, which then becomes an award requirement. The District shall identify any matching fund requirements during the planning phase of the grant and track the match through the life of the grant to ensure requirements will be met. All grants requiring cost sharing or matching funds must be approved by the Superintendent and Board President.

A matching or cost sharing requirement may be satisfied by either or both of the following:

1. Allowable costs incurred by the District or subgrantee under the grant, including allowable costs paid by non-federal grants or by cash donations from non-federal third parties.
2. The value of third party in-kind contributions applicable to the period to which the cost sharing or matching requirement applies.

Acceptance of donations or contributions from third parties must be in line with Board Policy KCD and Regulation KCD-R, Gifts/Donations to Schools.

The expenses that the District incurs in fulfilling its cost sharing/matching requirement are subject to the same requirements of that grant, including the cost principles and related documentation requirements applicable to the use of federal funds.

In addition, cost shared expenses **MUST NOT** be:

- a. Expenses that are already included under another grant-funded program as cost sharing/matching; or
- b. Paid by any federal agency under another agreement, unless authorized by the grantor in writing.

Third party donated services used towards a match requirement will be valued in accordance with 2 CFR 200.434, which specifies requirements for valuation of donated services, employees of other organizations, third party donated supplies, loaned equipment or space, third party donated equipment, buildings, and land, or real property.

If the grant terms do not specify a certain method of recognizing cost-sharing expenditures then cost-sharing commitments may be met and recorded at any point during the grant. All cost-sharing commitments must be met during the life of the project.

Procedure Details

Grant Business Managers (GBM) are responsible for ensuring that all personnel costs used to fulfill cost sharing or matching requirements comply at all times with District policy including reporting of time and effort.

The GBM is responsible for notifying the appropriate Director who will correct or rectify any compliance violations that arise.

Definitions

Cost share (sometimes referred to as matching): a portion of total grant award costs provided by an entity other than the grantor.

Direct costs: costs paid by the District that directly benefit, and are specifically associated with, a grant program.

Mandatory cost share: a firm requirement for cost sharing identified by the grantor in the program guidelines or other written communication from the grantor. This requirement is a condition of obtaining the award and remaining in compliance with the award requirements. It is important to note that grantor "encouraged" cost share that is not documented as a condition of receiving an award is not a mandatory cost share.

Third party cost share: a contribution to a grant award provided by a party other than the District or grantor. Third party cost share may be in the form of cash, real property, equipment, supplies and other expendable material, salaries, or goods and services directly benefiting and specifically designated for the grant program.

Voluntary cost sharing: is neither a grantor requirement nor a District commitment but represents additional costs incurred by the District beyond the levels in the proposal and/or award documents. Voluntary cost sharing is not specifically quantified in the proposal submitted to the grantor.

Approved budget: the financial expenditure plan for a grant-supported project, program, or activity, including revisions approved by the grantor and permissible revisions made by the District. The approved budget consists of grant award funds and, if required by the terms and conditions of the award, non-grantor participation in the form of matching or cost sharing. Expenditures under an approved budget that consists of both grantor and non-grantor shares are deemed to be borne by the District in the same proportion as the percentage of grantor/non-grantor participation in the overall budget.

Local cost share: generally a contribution to a grant award from a source other than the federal funds.

Adopted June, 1998
Revised March 18, 2015
Reviewed August 26, 2020

LEGAL REFS.: 2 CFR § 200.306
 2 CFR § 200.434

CROSS REFS.: DD, Grants – Pre-Award Planning & Budgeting
 DD-R-2, Supplantation
 DD-E-1, Internal Intent to Apply form
 DD-E-2, External Intent to Apply form
 DE, Grants - Post Award
 DE-R-1, Allowable Use of Funds
 DE-R-2, Time and Effort
 DE-R-3, Indirect Costs
 DE-R-4, Audit/Audit Resolution
 DE-R-5, Grant Reporting
 DE-E-1, Time and Effort form – Single Cost Objective
 DE-E-2, Time and Effort form – Partial Payment
 DE-E-3, Time and Effort form – Multiple Cost Objectives
 KCD and KCD-R Gifts/Donations to Schools
 LC, Research Projects, Studies, Experiments, and Surveys