

EMERGENCY SOLUTIONS PROGRAM

(ESG) Requires a 100% Match

Matching Fund Contribution Requirements

Applicants must match ESG funding dollar-for-dollar (i.e. the match total must equal or exceed the amount of ESG funds requested). The funds may come from other public or private sources. Applicants must comply with this requirement by providing matching funds directly through cash or non-cash contributions.

- Subrecipients may use any of the following categories on the Match Requirement Page 17, to provide match support. Do not use acronyms. One category or a combination of categories may be used however items in each category must be listed separately.
- Match used for ESG may not be used as a match for any other program grant.
- Match must be utilized during the Contract Period or Program Year.
- **Cash Contributions** are cash expended for allowable costs, as defined in OMB Circulars A-87 (2 CFR part 225) and A-122 (2 CFR part 230), of the recipient and subrecipient. Examples of sources of cash contributions include: private donations, or grants from foundations, nonprofits, or local state and federal sources.
- **Non-Cash Contributions** are the value of any real property, equipment, goods or services contributed to the subrecipient's ESG program provided if the subrecipient had to pay for them they would be allowable.

Calculations for Non-Cash Benefits

To determine the value of any donated material or building, or of any lease, the subrecipient must use a method reasonably calculated to establish the fair market value.

Services provided by individuals must be valued at rates consistent with those ordinarily paid for similar work within the subrecipient's organization or if not available then at rates consistent with those paid by other employers for similar work in the same labor market.

If a non-cash contribution is real property, equipment goods, or services that, if the subrecipient had to pay for them, would have been paid for with indirect costs, then they may only be used as match if the subrecipient has established a special rate for allocating the value of the contribution to individual programs.

1. **Donated Supplies (Non-Cash):** donated goods such as clothing, furniture, equipment, etc. Include the source and an estimate value for all donated goods.
2. **Cash Donations or Grants (Cash):** Private donations or grants from foundations, nonprofits, or local state, and federal sources. Federal Community Services Block Grant (CSBG) and Community Development Block Grant (CDBG) funds may be used as match. A single grant may serve as the required match. In order to use grants as match, they must benefit ESG clients.

3. **Value of Donated Building (Non-Cash):** The fair market value of a donated building in the year that it is donated. The building must be proposed for ESG related activities and must not be currently in use for these activities. The narrative should state when the building was donated and for what purpose, the current use of the building, and how long the building has been used for its current purpose. The application must include documentation from a licensed real estate salesperson, broker or licensed appraiser as to the fair market value of the property.
4. **Rent or Lease (Cash):** Rent paid for space currently used to provide services to the homeless. Include the source of funds used to pay rent. The fair market rent or lease value of a building owned by the Applicant or space that is donated (rent-free) to the applicant organization is also an acceptable match source. To document fair market value, the application must include a letter from a licensed real estate salesperson, broker or licensed appraiser that specifies the location of the building, habitable square footage, value per square foot, and total lease or rent value based on 12-month occupancy.
5. **Salaries (Cash):** Any staff salary paid with general operating funds or grant funds such as CSBG, CDBG, United Way, VOCA may be utilized as match. The position(s) used must be involved in ESG related activities and the hours utilized for match must be for hours worked for ESG related activities. For each position include the title, annual salary, percentage of time dedicated to ESG activities, source of funds and the dollar amount proposed as match.
6. **Volunteers (Non-cash):** Volunteers are persons not paid for their time or services provided to the subrecipient organization. Time and services contributed by volunteers must be valued at rates consistent with those ordinarily paid for similar work in the subrecipient's organization. If the subrecipient does not have employees performing similar work, the rates must be consistent with those ordinarily paid by other employers for similar work in the same labor market.
7. **Program Income (Cash):** Program income means gross income received by the subrecipient directly generated by a grant support activity, or earned only as a result of the grant agreement during the grant period. During the grant period is the time between the effective date of the award and the ending date of the award reflected in the final financial report. Costs paid by program income shall count toward match provided the costs are eligible ESG costs that supplement the subrecipient's ESG program.

Subrecipients can access Emergency Solutions Grant, Federal HUD Regulations at:

http://www.ecfr.gov/cgi-bin/text-idx?SID=94939d30bdc985cd49851ad422923cf&mc=true&node=se24.3.576_1201&rgn=div8