

Potential Sources of Matching Funds/Cost Share

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What does it mean to “match” or “cost share” funds?

Any funder may require that an applicant “match” or “cost share” some portion or all the funds that they request. A one-to-one match (1:1) is common. When a federal grant requires the applicant to match funds, there are standard regulations that govern what can be counted as match and how these funds must be documented. Additionally, grant agreements may specify what sources of matching funds can be used and the degrees to which types of matching funds are allowed. There are three categories of cost-sharing—mandatory, voluntary committed or voluntary uncommitted. For all federal funders, **match must be from a non-federal source.** ([2 CFR § 200.306 - Cost sharing or matching](#))

Simply put, “match” or “cost share” is the non-federal share of costs that the applicant or the applicant’s partners/subawards are required to contribute to accomplish the purposes of the grant. Typically, we only will offer cost share if it is required (mandatory) by a sponsor.

Potential sources of cost sharing to explore:

Cash Match: Cash match is either the applicant organization’s own funds (OSU general ledger funds) or cash donations from non-federal third parties (i.e. partner organizations), or by non-federal grants. A cash match contribution is an actual cash contribution. *Industry partners and commodity groups are a good source for cash match. You should work with your department chair to secure additional cash match.*

In-Kind Match: In-kind match contributions come from the applicant’s organization (OSU). In-kind match is typically in the form of personnel (technicians, post docs, laboratory staff, faculty release time), goods, and services, including direct and indirect costs. *You should work with your department chair and department level cost center manager (CCM) to determine the availability of match for personnel positions.*

Third Party Match contributions come from other non-federal third parties. Third party in-kind match contributions come in the form of personnel, goods, and services (include direct and indirect costs). Applicants and third parties would need to document the contributed resource of value. *You should seek industry or commodity group support for third party in-kind match.*

Unrecovered F&A Costs: If a project does not recover F&A costs at our appropriate negotiated rate, the unrecovered F&A costs may be shown as cost share, if allowable. Unrecovered F&A costs are computed by taking the difference between the F&A costs that the project should have recovered (calculated at the appropriate negotiated rate), and the actual amount of F&A dollars recovered. *The sponsor/funder must allow unrecovered F & A to be used as match.*

Central Cost Share Request: Managed by the Office of Knowledge Enterprise, the Enterprise for Research, Innovation and Knowledge (ERIK) has implemented a process for central university cost share requests for Sponsored Research Proposals to increase transparency and provide a standard experience across colleges. Request for CFAES should be submitted to Lori Kaser (kaser.37@osu.edu) at least one month prior to the proposal submission date. See the [website](#) for additional guidelines.

OSU Graduate School: The Graduate School's Matching Tuition and Fee Award Program provides fee authorizations for graduate students who receive a competitive stipend from a funding agency that does not provide funds to cover tuition and fees. Graduate programs seeking a Matching Tuition and Fee Award must secure the Graduate School's approval as early as possible when seeking outside funding for graduate student support.

A signed commitment letter is always required for third-party obligations and OSU commitments.

TIPS FOR ACQUIRING MATCH

- 1 The best strategy to acquire cash match is to seek specific grants and donations that are designated for that purpose.** Donors and repeat funders will sometimes give a provisional designation to a gift, allocating it to be used to leverage additional funds. These donors or funders want to match grants because it leverages their own contributions. Such funders may be corporations, foundations, local, tribal, or state governments. The match is received through the Advancement Office and is tax-deductible to the funder.
- 2 Cash match might also be acquired in the form of non-federal governmental contracts** (city, county, state, or tribal). The grantee is wise to seek specific funding where those funds will be expended for the purpose of achieving the grant goals. Match cannot come from a federal flow-down of funds, meaning federal funds are given to the State of Ohio, then disbursed at the county level. These are still considered federal funds, which cannot be used as match.
- 3 To acquire in-kind match, a good strategy is to select the right partners in advance of obtaining federal funding.** Potential partners that can provide in-kind match are universities, corporate or business partners, non-profit partners, other tribal or governmental departments, community partners, or even individuals.

EXAMPLES OF UNACCEPTABLE TYPES OF EXPENSES FOR COST-SHARING

- Any costs normally treated as F&A or indirect costs--administrative salaries and wages, routine supplies, routine postage.
- Any costs recovered through OSU's indirect costs rates--examples of these costs would be the University operations and maintenance costs, use of university space, and use of OSU's existing equipment.
- Any cost that cannot be quantified and documented through the Office of Sponsored Programs.
- An expense that does not directly assign a benefit to the activity and as such is not allocable to the sponsored project.
- An unallowable cost on an award. For example, if a program announcement indicates that travel is an unallowable cost on an award, it is also unallowable as a cost-sharing expense.
- Existing equipment to be used on a project cannot be proposed as a cost-sharing commitment.

Remember it is not required, nor advised, to over match. Going over the level of required match is easy to do, but whatever you report must be tracked and is subject to audit. Over matching has negative impacts on the University's future F&A rate. Additionally, any match over the required match, will not increase your chances of funding.

Contact the [Grant Development Support Unit](#) with questions.