

The basic idea of match and leverage is homeless program funding is limited and can provide only a portion of the resources needed to successfully address the needs of homeless households. Funders require applicants to use supplemental resources, including state and local appropriated funds, to address needs of households experiencing homelessness. This requirement also encourages collaboration and efficiency by combining resources from multiple sources. This structure promotes sustainability of projects past the life of the grant program.

It is important to note that match and leverage are separate and distinct.

Matching funds: A commitment to share the costs of a sponsored project. Matching funds must be supplied by the grantee as cash or in-kind contributions depending on the grantor's requirements. Match is the share of costs that the grantee is required to contribute to accomplish the purposes of the grant. Match can be an actual expenditure (cash) or a virtual cost (in-kind contribution).

Leverage funds may be used for any program related costs, even if the costs are not budgeted. Leverage may be used to support any activity within the project. Leveraged funds are grants or private cash received within the grant term. Leverage is the non-match cash committed to making a project fully operational.

Read the details and do the research for the particular grant you're considering.

ESG Match

Authoritative sources of information:

- The ESG Program Funding Announcement (either State DCF or your local jurisdiction)
- 24 CFR 576 – ESG Grants Program Federal Regulations <https://www.law.cornell.edu/cfr/text/24/part-576>
- 24 CFR 576.201 contains Matching requirements set by Feds
- HUD Ask a Question (AAQ)
- <https://www.hudexchange.info/faqs/programs/emergency-solutions-grants-esg-program/>

DCF CHALLENGE GRANTS MATCH AND LEVERAGE

Authoritative sources of information:

- The DCF Challenge Grant Funding Announcement
- F.S. 420.622(4)
- http://www.leg.state.fl.us/statutes/index.cfm?App_mode=Display_Statute&Search_String=&URL=0400-0499/0420/Sections/0420.622.html

Leverage is extremely important to be competitive for the Unified Funding Grant.

- In 2019, leverage is one of only three equally-weighted scoring criteria for Challenge Grant.
- It is critical for CoC lead agencies to gather complete and comprehensive information about CoC partner agency funding.

24 CFR 576.400, lead agencies must coordinate and integrate, to the maximum extent possible, ESG-funded activities with other programs targeted to homeless people in the area covered by the CoC with which the services are coordinated to provide a strategic, community-wide system to prevent and end homelessness for that area. Section 420.622(4)(b), Florida Statutes, notes "Preference must be given to those lead agencies that have demonstrated the ability of their continuum of care to provide quality

services to homeless persons and the ability to leverage federal homeless-assistance funding under the Stewart B. McKinney Act with local government funding or private funding for the provision of services to homeless persons.”

Match for Unified Funding Application:

Cash or in-kind match

- 100% match cash or in-kind, required
- Must be for any “allowable costs” for the project (see Regs)
- Cannot have been used to match any other grant
- Must be provided during grant contract period
- Recordkeeping to support match

	Match	Leverage
What Counts	Match must be used for eligible program costs. Public or private funds. Verify if public funds are allowed to be used as match. Funds that are not used as match for any other program. Cash or in-kind-fairly evaluated.	Leverage includes cash, (public or private) received for any program-related costs that make the program fully operational. The grant must have been executed, or private money received, in the most recent 7/1-6/30 period.
What’s not allowed	Certain funds are not eligible to be used as match. Match that has been used for other grants may not be used again.	Anything not benefitting the project may not be used for leverage. Match cannot be used as leverage in certain cases.
Provider obligation	The Provider must supply a 100% match for ESG and Challenge.	UFA grants want 3:1 leverage
Documentation requirements	Documentation is required from each source on its own letterhead Cash match must be verified by a letter following the template attached to the RFA. In-kind match must be documented by an MOU, executed on an annual basis. When documenting cash match: <ul style="list-style-type: none"> • Ensure revenues and expenditures are properly coded (you must be able to trace 	For documentation of private funds, the amount received shall be the actual amount of cash received during the prior fiscal year for direct services to households experiencing homelessness or at-risk of becoming homeless. In-kind services of goods or donations shall not be eligible to be claimed as leverage for the Unified Funding Application but can be used in other grants.

	<p>the cash match to the general ledger for both revenues and expenses).</p> <ul style="list-style-type: none"> • Every expenditure must be supported by cost documentation. • Both the source of the cash and the use of the cash need to be clearly documented in the general ledger • The same cash match cannot be used for more than one contract and/or revenue source, this can result in an audit finding and loss of revenue • Cash match must be funds spent on eligible activities 	<p>Documentation is needed from each source on its own letterhead. Cash leverage must be verified by a letter following the template attached in the RFA.</p>
	CASH	In-Kind
	<p>Cash leverage/match is when another source of cash is invested in the project. Example: Cash paid for staff salaries working in the project when the cash comes from a funding source other than the source for which you are providing match/leverage. In-kind leverage/match is when non-cash resources are invested in the project. Example: The value of property or services used in the project, such as value of case management services provided by someone not on the organization’s payroll. Will be used within the same contract year.</p>	<p>Value of any property, equipment, goods, or services contributed to the project For in-kind, a MOU will be established at the time of contract execution. Services that will be provided by a third party must be documented by a Memorandum of Understanding (MOU) between the project and the third party before contract is executed Will be used within the same contract year. During the term of the grant, the project must keep and make available, for inspection, records documenting the service hours provided</p>

	<p>May NOT be used as match for any other project. Contributes directly to project and can be documented.</p> <ul style="list-style-type: none"> •During the term of the grant, the project must keep and make available, for inspection, records documenting the service hours provided •Services provided by individuals must be valued at rates consistent with those ordinarily paid for similar work in the agency: rates must be consistent with those in the same labor market 	
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In-Kind Match MOU

The MOU must establish the unconditional commitment, except for selection to receive a grant, by the third party to provide the services and must include:

- Should be on agency letterhead of third party
- Name of the program and agency receiving services
- Name of the third party providing services
- Date resources will be available; time frame of services
- Specific service to be provided
- Profession of the persons providing the service
- Hourly cost of the service to be provided.

Match Record Keeping

- Project must keep records of the source and use of match
- Records must indicate the grant and fiscal year for which each matching contribution is counted
- Records must show how the value placed on third party in-kind match was derived
- Volunteer services must be allocated using the same methods used for regular personnel costs