



# Understanding In-Kind Match

*This document is intended solely to assist grantees in better understanding the requirements set forth in the Infrastructure Investment and Jobs Act (IIJA) and the Consolidated Appropriations Act (CAA). This document does not and is not intended to supersede, modify, or otherwise alter applicable statutory or regulatory requirements, the terms and conditions of the award, or the specific application requirements set forth in the Notice of Funding Opportunity (NOFO). In all cases, statutory and regulatory mandates, the terms and conditions of the award, and follow-on policies and guidance, shall prevail over any inconsistencies contained in this document.*



# Understanding In-Kind Match

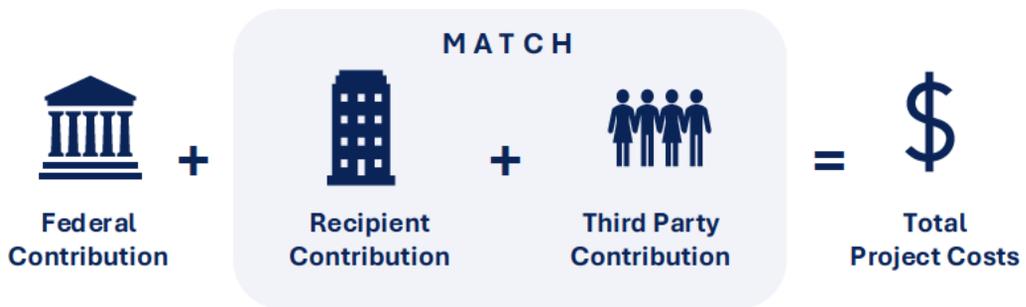
The following resource provides Consolidated Appropriations Act (CAA) and Infrastructure Investment and Jobs Act (IIJA) recipients with guidance on in-kind match. For more information, recipients should refer to the applicable Notice of Funding Opportunity (NOFO) and 2 CFR 200 Subpart D Post Federal Award Requirements.



## WHAT IS MATCH?

Match, also known as cost share, is the portion of project costs not paid by federal funds or contributions (**Figure 1**). While match requirements vary by program, all recipients must adhere to the requirements in 2 CFR 200.306 from the version of the Uniform Guidance that applies to their respective award.

Figure 1: Project Match



## TYPES OF MATCH

As seen in **Figure 2**, match can either be classified as cash or in-kind.

Figure 2: In-Kind vs. Cash Match

In-Kind Match			Cash Match
Property 	Goods 	Services 	Cash 

**Cash Match:** Cash match, or cash contribution, includes cash spent for project-related costs. Cash is the recipient's own funds or funds from a third party.

**In-Kind Match:** In-kind match, also known as in-kind contributions, are non-cash contributions to a grant project that otherwise would have been paid for by federal grant funds. Typically, in-kind match includes contributions of property, goods, or services. To qualify as allowable, in-kind contributions must meet the rules of grant program as well as criteria in 2 CFR 200.306b (Figure 3).

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## IN-KIND MATCH RULES

Regardless of program, all IIJA and CAA recipients that use in-kind match must adhere to the criteria in 2 CFR 200.306b (**Figure 3**).

*Figure 3: In-Kind Match Criteria*

1. Verifiable from the non-Federal entity's records;
2. Not included as contributions for any other federal award;
3. Necessary and reasonable to accomplish project or program objectives;
4. Allowable under 2 CFR 200 Subpart E (Cost Principles);
5. Not paid by the federal government under another federal award, except where the federal statute authorizing a program specifically provides that federal funds made available for such program can be applied to matching or cost sharing requirements of other federal programs;
6. Provided for in the approved budget when required by the federal awarding agency; and
7. Conform to other provisions of 2 CFR 200.306 from the version of the Uniform Guidance that applies to their respective award.



## WHO CAN PROVIDE IN-KIND MATCH?

In-kind match can be provided by a variety of sources. Refer to the applicable program NOFO for program specific requirements. Note, property, goods, or services funded by other federal programs as in-kind match is typically unallowable, however the BEAD program includes exceptions listed in NOFO Section III.B.1.

*Figure 4: Who Can Provide Match*



THE RECIPIENT



THE SUBGRANTEE



PHILANTHROPIC ORGANIZATION



FEDERAL REGIONAL COMMISSION  
OR AUTHORITY



UNIT OF LOCAL GOVERNMENT



FOR-PROFIT COMPANY



UTILITY COMPANY



REGIONAL PLANNING / GOVERNMENT  
ORGANIZATION



NON-PROFIT  
ORGANIZATION



COOPERATIVE

\*OR ANY COMBINATION OF THE ABOVE\*

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## WHERE CAN IN-KIND MATCH COME FROM?

The following list provides potential sources for in-kind. Note, some programs have additional restrictions on allowable sources; refer to the applicable NOFO to adhere to program-specific rules.

- Employee or Volunteer Services
- Equipment
- Supplies
- Indirect Costs
- Computer Hardware and Software
- Use of Facilities



## HOW TO VALUATE IN-KIND MATCH

Each type of in-kind match has different rules on valuation. **Table 1** highlights valuation strategies for common in-kind contributions, as outlined in 2 CFR 200.306. Note, states may have additional rules related to fair market valuation.

*Table 1: In-Kind Match Valuation*

Contribution	Valuation
Building or Land for Construction/Facilities Acquisition Projects or Long-Term Use	Lesser of: <ul style="list-style-type: none"><li>• Value of remaining life of property recorded in non-Federal entity's accounting records at the time of donation; OR</li><li>• Current fair market value.</li></ul>
Third-Party Equipment, Buildings, or Land for Which Title Passes to Recipient or Subrecipient	If purpose is to assist non-Federal entity to <b>acquire</b> property, the entity may claim aggregate value of donated property. If purpose is to <b>support activities</b> that require use, the entity may claim depreciation charges for equipment and buildings. Fair market value of capital assets and fair rental charges for land may be allowed with NTIA approval.
Third-Party Volunteer Services	<ul style="list-style-type: none"><li>• Consistent with rates paid for similar work by non-Federal entity; OR</li><li>• Rates consistent to similar work in labor market, if not found in entity.</li></ul> For either case, allocable, allowable and reasonable fringe benefits may be included.
Third-Party Employee Services	Sum of: <ul style="list-style-type: none"><li>• Employee's regular rate of pay; AND</li><li>• Reasonable, necessary, allocable, and allowable fringe benefits; AND</li><li>• Indirect costs at approved indirect cost rate.</li></ul>
Third-Party Property	Fair market value of donated equipment or supplies at time of donation.

Note: If only a portion of land, building, or equipment is used for award purposes, the value must be prorated to reflect the portion being used.

### What Is Fair Market Value?

The [IRS](#) defines fair market value as the price that property would sell for on the open market. It is the price that would be agreed on between a willing buyer and a willing seller, with neither being required to act, and both having reasonable knowledge of the relevant facts. Fair market value is the current value of property, goods, and services – not the value at time of purchase.

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## HOW IS IN-KIND MATCH REPORTED?

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NTIA may request details on in-kind match at any time, including but not limited to, through monitoring, semi-annual reporting, or closeout. Recipients should keep thorough records on:

- a) the name of the party providing the match,
- b) the match value (and percentage of the total budget it represents),
- c) the nature of the in-kind contribution,
- d) an explanation of how the contribution qualifies as an eligible cost under grant program's eligible cost rules, and
- e) if the contributor is not the recipient, a description of any benefits the contributor will derive from the project (e.g., free or discounted access to the network).

Note: When reporting in-kind match, recipients must be able to document how the match value was determined, that the match is allowable and allocable for project objectives, and that it aligns to NOFO or program requirements (e.g., BABA).

## HOW CAN RECIPIENTS VERIFY MATCH?

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While NTIA will collect data on in-kind match contributions from each recipient, the recipient is responsible for **verifying match**. Recipients can use the following strategies to confirm match:

- For volunteer services where the rate must not exceed fair market value, use federal tools such as the [Bureau of Labor Statistics](#) to determine wage rate information. To the extent feasible, require similar methods to record time as an organization would for paid labor, such as timesheets and timecards.
- For reduced rates from consultants and other individuals, consider comparing current charges against standard or set labor category rates.
- For facility in-kind match, verify amount against current mortgage statements or rental rates.



## ADDITIONAL QUESTIONS

Please reach out to your assigned Federal Program Officer regarding any additional in-kind match questions.