

## PATH Match Requirements

The PATH Provider is responsible to fulfill the Federal matching funds requirement minimally of \$1 match for each \$3 PATH Funds. The local Match is met through non-federal contributions and may be cash or In-Kind to support the PATH Program and/or the individuals enrolled in PATH. Amounts provided by the Federal Government or services assisted or subsidized to any significant extent by the Federal Government, shall not be included when determining the amount of such non-federal contributions. The PATH Program is governed by Code of Federal Requirements – Title 45, Subtitle A, Subchapter A, Part 75 – full text available at <http://www.ecfr.gov/cgi-bin/text-idx?node=pt45.1.75&rgn=div5> and should be reviewed by the PATH Provider for additional details not provided in this document.

PATH Match cash or In-Kind cost are considered allowable cost when meeting the following criteria:

1. Costs are not included as contributions for any other Federal award.
2. Costs are verifiable from the PATH Provider's records.
3. Costs are necessary and reasonable for accomplishment of project or program objectives.
4. Costs are described in an approved Match Narrative.
5. Costs meet current fair market values.
6. Third-party organizations my donation items such as equipment, office supplies, office space. The value assessed to donated property included in the cost sharing or matching share must not exceed the fair market value of the property at the time of the donation.
  - The value of donated equipment must not exceed the fair market value of equipment of the same age and condition at the time of donation.
  - The value of donated space must not exceed the fair rental value of comparable space as established by an independent appraisal of comparable space and facilities in a privately-owned building in the same locality.
  - The value of loaned equipment must not exceed its fair rental value.
  - For third-party In-Kind contributions, the fair market value of goods and services must be documented and to the extent feasible supported by the same methods used internally by the PATH provider agency.

A cost is considered reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person in the conduct of normal business. In determining reasonableness of a given cost, consideration must be given to:

1. Whether the cost is of a type generally recognized as ordinary and necessary for the proper and efficient performance of the PATH Program.
2. Costs are determined by such factors as: Sound business practices; arm's-length bargaining; Federal, state, local, tribal, and other laws and regulations; and terms and conditions of the PATH Program.
3. Costs is based on market prices for comparable goods or services for the geographic area.
4. Each cost use to meet match requirements must have appropriate supportive documentation.

### Documentation Requirements

All cash or In-Kind costs identified in the Match Narrative shall have supportive documentation verifying the validity of the cost. Acceptable supportive documentation is listed below.

1. Original invoices only fully explaining who, when, where, why, how much, etc. (Quotations, Statements, Pro-Forma invoices not acceptable).
2. Original receipts only including amount paid, date paid, and a description of goods/services received
3. Timesheets for salaries.
4. The receipts and invoices that are reconciled are the expenses Advances (for travel and workshops) are not expenses.
5. Costs identified in the Match Narrative in the "other" category shall be accurately documented in the Consumer Assistance Log to include:
  - Date the expense was made;
  - Name of the PATH enrolled person;

- Purpose of use of funds or specific In-Kind donation;
  - Name of the organization, business, agency, company, etc., where expense was paid for or provided the In-Kind donation; and
  - Amount of expense or In-Kind donation used to meet the match requirement.
6. All expenses to meet the match requirements specific to a person enrolled in PATH shall be documented in the PATH service note.
  7. Donated items to assist with assertive outreach and engagement is listed under “other” as “Outreach Kits” is documented on the Consumer Assistance Log. Items such as bottle water, gloves, socks, Chap Stick, hygiene kits, and other small items to engage an individual to begin the process for determining PATH eligibility may be used for Match. Items used for the purpose of outreach engagement shall be tracked as follows:
    - Written list of all items to be used for outreach/engagement with the cost or purchase or fair-market value of donated items shall be submitted to the PATH Program Manager with the 1<sup>st</sup> Quarter Reports.
    - Documentation to track items used for outreach is documented on the Consumer Assistance Log under Match with the date items were given out, what item was given, how many people received the item and the total cost. Each date and item is listed separately. For example: November 22, 2016 - gloves, 6 people, \$6 (List indicates cost of one glove at \$1.00). November 22, 2016 – bottled water, 10 people, \$15 (List indicates cost of one bottle of water at \$1.50).

### **Match Narrative**

The annual PATH application includes the Match Narrative which describes the method the PATH provider will meet the match requirement.

### **Personnel:**

Salaries and wages of employees used in meeting matching requirements must be supported in the same manner as salaries and wages claimed for reimbursement from the PATH Funding and meet the following criteria:

1. Is reasonable for the services rendered and conforms to the established written policy of the non-Federal entity consistently applied to both Federal and non-Federal activities;
2. Is considered reasonable to the extent that it is consistent with that paid for similar work in other activities of the provider agency;
3. Support the distribution of the employee's salary or wages among specific activities or cost objectives specific to the PATH Program;
4. Charges to awards for salaries (both direct & indirect costs) will be based on documented payroll & personnel activity reports approved by responsible official of the organization. Timesheets must be an after-the-fact determination of actual activity for each employee. Budget estimates (estimates determined before the service is performed) do not qualify as support for charges to award. Supportive documentation includes name of employee, position, specific activity completed that supports PATH Program, actual time performing activity and cost.

PATH Match Narrative - Personnel is used to calculate In-Kind cost and is submitted with the Match Narrative.

A time-sheet or log may be used to track the activities provided and shall include:

- Name of the individual performing the activities;
- Specific description of the activity performed; and
- Amount of time spent engaging in the activity.

### **Fringe Benefits:**

The cost of benefits paid by the PATH Provider to their employees as compensation in addition to regular salaries and wages. Fringe benefits include the cost of employer's share of FICA, health insurance, workers' compensation, and costs of leave (vacation, family-related, sick or military). The costs of fringe benefits are allowable provided that the benefits are reasonable and required by law or the provider agency policies.

PATH Match Narrative – Fringe Benefits is used to calculate In-Kind cost and is submitted with the Match Narrative.

**Travel:**

Expenses for:

- Transportation, lodging, subsistence, and related items incurred by PATH funded staff who are in travel status on official business related to the PATH Program. Costs incurred by the PATH funded staff for travel, including costs of lodging, other subsistence, and incidental expenses, must be considered reasonable and otherwise allowable only to the extent such costs do not exceed charges normally allowed by the PATH provider in its regular operations as the result of the provider's written travel policy and meet state travel requirements.
- Registration fees for training.
- Mileage accrued by PATH funded staff for the sole purpose of the implementation of the PATH Program.
- Cost of gas for cars specifically assigned to PATH funded staff.
- The actual costs are reported monthly with supportive documentation.

**Equipment:**

Office equipment and furnishings, modular offices, telephone networks, computers, cell phones, printer, copy machine, fax machines. Equipment shared with non-PATH staff is allowable under the following conditions:

- Description of equipment to be shared and the formula used to determine the portion of cost associated with the PATH Program.
- Supportive documentation describes the total cost for the equipment and the portion expended by PATH funded staff.

The PATH Provider shall maintain equipment records to be made available during federal or State reviews that include the following data:

- Description of equipment;
- Identification number;
- Funding source;
- Title holder;
- Acquisition date;
- Location, condition and last inventory date; and
- Acquisition cost.

In the event the item is disposed of, record the ultimate disposition date, including date of disposal and sale price or current fair market value, including method used to determine the value.

Equipment cannot be leased if the cost of leasing or renting the equipment exceeds the cost of purchasing the equipment over the life of the grant. Copies of lease or rental agreements should be kept on file and made available during federal or State reviews. A description of the activity or product should be provided as well as the unit cost for the service.

The actual blue-book cost of a donated car is allowable with supportive documentation if the PATH funded staff use the vehicle for travel. Costs incurred for necessary maintenance, repair, or upkeep of buildings and equipment which neither add to the permanent value of the property nor appreciably prolong its intended life, but keep it in an efficient operating condition, are allowable.

**Supplies:**

Supplies refers to consumable materials, items costing less than \$5,000 per unit, and goods such as copy paper, pens and pencils necessary to implement the PATH Program. Only materials and supplies actually used for the performance of the award are allowable. Publication and printing costs are allowable if identified with a particular cost objective and may include the costs of printing, distribution, promotion, mailing, and

general handling. The cost is the actual prices after deducting all cash discounts, trade discounts, rebates, or allowances. Shipping and delivery are a normal part of the cost of supplies. The NC HMIS License is an allowable cost under supplies.

**Other:**

Costs listed under “Other” are identified as either Consumer Assistance or Program Support.

Program Support:

Program assistance are costs that are necessary to support the PATH Program such as:

- NCHMIS license for PATH funded staff.
- Rent and utilities for office space. Costs incurred for necessary maintenance, janitorial services, repair, or upkeep of buildings and equipment which neither add to the permanent value of the property nor appreciably prolong its intended life, but keep it in an efficient operating condition, are allowable.
- Office parking fees.

Consumer Assistance:

Consumer assistance are cost or in-kind donations that support the person enrolled in PATH. The following list includes examples of allowable cost to be used for Match. It is the responsibility of the PATH provider to submit a request for a Match revision to the Division PATH Program Managers for approval prior to submitting a cost not documented in PATH Match Narrative. (Refer to Revisions of PATH Match Narrative)

- Rent or utility security deposits.
- One-time rent to prevent eviction.
- Necessary household items for persons moved into permanent housing such as dishes, cookware, bedding, utensils, drinking cups, bathroom supplies.
- Survival supplies such as blankets, sleeping bag or tarp.
- Furniture for persons moved into permanent housing such as bed, table, couch or chair.
- Clothing such as pants, tops, jacket, mittens, hat.
- Hygiene items such as soap, toothpaste, toothbrush, shampoo.
- Non-perishable food items such as canned meat, vegetables, fruit, soup or bottled water, Gatorade.
- Documentation to assist with applying for benefits such as medical records, birth certificate, identification card.
- Bus passes.
- Medication.
- Outreach kits

**Indirect Costs:**

Administrative and clerical services that are integral to the implementation of the PATH Program. Refer to Code of Federal Regulations Title 45, Subtitle A, Subchapter A, Part 75 Public Welfare

[http://www.ecfr.gov/cgi-bin/text-idx?SID=798dd3d541e0ec1b0bd3235368413729&mc=true&tpl=/ecfrbrowse/Title45/45cfr75\\_main\\_02.tpl](http://www.ecfr.gov/cgi-bin/text-idx?SID=798dd3d541e0ec1b0bd3235368413729&mc=true&tpl=/ecfrbrowse/Title45/45cfr75_main_02.tpl)

**Unallowable costs:**

1. Certain types of Advertising & Publicity that solely promote NGO – related:
  - Fund-raising events;
  - Promotional items, for example, gifts and souvenirs;
  - Activities to solely promote the organization.
2. Alcoholic beverages.
3. Bad debts (including losses from uncollected accounts/claims).
4. Contingency and provisions made for events – the occurrence of which cannot be foretold.
5. Entertainment costs – amusement, social activities, and costs directly associated with them (for example, tickets to shows/sports events, meals, lodging).

6. Fines and Penalties – resulting from failure to comply with laws and regulations (for example, late payment of income taxes, social insurance, etc.).
7. Interest on borrowed capital.
8. Organization costs such as fees for in-country registration.
9. Selling and Marketing Costs.
10. Purchased meals for individuals enrolled in PATH.
11. Support to shelters to include cost of shelter bed for the use of individuals enrolled in PATH.
12. Back rent or utility bills.
13. Monthly rent or utility bill for persons enrolled in PATH. (Refer to one-time rent to prevent eviction.)

**Revision of Match Narrative:**

The Match Narrative is approved by the DMHDDSAS PATH Program Manager and SAMHSA PATH Project Officer. PATH Providers are required to request prior approval from the DMHDDSAS and SAMHSA for any revisions to the approved Match Narrative per these requirements:

1. Any revisions within a line item category are approved by the DMHDDSAS PATH Program Manager. The PATH Provider submits a written request to the DMHDDSAS. The DMHDDSAS PATH Program Manager will review the request and submit the decision in writing to the PATH Provider. The request includes:
  - a. Specific Match Line Item;
  - b. The amount to be revised;
  - c. Reason for the requested revision; and
  - d. Any recourse the revision will have on the implementation of the PATH Program or services to persons enrolled in PATH.
2. Any revisions between two line item categories are approved by the DMHDDSAS PATH Project Manager and SAMHSA PATH Project Officer. The PATH Provider submits a written request to the DMHDDSAS PATH Program Manager. If approved, the request is submitted to the SAMHSA PATH Project Officer for approval. The request includes:
  - a. The two categories to be revised;
  - b. The specific revisions to each category;
  - c. The reason for the requested revision; and
  - d. Any recourse the revision will have on the implementation of the PATH Program or services to persons enrolled in PATH.