



North Carolina Balance of State Continuum of Care

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www.ncceh.org/BoS

Match & Leverage Explainer for 2014 BoS CoC Applicants

Match vs. Leverage

- Match:
 - 25% match is required for all project budget components except leasing
 - Can be cash or in-kind
 - Match must be spent on program activities that would be eligible for CoC grant funding
- Leverage:
 - To meet threshold requirements on the BoS scorecard, projects must document a 1.5:1 ratio of leverage to requested funds (i.e., \$1.50 in leverage for every \$1 requested from HUD). To get maximum points on the scorecard, projects must document a 2:1 ratio.
 - Can be cash or in-kind
 - Leverage can be used for any activity needed to support the project (not only on eligible CoC program activities)
- Match and leverage are separate from each other. Leverage is over and above match; that is, match is the amount needed to reach the required 25% point, and leverage is the amount that surpasses the 25% point. Excess match can be used as leverage.

Sources of Match/Leverage

- **Cash:** any funds that come from private or public resources (as long as they are not statutorily prohibited from being used as match/leverage).
- **In-kind:** services (counseling, legal advocacy, etc.), physical goods/equipment (food, furniture, clothing, etc.), and real property (donated land or buildings).
- To be counted as match/leverage, the funds, goods, or services need to come directly from the contributing source to the organization. Items provided directly to and for individuals/program participants are not eligible as match/leverage. For example:
 - Mainstream benefits provided directly to program participants (e.g., SSI/SSDI disability benefits) cannot be used as match/leverage.
 - Funds from mainstream resources provided directly to an organization for use in a CoC project (e.g., Medicaid) can be used as match/leverage.
- Commitments of land, buildings, and equipment are **one-time only** and cannot be claimed in more than one competition. For example, donated land claimed in the 2013 competition cannot be claimed as leverage by that project or any other project in subsequent competitions.

Documentation Requirements

- Contributions of cash, in-kind goods/equipment, and in-kind property can be documented by letter.
- Contributions of in-kind services must be documented by a memorandum of understanding (MOU) that is in place by the time of grant execution (i.e., when the grant term begins). For the purposes of the BoS application, **applicants may submit a letter to NCEH instead of an MOU**, provided the MOU will be in place by the time of grant execution.
- **Letters** must meet the following criteria:
 - Be on letterhead stationery from the organization providing the contribution
 - Be signed and dated by an authorized official of the organization
 - Contain the amount of the cash contribution OR the dollar value of the in-kind contribution
 - Contain the specific date the contribution will be made available AND the time period during which the contribution will be available
 - Contain the name of the applicant agency to which the contribution is being given
 - Contain the specific grant name and the fiscal year of the grant to which the contribution is being given
 - Contain a description of the goods/services that will be provided (for in-kind contributions) OR a description of what the funds will be spent on (for cash contributions)
- **MOUs** must contain the following information:
 - Agency Information:
 - Applicant agency's identifying information with point(s) of contact
 - Service provider's identifying information with point(s) of contact
 - Unconditional commitment of third-party provider to provide the services
 - Description of services to be provided
 - Scope of services to be provided and by whom
 - Specific contract to be matched
 - Length of time services provided/term of contract
 - Point-in-time number of clients receiving service
 - Total clients receiving service over grant term
 - Qualification of persons providing service
 - Estimated value of services provided (such as hourly rate)
 - Documentation of services match
 - Documentation requirements and responsibilities of service provider and applicant agency
 - Timeliness standards of service provider and applicant agency for providing services to individuals
- Documentation of match/leverage must be provided to HUD prior to grant agreement execution.

