

Transportation Alternatives Set-Aside In-Kind Match Guidance

Project Background

The Transportation Alternatives (TA) Set-Aside Program provides federal funds for a variety of smaller-scale, non-traditional, community-based transportation projects that improve safety, expand travel choices, and enhance the transportation experience. The grant funds must be managed in accordance with Title 2 Code of Federal Regulations (CFR) 200, which defines administrative requirements for federal awards. Contracts for construction, environmental, or engineering must also follow the process administered by the [NDOT Local Public Agency process](#).

What is a local match?

The TA Set-Aside program provides federal grant funds for up to 95% of project costs. Grantees must provide 5% of project costs from local sources and reflect this in regular reporting to NDOT prior to reimbursement. Federal requirements regarding what is eligible to be used as local match are provided in 2 CFR 200, which is also known as the Super Circular, available at the link below.

Link: [PART 200—UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS](#)

This document provides a high-level summary of select federal requirements. Grantees should consult 2 CFR 200 for a comprehensive description of federal requirements related to local match eligibility.

Cost Sharing or Matching (Section 200.306)

Eligible third-party in-kind contributions must meet the following criteria:

- Are verifiable from the grantee's records
- Are not included as local match for any other federal award
- Are not paid for by the federal government under another federal award
- Are provided for in the approved budget submitted to NDOT

The value of donated buildings or land that are counted toward local match must be the lesser of 1) the value of the remaining life of the property recorded in the grantee's accounting records or 2) the current fair market value. Volunteer services by third-party personnel may be counted as local match if the service is necessary for the project or program. Rates for third-party volunteer services must be consistent with those paid for similar work by the grantee or consistent with the local labor market. Reasonable fringe benefits may be included.

When a third-party organization furnishes the services of an employee, the services must be valued at the employee's regular rate of pay plus a reasonable and necessary amount of fringe benefits and indirect costs at the organization's approved federally-negotiated indirect cost rate.

Donated property from third parties may include equipment, office supplies, or workshop and classroom supplies. Value assessed to donated property, equipment, land, or buildings must not exceed the fair market value of the property at the time of donation. The fair market value of goods and services must be documented using the same methods used by the grantee.