

RTFH CoC Match & Leverage Guide

Quick Reference for Grant Recipients

The purpose of this policy is to communicate the match and leverage requirements under the CoC program for prospective grant recipients. This document is compliant with federal regulations governing the Continuum of Care program, including the match requirements outlined in the HEARTH Act, the CoC Interim Rule, and 2 CFR Part 200. The guidance herein applies to all projects funded under the CoC program and complies with federal guidance on match found at 24 CFR §578.73. It is important that all current and prospective recipients read this document carefully to understand the match and leverage expectations. This guide is broken into three sections. Section 1 focuses on match requirements and corresponding templates. Section 2 focuses on leverage requirements and corresponding requirements. Section 3 identifies source documentation for further reading and guidance.

Section 1: Match Key Requirements

- **Overarching requirements:** All CoC funding line items, except leasing, require a financial match with no less than a 25 percent cash or in-kind contribution. Match must be met for each operating year and may be fulfilled through cash or in-kind services.
- **Match Requirement:** 25 percent of the total grant amount (excluding leasing funds).
- **What Counts:** Cash contributions OR in-kind services/goods from non-CoC sources.
- **Timing:** Match commitments must be documented before the grant award; actual match should be provided during the grant period. Recipients can change or amend match sources if needed throughout the duration of the grant term, as long as they continue to remain compliant with the requirements set forth.
- **Documentation:** Written commitment letters and financial/tracking records.

Common Match Sources

Cash Match:

- Other federal funds (unless specifically prohibited by that program)
- State, local, or private funds
- Program income from the project (transitional projects)
- Foundation grants

In-Kind Contributions:

In-kind contributions must be valued in accordance with 2 CFR § 200.306. The valuation of donated goods, services, and space must be supported by documentation that reflects the fair market value at the time of donation. In-kind contributions can be made from the recipient or a third party. Before grant execution, services to be provided by a third party must be documented by a memorandum of understanding (MOU) between the recipient or subrecipient and the third party that will provide the services.

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- Staff time donated by partner organizations
- Volunteer professional services (valued at market rates)
- Building space/office use (valued at fair market rent)
- Donated supplies, equipment, or materials
- Healthcare services provided by partners
- Housing subsidies (e.g., Housing Choice Vouchers)

What Does NOT Count as a Match

- Other CoC Program funds
- Resources already counted as a match for another federal grant
- Services/goods that don't directly support project objectives
- Resources without proper documentation

How to Value In-Kind Match

Staff Time: Use actual salary + fringe benefits of the person providing the service

Volunteer Services: Use market rate for similar professional services in your area. Time sheets for staff/volunteer hours

Building/Space: Use fair market rent for comparable space (independent appraisals may be used)

Supplies/Equipment: Use fair market value at time of donation. Invoices and receipts for donated goods.

Required Documentation

Before Grant Award:

- Written commitment letters-Recipients/subrecipients should obtain written documentation from all match sources prior to grant execution (use templates below). Financial records showing cash expenditures may also be used as documentation of a cash match.
- Memorandum of Understanding -Recipients/subrecipients must execute a Memorandum of Understanding (MOU) with any third party that will provide services on an in-kind basis before grant execution per 24 CFR 578.73 (c)(3). It should specify the type of match, amount/value, eligibility criteria, and timeline. The MOU must identify the project/grant, services needed by the project, the third party to provide the services, the specific service to be provided, the profession of the persons providing the service, and the hourly cost of the service to be provided.
- *Real Property:* The value of real property and other tangible property must be specified in a letter committing to its use to the grant program. The value should be

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based on typical costs of goods sold, verified purchase price, formal appraisal, or donor evaluation.

Retention of Records

During the term of the grant, the recipient/subrecipient must maintain and make available inspection records documenting the service hours provided and documents supporting the estimation of value.

Commitment Letter Templates

Template 1: Housing Authority Partnership Sample

[Organization Letterhead]

[Date]

[Applicant Organization Name]

[Address]

RE: Match Commitment for [Project Name]

Dear [Applicant],

The [Housing Authority Name] commits to providing by pairing vouchers available through the agency's housing resources with CoC-funded supportive services to serve persons who are homeless, or at imminent risk of homelessness.

We will provide:

Housing Resources: [Number] Housing Choice Vouchers dedicated to persons experiencing homelessness or fleeing domestic violence

Eligibility: Participants must meet the HUD homeless definition and be referred through [Coordinated Entry/specific referral process]

Timeline: Vouchers available beginning [Date] through [End Date]

Estimated Value: \$[Amount] per voucher per month × [Number] vouchers × 12 months = \$[Total]

This commitment is contingent upon the project receiving CoC funding and complying with all HUD fair housing requirements.

Sincerely,

[Signature]

[Printed Name]

[Title]

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Template 2: Healthcare Services MOU

[Health Care Organization Name] is committed to assisting (the CoC) or (Agency Name) in meeting the needs of homeless persons by providing the following resources for persons experiencing homelessness.

Services:

- Medical assessments and ongoing primary care
- Medication management and prescription assistance
- Mental health counseling ([Number] sessions per participant)
- Substance use disorder treatment referrals and coordination

Eligibility: All project participants are eligible; no additional restrictions beyond HUD requirements

Timeline: Services available [Start Date] through [End Date]

Estimated Value:

- Medical assessments $\$[\text{Rate}] \text{ per service} \times [\text{Number}] \text{ estimated service} = \$[\text{Amount}]$
- Medical management and prescription assistance $\$[\text{Rate}] \text{ per visit} \times [\text{Number}] \text{ estimated visits} = \$[\text{Amount}]$
- Substance abuse disorder treatment $\$[\text{Rate}] \text{ per service} \times [\text{Number}] \text{ estimated service} = \$[\text{Amount}]$
- Substance abuse referrals and coordination $\$[\text{Rate}] \text{ per service} \times [\text{Number}] \text{ estimated service} = \$[\text{Amount}]$
- Primary care visits: $\$[\text{Rate}] \text{ per visit} \times [\text{Number}] \text{ estimated visits} = \$[\text{Amount}]$
- Mental health services: $\$[\text{Rate}] \text{ per session} \times [\text{Number}] \text{ sessions} = \$[\text{Amount}]$

Total Estimated Annual Value: $\$[\text{Total}]$

Values are based on our standard billing rates for non-insured patients. This commitment is contingent upon project funding.

Sincerely,

[Signature]

[Printed Name]

[Title]

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Template 3: General Partner Services/Cash Match

[Organization Letterhead]

[Date]

[Applicant Organization Name]

[Address]

RE: Match Commitment for [Project Name]

Dear [Applicant],

[Partner Organization Name] commits the following resources as match for [Project Name]:

Match Type: [Cash contribution / Staff time / Services / Space / Combination]

Description:

[Detailed description of what will be provided]

Value Calculation:

[Show your work: e.g., "Case manager: 10 hours/week × \$35/hour × 52 weeks = \$18,200"]

Total Annual Value: \$[Amount]

Valuation Basis: [Actual salary rates / Market rates / Fair market rent / etc.]

Period: [Start Date] through [End Date]

We certify that these resources:

- Are not being used as match for any other federal grant
- Comply with all applicable regulations
- Will be properly documented and tracked

This commitment is effective upon project award.

Sincerely,

[Signature]

[Printed Name]

[Title]

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Section 2: What is Leverage?

Leverage consists of housing or healthcare resources that:

- Are NOT funded by CoC or ESG programs
- Come from private organizations, state/local government, housing authorities, or faith-based organizations
- Directly benefit project participants
- Are documented through formal commitment letters or contracts

Important: Leverage is NOT the same as match. Match is a required 25% cost-sharing obligation. Leverage is optional and earns competitive points to strengthen your application.

Why Leverage Matters

- Earns competitive points in the CoC Application scoring
- Demonstrates community-wide commitment to ending homelessness
- Increases actual capacity to serve participants
- Partial leverage (below full thresholds) still earns partial points

Eligible Projects for Leverage Points

Leverage points are available for CoCs that apply for at least one NEW project of the following types:

- Transitional Housing (TH)
- Permanent Supportive Housing (PSH)

Note: *The project must utilize leveraged resources, not just have them available in the community.*

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Leverage Thresholds for Full Points

HOUSING LEVERAGE

For PSH or TH Projects:

Leveraged housing subsidies must provide at least 25% of the UNITS in the project

Example: A 20-unit PSH project needs housing subsidies for at least 5 units ($20 \times 0.25 = 5$)

Common sources: Housing Choice Vouchers, VASH vouchers, project-based vouchers, state/local rental assistance

HEALTHCARE LEVERAGE

For Substance Use Disorder Treatment/Recovery Services:

The leveraged resource must provide access to ALL participants who qualify for those services

Key requirement: No caps on the number served. If a participant qualifies and wants services, they must be available.

Common sources: Treatment centers, recovery programs, SAMHSA-funded services, county behavioral health

For General Healthcare or Behavioral Health Resources:

The value of assistance must be at least 25% of the funding requested by the project

Example: A \$200,000 project needs healthcare services valued at \$50,000 annually ($\$200,000 \times 0.25 = \$50,000$)

Common sources: FQHCs, county health departments, mental health clinics, hospital partnerships, sliding-scale providers

Partial Leverage = Partial Points

Important: You can receive partial points even if you don't meet the full 25% threshold. Document what you have!

Example: A 20-unit project with vouchers for only 3 units (15%) would receive partial leverage points for demonstrating 15% housing leverage.

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Common Leverage Sources

Housing Resources (Non-CoC/ESG):

- Housing Choice Vouchers from Public Housing Authority
- VASH (Veterans Affairs Supportive Housing) vouchers
- FUP (Family Unification Program) vouchers
- Project-based vouchers or Section 8 units
- State or local rental assistance programs
- Private landlord partnerships (reduced rent agreements)
- Faith-based organization housing support
- Foundation-funded rental assistance

Healthcare Resources (Non-CoC/ESG):

- FQHC (Federally Qualified Health Center) services
- County or city health department programs
- Hospital system partnerships (care coordination, case management)
- Mental health clinic partnerships
- Substance abuse treatment centers (SAMHSA-funded, state-funded)
- Medicaid-funded services (when not counted elsewhere)
- Community behavioral health organizations
- Veterans health services (VA clinics)

What Does NOT Count as Leverage

- CoC Program funds
- ESG Program funds
- Services that aren't formalized through commitment letters
- Resources that don't directly serve project participants
- General community resources without specific project commitment

How to Calculate Leverage Value

Housing Subsidies:

Monthly subsidy amount × number of subsidies × 12 months = Annual value

Example: \$950/month voucher × 5 vouchers × 12 months = \$57,000 annual value

Healthcare Services:

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Use standard billing rates or documented costs for services:

- Primary care visit: \$[rate] × estimated visits per year
- Mental health session: \$[rate] × sessions per participant × number of participants
- Case management: \$[rate/hour] × hours per week × 52 weeks

Valuation basis must be documented: Medicare rates, standard billing rates, or actual program costs

Documentation Requirements

Required Documents:

- Commitment letters from all leverage partners (see templates below)
- Letters must be on official letterhead and signed by an authorized representative

Letters Must Include:

- Specific type of leverage (housing subsidies, healthcare services)
- Quantity (number of units, participants, or service capacity)
- Percentage of project threshold met (e.g., "provides 30% of units")
- Timeline (when resources become available)
- Eligibility criteria (should align with HUD requirements)
- Estimated annual value (with calculation shown)
- Confirmation that resources are NOT funded by CoC or ESG
- Statement that commitment is contingent on project funding

Section 3 Regulatory References

Note: This section is for reference only. The practical guidance above covers all requirements for applicants.

24 CFR 578.73 - CoC Match Requirements

Recipients must match all grant funds (except leasing) with no less than 25% from other sources. Match may be cash or in-kind contributions. Match must be:

- • Verifiable from recipient records
- • Not used as match for another federal award
- • Necessary and reasonable for project objectives
- • Not paid by federal government under another award (unless specifically authorized)
- • Included in approved budget

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2 CFR 200.306 - General Cost Sharing Requirements

Establishes federal-wide standards for valuing in-kind contributions:

- • Volunteer services valued at market rates for similar skills
- • Donated property valued at fair market value at time of donation
- • Building/land values must not exceed fair market value per independent appraisal
- • Donated space valued at fair rental value for comparable space

Complete regulations available at: www.ecfr.gov