

Pursuing and Managing Non-federal Matching Funds for Home Visiting



This tip sheet provides considerations for Maternal, Infant, and Early Childhood Home Visiting (MIECHV) awardees when pursuing and managing non-federal matching funding. It should not be considered official federal guidance. Awardees should always contact their project officer and grants management specialist with any award-specific questions.

Introduction

Beginning in fiscal year (FY) 2024, a new opportunity became available to current MIECHV awardees: federal matching funds. For every \$1 contributed up to a maximum amount each year, the federal government will “match” (provide) \$3 to support MIECHV programming up to a ceiling amount. The federal matching funds available to each awardee will also increase significantly every year through FY 2027.¹ In total, \$600 million of federal matching funds² were appropriated to support MIECHV programs.

This opportunity has many benefits for MIECHV awardees. Primarily, matching funds allow expansion of home visiting services to additional communities and families. Matching funds can be leveraged to help ensure shared responsibility and sustainability of home visiting programs. They can also be used to foster collaboration with state, local, and private partners, and to build community commitment to home visiting programming.

- ¹ Beginning with FY25, awardees will also have the opportunity to apply for any additional matching funds remaining (returned or not applied for) from previous years.
- ² The Jackie Walorski Maternal and Child Home Visiting Reauthorization Act of 2022 appropriated base award funds of \$500 million per year for FY23–FY27 and federal matching funds of \$50 million for FY24, \$100 million for FY25, \$150 million for FY26, and \$300 million for FY27.

In addition, matching funds create an exciting window for states and territories to grow and strengthen their home visiting services. Awardees can take this opportunity to reflect on their existing programs and “think big,” such as how matching funds could help in the following ways:

- Expanding home visiting services to additional families and new communities
- Recruiting and retaining a skilled workforce
- Driving greater program achievements and impact for families
- Strengthening relationships with important partners

Identifying non-federal matching funds is an important part of maximizing the reach and impact of awardees’ MIECHV programs. Making the most of this opportunity will require thoughtful planning, as federal matching funds will only be provided to awardees that can produce the required non-federal matching funds and manage those funds appropriately.

This technical assistance resource is designed to help awardees think through key considerations for identifying, leveraging, and managing non-federal funds used toward MIECHV match. Specifically, this resource covers the following topics:

- **Getting on the Same Page: What Are MIECHV Non-federal Matching Funds?** Includes an overview of eligible non-federal funds and important requirements.
- **Identifying Sources of Non-federal Matching Funds: Some Considerations:** Discusses practical ideas and strategies for weighing which non-federal matching funds will be the best fit for an awardee’s MIECHV program.
- **Potential Sources of Non-federal Matching Funds:** Outlines factors to look for and potential types of non-federal matching funds.
- **Written Agreements with Partners:** Explores why written agreements related to non-federal funding are valuable, and reviews things to include.
- **Managing Non-federal Matching Funds:** Offers key questions to guide your management of these funds. It also summarizes available information on key non-federal matching requirements under MIECHV funding.

For additional information and current guidance on non-federal match requirements, check out the [MIECHV Program web page](#).

Getting on the Same Page: What Are MIECHV Non-federal Matching Funds?

Non-federal matching funds come from a source other than the federal government. For the purposes of MIECHV, these funds must be obligated by an eligible entity (generally, a state or jurisdiction), and this entity does not need to be the MIECHV recipient entity. Non-federal funds may come from multiple sources, and can be cash or in-kind. (For more on this, see “Potential Sources of Non-federal Matching Funds” and “Written Agreements with Partners,” below.)



Obligations and Expenditure

Throughout this guide, we frequently use the terms *obligation*, *expenditure*, and *spent*. For the purposes of this guide, *obligation* means any commitment to provide funding. *Expenditure* or *spent* refers to any dispersal of cash or financial outlays (as defined in [45 CFR Part 75.2](#)³).

To be counted as a non-federal matching contribution, funds must comply with MIECHV’s statutory requirements for non-federal matching funds. They must also comply with the requirements for match that apply to all federal grants.⁴ Key requirements include the following:

- **Purpose of funding (eligibility):** Non-federal matching funds used to support evidence-based home visiting services, delivered in compliance with specified MIECHV requirements, can be counted as match. These funds must be related to improvements in outcomes for individual families and to the core components of the MIECHV Program. These include *all* of the following:
 - » Implementing service models that meet HHS criteria for evidence of effectiveness (or up to 25 percent used for implementing and evaluating promising approaches).
 - » Providing and/or supporting targeted, intensive home visiting services to eligible families. In certain circumstances, awardees can also use non-federal matching funds to provide *support* to targeted, intensive home visiting programs. Examples of this support include intake and referral services and universal home visiting that support evidence-based models.
 - » Prioritizing services to MIECHV priority populations.

³ 45 CFR 75 will be replaced by 2 CFR 200 and 2 CFR 300 in October 2025.

⁴ The awardee’s obligation or commitment of non-federal funds (including funding from a nongovernmental entity) must also comply with their state’s applicable laws and policies.

- **Period of performance:** Non-federal funds counted as match must be obligated within the period of performance of the applicable MIECHV award. This means, for example, that if the MIECHV award starts on September 30, 2024, and ends on September 29, 2026, the non-federal matching funds must be *obligated* between those dates.
- **Federal assistance matching contribution requirements:** In addition to meeting the purpose of the funding, non-federal matching funds must meet the following cost-sharing or match requirements, as outlined in [2 CFR, Part 200.306](#):⁵
 - » The non-federal funds must be necessary and reasonable.⁶
 - » The non-federal funds cannot be included as match on another federal award.
 - » Another federal award cannot be used as non-federal matching funds (except when allowed by federal statute).
 - » Matching funds must be verifiable from the non-federal entity's records and must be adequately documented.⁷
- **Maintenance of effort (MOE):** Funds counted as non-federal funds cannot be included in funding used to meet the awardee's MOE requirement. In other words, for funding to count as non-federal matching funds, it must be *in addition* to funds used to meet the MOE requirement. Each eligible additional dollar spent above the MOE requirement can be counted as non-federal matching funds.
- **Non-federal matching funds program reporting requirements:** Awardees report an estimate of the number of participants served using non-federal matching funds in their annual MIECHV funding application. However, participants reported for this purpose should not be duplicative of those reported on Form 1, Table 1. Awardees are *not* required to report any performance data for families served through non-federal funds.
- **Fiscal reporting requirements:** Awardees must report on the status of their non-federal funds counted as match annually in their Standard Form 425 (SF425) federal financial report (FFR).⁸
- **Shortfalls in non-federal matching funds obligations:** When an awardee encounters, or thinks they are likely to encounter, challenges meeting their non-federal match commitment, they should speak with their project officer as soon as possible.

5 Prior to October 2024, the terms *match* and *cost sharing* were used interchangeably in 2 CFR, Part 200. As a part of the 2024 updates, 2 CFR 200 streamlined the terminology and now uses the term *cost sharing* in lieu of *match*.

6 See [2 CFR 200.403\(a\)](#) and [2 CFR 200.404](#).

7 For more information on documenting expenditures, see the resource [What Do We Mean by Adequate Documentation?](#)

8 The FFR uses the term *recipient share* for non-federal match expenditures.

Identifying Sources of Non-federal Matching Funds: Some Considerations

When identifying sources of non-federal matching funds, awardees may want to prioritize funding that is sustainable, predictable, and relatively easy to manage. Some factors to consider when seeking sources that meet these criteria include the following:

- **Commitment to multiyear funding:** Non-federal funding sources that commit to providing funding for multiple years allow awardees to sustain their current levels of programming and plan for expansion. Multiyear funding saves awardees from having to search for the required non-federal funding each year and, if the non-federal funding is not secured, having to rapidly reduce their program levels.
- **Potential for increased funding:** Since the available federal matching funds will be increasing significantly each year of the authorization period, awardees may want to prioritize sources of non-federal matching funds that are already committed to providing funding that meets or exceeds non-federal matching needs, or that commit to providing increased funding.
- **Timing of non-federal matching spending:** Non-federal matching funds do not need to be spent at the same time that federal matching funds are spent. What is important to remember is that all non-federal matching commitments must be within the applicable MIECHV award period of performance.



Tip: When Exploring Funding Sources, Keep the Two-Year Period in Mind!

MIECHV awards have a two-year period of availability. Any non-federal matching funds that meet the statutory requirements and are obligated within this two-year period can be counted as match for that award. This means that non-federal funding obligated in the second year of the award can be counted as match.

- **Whether the source is committed as match for another federally funded program:** Federal programs often include a non-federal matching funds requirement. Since each dollar of non-federal funds can only be used as match for one federal program, it is important to know if a potential source of non-federal matching funds has already been, or is likely to be, fully or partially committed as match for another federal program. This can be an opportunity to coordinate on non-federal matching funds with agencies or organizations, such as Title V, that may draw on similar sources to identify their non-federal funds.

- **Verifiability and tracking:** Non-federal matching obligations must be verifiable. Accordingly, awardees will want to identify non-federal matching funds from sources that can commit to providing the necessary financial and programmatic information needed to verify that the match was obligated and spent appropriately. How this information will be tracked and verified will vary by awardee, based on their state and agency policies, their accounting systems, the source of the non-federal matching funds, and the awardee's relationship with the funding source. However, it is best practice that awardees establish formal agreements with funding entities that outline tracking and reporting expectations (see "Written Agreements with Partners," below).

Potential Sources of Non-federal Matching Funds

Non-federal matching funds can be obtained from a variety of sources *as long as the non-federal matching funds meet the eligibility and compliance requirements*. Non-federal matching funds may consist of cash expenditures and/or third-party, in-kind contributions. Potential sources of non-federal matching funds include the following:

- State funds obligated to and spent by the MIECHV awardee
- State funds obligated to and spent by a different state entity
- Local government funding, philanthropies, nonprofits, and/or other private entities (including funds made available by gifts, donations, or transfers)

Since the availability of federal matching funds will increase significantly over the current authorization, awardees may find it helpful to project the amount of federal matching funds that will be available, as well as the non-federal matching funds needed to secure that maximum amount, when identifying funding sources. Having target amounts can help awardees determine which funding sources are most viable.



Expected Federal Matching Funds

The [Jackie Walorski Maternal and Child Home Visiting Reauthorization Act of 2022](#) dictates the amount of federal matching funds appropriated by fiscal year—\$50m for FY24, \$100m for FY25, \$150m for FY26, and \$300m for FY27. However, this funding is subject to other potential requirements (such as sequestration) that may affect the actual amounts available.

Below are some common sources⁹ of non-federal match, accompanied by relevant considerations:

- **State funds spent by the awardee:** Awardees can use state funds¹⁰ as non-federal matching funds, as long as these funds are not counted toward the MOE or counted as match for a different federal award. These funds tend to require the least amount of additional effort from program management. Awardees also generally have greater decision-making authority over these funds compared to funds from other sources. They are also likely to have a system already in place for verifying, tracking, and reporting on these funds.
- **State funding spent by a different state entity:** When identifying non-federal matching funds, awardees can consider any qualifying non-federal funds obligated by the state—not just those funds obligated to the MIECHV recipient agency. Accordingly, state funding for home visiting that is received by a different state entity can be counted as non-federal matching funds. Keep in mind that when awardees use state funds from a different agency, those home visiting activities still need to align with MIECHV program requirements (see “Getting on the Same Page: What Are Non-federal Matching Funds?” above). Also, the awardee’s fiscal department must be able to verify, track, and report on those non-federal matching expenditures incurred by the other agency. Awardees will, in general, want to document what each party has agreed to (see “Written Agreements with Partners,” below).

State entities that are already implementing home visiting activities in alignment with MIECHV program requirements¹¹ can be a good source of non-federal matching funds. Entities that are *not* operating in alignment will need to make the required changes before these funds can be counted as non-federal matching funds. Awardees should be prepared to discuss with potential partners what a home visiting program that fits the MIECHV eligibility criteria for non-federal match looks like, and how the partner’s home visiting program can be aligned with those requirements.



Promising Approaches Count!

Up to 25 percent of non-federal matching funds can come from promising approach (non-evidence-based) models, as long as the program meets the MIECHV criteria for a promising approach. Keep this exception to MIECHV-approved models in mind when evaluating potential sources of matching funds!

⁹ This section is not intended to be a comprehensive list of all possible sources of non-federal matching.

¹⁰ State funds used by the awardee as non-federal matching funds must be above and beyond those state funds counted toward meeting the awardee’s maintenance of effort requirement.

¹¹ See the “Getting on the Same Page: What Are Non-federal Matching Funds?” section for a summary of these requirements. Also see HRSA’s [MIECHV Program Reauthorization](#) web page for detailed information.

- **Local government funding:** These potential sources of non-federal matching funds, provided they meet the federal requirements, are related to improvements in outcomes for individual families, and are related to the core components of the MIECHV Program. In some cases, local governments may have a local tax or assessment to pay for early childhood programs, including home visiting. Local government funding has the same caveats as other state entity funding: it needs to align with MIECHV requirements and be documented in writing (see “Written Agreements with Partners,” below).
- **Nongovernment funding (philanthropic):** Foundations often have substantial endowments that allow them to commit to multiple years of funding. Also, foundations are often familiar with, and encourage the use of, their funding to leverage or match other funding sources. Philanthropic contributions are subject to the same compliance and tracking requirements as other match sources.
- **Nonprofit organizations:** Nonprofits often provide home visiting services using a variety of established funding sources. They may also have access to philanthropic networks and community foundations willing to support home visiting initiatives.



LIAs as a Funding Source

Your MIECHV LIAs may be a good source of non-federal matching funds. LIAs often have access to non-MIECHV funding sources for home visiting programs and/or use private funding to supplement their MIECHV spending. Awardees may also have written agreements already in place with their LIAs that ensure alignment with MIECHV programmatic, fiscal, and reporting requirements.

When appropriate, awardees can ask LIAs to provide non-federal matching funds as a condition of receiving MIECHV funding. These match requirements can be incorporated into the request for applications (or similar) process, or they can be negotiated into existing agreements with LIAs. It is important to keep in mind that not all LIAs are in a position to provide matching funds and that, in some cases, those LIAs with less access to funding for match are the ones that work with harder-to-reach populations. Thus, consider allowing for exceptions to an LIA match requirement when justified.



Draw Yourself a Map!

Fiscal mapping can be a helpful way to identify and track sources of non-federal matching funds. Fiscal mapping is a process for examining and documenting the availability and flow of financial resources across programs, departments, and/or funding streams. The goal of fiscal mapping is to create a clear, visual representation of what funds are available and how these funds are allocated, spent, and leveraged. In the case of non-federal matching funds, fiscal mapping can help awardees identify potential and realized sources of matching funds, estimated amount(s) available, and estimated timing of availability.

As mentioned at the beginning of this resource, identifying and securing sources of non-federal matching funds requires careful planning. The questions below can help MIECHV awardees jump-start this process. Keep in mind that the answers to these questions may differ for each funding source.

- **Which home visiting or early childhood groups can support the state/territory's matching efforts?** These may include statewide home visiting consortia or early childhood state advisory councils. Members of these groups may be able to help with identifying potential funding sources. They may also be willing to leverage their relationships with these sources, or have their own funding sources to provide.
- **Who is best suited to make "the ask" for funding?** Suitability will depend on a number of factors including existing relationships, name recognition, and agency hierarchy. For example, the most appropriate person to engage a potential funder may not be a representative of the MIECHV team but rather the agency director.
- **What's the secret to making a compelling pitch?** First, consider what information matters most to a potential funder. Then speak to how they will benefit from the partnership. Each funder has its own set of priorities, so any requests for funds should be tailored to address these priorities.

Written Agreements with Partners

Awardees should consider entering into a written agreement (e.g., a memorandum of understanding, or MOU) with every partner that will be providing non-federal matching funds. Such agreements help to ensure that both parties have a shared understanding of expectations and requirements. They also document the partner's obligation to provide the non-federal matching

funds; this is especially important when the initial source of the non-federal funding will not be an eligible entity (a state or territory) but a philanthropy or nonprofit organization.¹²

When developing a written agreement, it is best practice to include the programs (or program activities) on which the partner's non-federal matching funds will be spent, and to make explicit the partner's willingness to follow applicable MIECHV program requirements. The agreement should also include expectations for providing fiscal and programmatic reporting on a regular basis.

Three important considerations that are often overlooked but should be included in any written agreement include the following:

- 1. How the awardee will obtain all necessary documentation:** If the source of matching funds is within the awardee's department or agency, this documentation should be readily available. If it is not, the process for obtaining necessary documentation should be included in the agreement with the partner and in your procedures (see "Managing Non-federal Matching Funds," below).
- 2. How the awardee will identify the eligible portion of the match when only a portion of the funding meets the eligibility criteria¹³:** In these cases, identifying the portion of funding that meets the requirements for MIECHV non-federal matching funds can be especially challenging. As the specific circumstances for identifying the portion of eligible non-federal matching funds will vary by awardee, awardees experiencing challenges may want to request fiscal technical assistance. For example, a local government, such as a city or county, may be using local tax revenue to fund home visiting services. If a portion of the locally sourced home visiting funding supports services using a non-evidence-based home visiting model (that does not meet MIECHV criteria for a promising approach), while another portion of funding supports services using a MIECHV-approved model, the approved model funding may meet the requirements for MIECHV non-federal matching funds, while the non-evidence-based model services funding does not. In this case, if an awardee intends to use the funding as MIECHV non-federal matching funds, it is important to identify the portion that meets the matching funds requirements.
- 3. Non-federal funds must be committed by the eligible entity (generally a state or jurisdiction).** In some cases, non-federal funds may come from sources that are not the MIECHV recipient, such as other agencies, local governments, or philanthropies. Regardless of the source, non-federal matching funds need to be obligated by an eligible entity. If the MIECHV recipient entity is not a state or jurisdiction, the eligible entity must commit the non-federal funds on behalf of the MIECHV recipient entity. Eligible entities may show their obligation or commitment of non-

¹² For more information on requirements to document non-federal matching funds obligations, see the following questions on HRSA's [MIECHV Program Reauthorization FAQs](#) web page: "How does a state demonstrate their ability to receive MIECHV matching funds?" "What if another state agency funds the evidence-based home visiting?" "What documentation does a MIECHV funding recipient need to provide to count funds invested by a philanthropic or charitable entity in evidence-based home visiting services delivered within the state by a local entity or agency?"

¹³ See "Purpose of Funding" in the section "Getting on the Same Page: What Are MIECHV Non-federal Matching Funds" above for more information on eligibility requirements.

federal funds through a written agreement. The written agreement should include language identifying that the eligible entity is obligating the non-federal funds for the purpose of MIECHV match. Consult with your legal counsel to ensure that the language in the partner agreement meets the state or territory requirements to be a legal obligation of funds.

For these and other reasons, awardees should work closely with their legal and fiscal departments when developing these agreements.



Tip: Include Fiscal Report Format!

For funding that is sourced from local governments, philanthropic organizations, and LIAs, include a suggested format for reporting non-federal match expenditures in an appendix to the agreement.

Best Practices for Non-federal Matching Funds

Oversight of non-federal matching funds will vary by agency but should align with your organization's policies and practices. Awardees must maintain sufficient records for potential detailed review of non-federal matching funds, which may include applicable documents such as state budget appropriations, documentation showing amounts obligated, and agreements between MEICV award recipient and agency/ies expending non-federal funds.

It is up to each Awardee and their agency to ensure that proper documentation is maintained. Awardees already have internal controls and financial management standards to comply with 45 CFR 75 and should continue to utilize those practices in management of non-federal matching funds. Awardees may consider some of the following strategies and best practices in oversight of non-federal matching funds.

Awardees should ensure their systems incorporate ongoing management and oversight of non-federal match expenditures, which is key to ensuring that awardees meet or exceed their non-federal matching funds commitment. It also helps to ensure that they have a system in place for tracking non-federal match expenditures, checking that those expenditures meet all relevant programmatic and fiscal requirements, and checking that funds are not double-counted or misallocated (see "Getting on the Same Page: What Are Non-federal Matching Funds," above).

Ongoing oversight of non-federal match funding allows awardees to identify any issues as they arise and make necessary changes before problems emerge. For example, monitoring may reveal that fewer funds were spent on eligible home visiting activities than expected, or that some of the

funds were spent after the MIECHV award ended. Such issues, if not addressed, could result in an awardee not meeting its non-federal match commitment for a MIECHV award.¹⁴

A helpful strategy for developing a management tracking approach, is to consider the structures and processes needed to meet the non-federal match requirements, and how to document those structures and processes so they will be sustained. Well-designed structures and procedures for tracking and monitoring non-federal match are especially important when a partner, such as another state agency or an awardee's LIAs, is incurring the non-federal match expenditures. Awardees should leverage the existing systems and structures within their agencies to support managing MIECHV non-federal funds.

When developing oversight and management procedures, it is a good idea to include fiscal staff in the development process, as these are the people who will be responsible for reporting on non-federal match expenditures. Once procedures are developed, awardees should share them with other relevant staff so that everyone understands their respective roles and responsibilities. Awardees might also consider sharing regular updates on non-federal matching funds during program management meetings to keep staff informed.

Coordinating Non-federal Matching Funds with the Fiscal Department

Awardees may need to coordinate with their agency's fiscal department to ensure that the department receives all the information it needs to manage non-federal matching funds. To ensure that it gets the required information, consider asking the following questions:

- For all sources of non-federal matching funds:
 - » Will specific fiscal codes be used to identify the non-federal matching funds in the fiscal department's accounting system?
 - » Will the fiscal department separately identify non-federal matching funds in the MIECHV award expenditure reports?
 - » Is there other information the fiscal department will need, or actions they will need to take, in order to report non-federal matching funds on the SF425?
- If non-federal matching funds are coming from a partner(s):
 - » What specific fiscal information and/or documents are needed from the partner(s)?
 - » How frequently must the partner(s) submit this fiscal information and/or documents?

¹⁴ Awardees who identify issues or changes that may impact their ability to meet their non-federal matching commitment should discuss these issues with their HRSA program officer or grants management specialist.

- » Will the fiscal department need to review or monitor the fiscal information provided by the partner(s)?



Determining Timing

Awardees have the flexibility to decide when to spend their base and federal matching funds within the award's period of availability. Awardees can also decide when to spend their non-federal matching funds (keeping in mind any restrictions specific to the funding). In some situations, there may be advantages to spending federal base funds, federal matching funds, and non-federal matching funds at specific times or in specific sequences. Awardees may want to prepare projections to determine which sequences or timing best fit their circumstances. For example, it may be advantageous for awardees to spend base dollars first, before expending federal matching funds. This approach could simplify budgeting and tracking for awardees and can support future MIECHV awards with unspent federal matching funds going back into a pool for additional matching funds for awardees.

As noted above, each dollar of obligated non-federal matching funds can only be counted toward meeting the match commitment under one MIECHV award. Due to the overlapping availability periods of MIECHV awards, awardees face the risk of double-counting their non-federal matching contributions. *Awardees should make sure that each dollar of non-federal match expenditure is only reported under a single MIECHV award.*

Conclusion

Although securing non-federal matching funds may present challenges, careful planning, strategic sourcing, and strong procedures for tracking, monitoring, and reporting, it can help awardees maximize the benefits of the available dollars and position their programs for long-term sustainability.