



Oregon

Kate Brown, Governor

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To: Oregon Transportation Safety Committee
From: Troy E. Costales, Administrator
Re: NHTSA Match Requirement Change in 2020

Background

In late 2019 NHTSA issued a memo that changed the definition and reporting of grant match, also known as cost-sharing. As of the 2020 grant year everything must be “hard match” as “soft match” is no longer allowed for reporting to NHTSA.

Soft match is typically reported for items such as donated space, donated equipment that is not eligible for federal funding (made outside of America), trainee hours, or volunteer time. Hard match is when the grantee is financially invested and is covering a set portion of the cost of eligible items that could have been paid for in the grant.

Oregon has historically allowed soft match and hard match in our grants for decades along with the rest of the country.

Discussion of Options

Oregon has three primary options to consider in order to revise the grant match policy. There is a hybrid model for the third option.

- 1) Change the grant program, only allowing grantees to report hard cash match funds that meet the new definition. Consideration: need to train grantees on the differences; will be cumbersome at the grantee and TSD level to learn what the change means at a very specific item-by-item level.
- 2) Maintain the grant program as it is today, allowing grantees to report hard match and soft match use of funds. TSD then would have to differentiate between the match types when we report to NHTSA as we would only report the hard match spending. Consideration: more administrative time by TSD program managers and financial staff to parse out the soft match before reporting to NHTSA.
- 3) Change the grant program, the grantees would no longer report any match. This would mean that TSD would report match from other sources that otherwise would be NHTSA eligible for grant funding, such as the

TSD salary match, Driver Education program spending, Motorcycle Safety training funds, Central Services state government charges; get a report from OSP on patrol time that falls under General Funding; DMV spending on compiling the crash data; or other sources. TSD would then use those reports for match. Consideration: grantees would not participate in the costs of the program and any reported state funded match cannot be used as match for any other federal grant program.

3b) For the reporting to NHTSA, TSD would use Option 3. For the expectations of the grantees, the reporting would be all match as in Option 2. Nothing significantly changes for grantees or TSD. Considerations are a combination of Options 2 and 3.

TSD is recommending approval of Option 3b.

The grant agreement doesn't change for reporting at the grantee level. Grant claim forms don't change. What comes to TSD financial staff for paying the bills and drawing down the federal funds doesn't change. There is an efficiency for TSD financial staff as the reporting for individual grantee match is no longer needed. The Operations Manager will be responsible for the financial data entry in the NHTSA system as a one-time, twice a year, or quarterly lump sum match entry. In the end these entries must be equal to or greater than required match amount for the overall NHTSA funded program. The match documentation is still tracked and present in the grant files, the information isn't reported to NHTSA.

Implementation: October 1, 2021

Attachment