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## Reporting Matching for the Regional Extension Centers and State Health Information Exchange Programs

**NOTE:** Grants Management Advisories (GMAs) provide guidance for Office of the National Coordinator for Health Information Technology (ONC) recipients in selected areas based on ONC's receipt of recurring questions or other factors. Their purpose is to provide a common interpretation for all affected ONC recipients of how ONC will apply existing policy as reflected in award terms and conditions. They do not replace or modify award terms and conditions.

This revised GMA supersedes the original version of GMA 2012-01.

### ISSUES:

How should you report matching for the Regional Extension Centers (REC) and the State Health Information Exchange (State HIE) programs on the Federal Financial Report (FFR) (SF 425)?

### KEY POINTS:

- The matching requirement under the REC program is to contribute 10 percent of total allowable project costs over the 4-year budget/project period (hereafter "project period").
- Under the State HIE program, the matching requirement, which is based on the Federal share of allowable costs, is adjusted at the beginning of each Federal fiscal year (FFY), regardless of the beginning date of the project period shown on your Notice of Grant Award (NGA), and will be reconciled at the end of the project period.
- In both programs, the final required matching amount is calculated by applying the required matching percentage to the base (total actual allowable project costs, including third-party in-kind contributions, or Federal funds expended). Actual, allowable costs or Federal funds expended, as applicable, may not exceed the ceiling amount shown on your NGA.
- REC program
  - Under the REC program, you can meet the required match based on costs incurred/contributions made at any time during the 4-year project period. In other words, you do not have to achieve a 10 percent match each year of the project period; rather the percentage can vary from year-to-year as long as the 90/10 ratio is achieved by the end of the project period. For example, years 1 and 2 of the project period may be heavily "Federal," with the ability to fully meet the matching requirement delayed until later in the project period.
  - ***If you are a REC recipient, you must do the following:***
    - ◆ ***Show the total match for the 4-year project period (as shown on the NGA) on Line 10.i of the FFR (Total recipient share required).***
    - ◆ ***Report the actual matching to date when completing Line 10.j (Recipient share of expenditures) for the annual SF 425 (which covers the period 10/1 through 9/30, regardless of the beginning and ending dates of your project period). As indicated above, that amount does not have to be proportional to the amount reported on Line 10.e (Federal share of expenditures).***

- If you report on any other basis than the actual matching achieved during the FFY (reporting period) being reported on, you will provide an inaccurate impression of what is actually happening under the award and it will affect ONC's monitoring of the award. While ONC will use the amount you report to monitor your progress in meeting the matching requirement, ONC will determine whether you have met the matching requirement based on the cumulative amounts reported for the entire project period.
- ONC will determine the final matching amount under your REC based on the actual allowable costs incurred for the entire project period. If you have an unobligated balance of Federal funds at the end of the project period or ONC disallows costs, ONC will exclude that amount for purposes of calculating the final required matching amount.

- State HIE program

- Under the State HIE program, you are required to match as follows beginning in FFY 2011:

2011 (10/1/10-9/30/11)	\$1 for each \$10 of Federal expenditures
2012 (10/1/11-9/30/12)	\$1 for each \$7 of Federal expenditures
2013 (10/1/12-9/30/13)	\$1 for each \$3 of Federal expenditures

As a result, under the State HIE program, ONC is concerned both with the matching achieved over the entire project period and whether you have met each FFY's matching percentage. Rather than adjusting funding (if applicable) based on the annual FFR, ONC will reconcile the amounts at the end of the project period.

- ***If you are a State HIE recipient, you must show the required matching share for the entire project period (as shown on the NGA) on Line 10.i of the FFR (Total recipient share required). However, because the State HIE matching share varies by FFY, when you complete the annual SF 425 for each of the FFYs shown above, you also must do the following:***
  - ◆ ***Show on Line 10.j (Recipient share of expenditures) the actual amount of matching you achieved for the FFY that the report covers.***
  - ◆ ***Show under Item 12, Remarks, the amount of required match for that FFY based on the NGA. This amount may differ from the amount reported on Line 10.j.***
- ONC will determine the final required matching amount under your State HIE award based on the actual allowable costs incurred for the entire project period. If you have an unobligated balance of Federal funds at the end of the project period or if ONC disallows any costs, ONC will exclude that amount for purposes of calculating the final required matching amount.

- ONC staff and auditors also will look at records related to recording of matching costs and third-party contributions and when they are being reported to ONC to determine whether they are being accurately recorded in the accounting period in which the costs are incurred or third-party contributions made.

**RECIPIENT RESPONSIBILITIES:**

- Review your NGA to determine required matching. In addition, review the funding opportunity announcement for the program for additional information on how ONC expects you to apply the matching requirement.
- Accurately report matching costs incurred and third-party contributions made during the reporting period.
- Ensure that the matching requirement can be met as specified in the NGA and inform ONC if you are experiencing difficulties in providing required matching.

**REFERENCES:**

45 CFR 74.23  
45 CFR 92.24  
Standard Form 425 and instructions  
HHS Grants Policy Statement  
ONC funding opportunity announcements

**CONTACT:**

If you have any questions concerning this GMA, contact your grants management officer (GMO).