Cost Sharing Requirements

- The cost share must be at least **23.1%**.
- The cost share must come from non-federal sources unless otherwise allowed by law.
- Cost share may come from project participants, state or local governments, or other third-party financing.
- Federal financing, such as DOE Loan Guarantees, cannot be leveraged by applicants to provide the required cost share or to otherwise support the same scope that is proposed in this solicitation.
- Applicants are encouraged to refer to 2 CFR 200.306 and 2 CFR 910.310 for additional cost sharing requirements.

Cost Sharing vs. Cost Matching

- While the terms “cost sharing” and “cost matching” are sometimes used interchangeably, there is an important distinction between them. DOE uses “cost sharing” to indicate that the non- federal share is calculated as a percentage of the Total Project Cost. On the other hand, for “cost matching”, the non-federal match is calculated as a percentage of the federal funds only, rather than the Total Project Cost.
- The statutory language that authorizes the Smart Manufacturing Leadership Program requires proponents to provide at least 30 percent cost match.[1] For the purposes of this solicitation, the 30 percent cost matching requirement has been converted to a 23.1 percent cost sharing requirement.

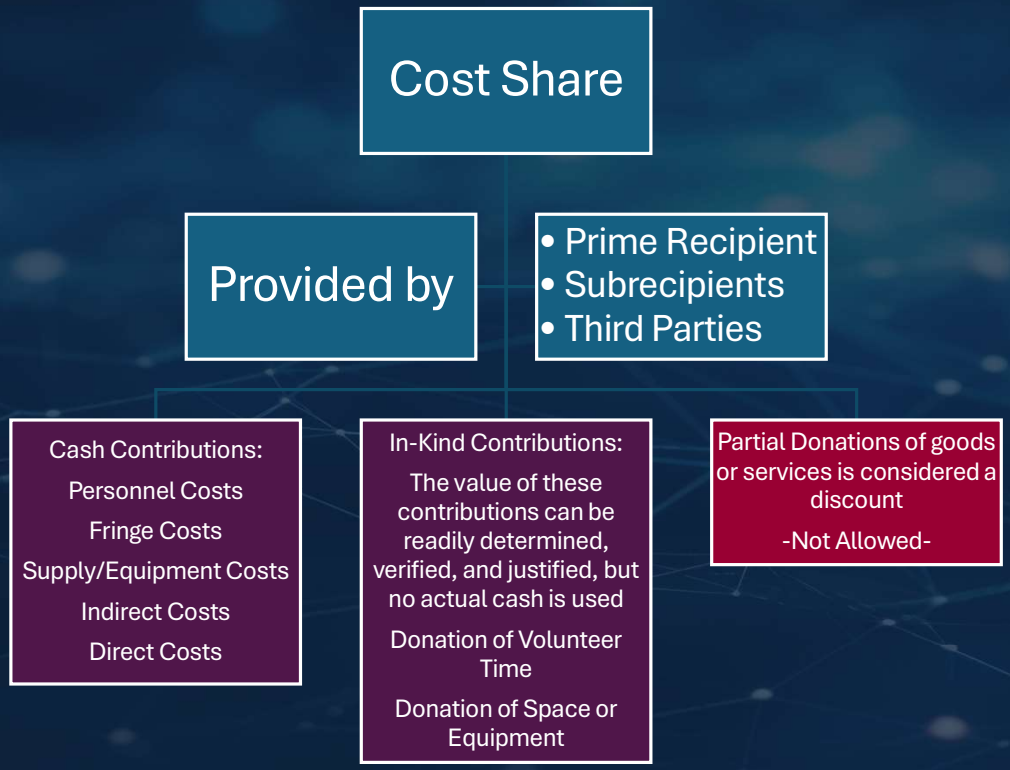
[1] BIL Section 40534 (c) (3): “MATCHING REQUIREMENT.—Each State that receives financial assistance under this section shall contribute matching funds in an amount equal to not less than 30 percent of the amount of the financial assistance.”

Cost Sharing Example Calculations

- Cost sharing is calculated as a percentage of the Total Project Cost. Federally Funded Research and Development Center (FFRDC) costs must be included in Total Project Costs. Below are examples of how to calculate cost sharing amounts using representative values.

- *The cost share for a project with $2 million in federal funds and a minimum 23.1% non-federal cost sharing requirement is as follows:*
- Formula: [Federal share ($)] divided by [percent federal share (%)] = [Total Project Cost]
  - Example: $2,000,000 divided by 76.9% = $2,600,781 (rounded up to the nearest dollar)
- Formula: [Total Project Cost ($)] minus [federal share ($)] = [Non-federal share ($)]
  - Example: $2,600,781 minus $2,000,000 = $600,781
- Formula: [Non-federal share ($)] divided by [Total Project Cost ($)] = [Non-federal share (%)]
  - Example: $600,781 divided by $2,600,781 = 23.1%

Cost Share



Additional Rules:

- Vendors/contractors may NOT provide cost share.
- The recipient may NOT use the following sources to meet its cost share obligations including, but not limited to:
  - Revenues or royalties from the prospective operation of an activity beyond the project period;
  - Proceeds from the prospective sale of an asset of an activity;
  - Federal funding or property (e.g., federal grants, equipment owned by the federal government); or
  - Expenditures that were reimbursed under a separate federal program.
- Project teams may not use the same cash or in-kind contributions to meet cost share requirements for more than one project or program.