THE BASIC RULE FORMULA:

(Federal Funds Needed)
÷
75%
=
TOTAL COST OF PROJECT

Step 1: Divide the amount of federal funds needed by 75% (.75) to calculate the total cost of the project.

(Total Cost of Project)
–
(Federal Funds Needed)
=
SUBRECIPIENT MATCH

Step 2: Subtract the amount of federal funds needed from the total cost of the project to calculate match.

Verify:
(Total Project Cost) X 25%
=
SUBRECIPIENT MATCH

Step 3: Multiply the total cost of the project by 25% (.25) to verify match amount.
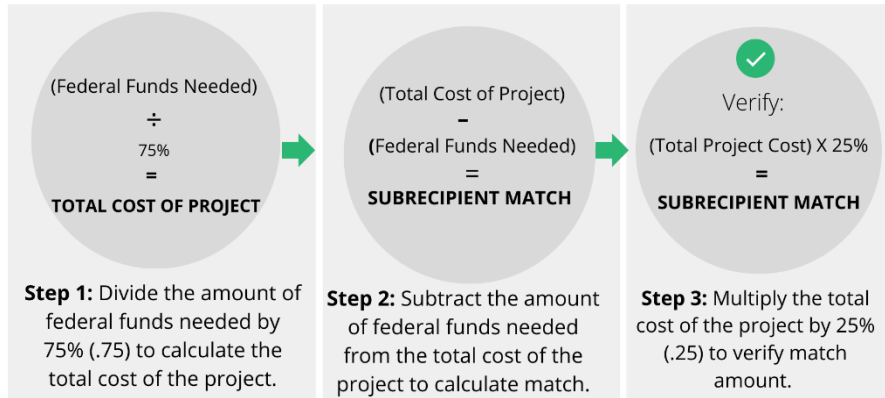
EXAMPLE:

Project: Basic

Match required: 25%

Federal Funds Needed: $1000.00

Step 1: Calculate Total Cost of Project
Divide the amount of federal funds needed by 75% (.75)
Funds Needed ($1000)
$1000 ÷ (.75) = $1,333.33
Total cost of the project
= $1,333.33
*Note: Substitute 90% (.90) for 75% (.75) for urban/ rural poverty projects.

Step 2: Calculate Subrecipient Match
Subtract the amount of federal funds needed from the total cost of the project.
$1,333.33- $1,000.00 =
$333.33
Subrecipient Match
= $333.33

Step 3: Verify
Multiply the total project cost by 25% (.25).*
$1,333.33 X .25 = $333.33
Subrecipient Match
= $333.33
*Note: Substitute 10% for 25% for urban/ rural poverty projects.