



# In-kind Matches for Federal Infrastructure Grants

Guidance for North Carolina's 72 NPIAS airports | October 2024

## Overview

Many federal grants for public airport infrastructure improvements require airport sponsors to provide matching funds. In certain cases, and with prior approval, the Federal Aviation Administration (FAA) will accept "in-kind" matches to fulfil the federal match requirements. In-kind matches are contributions made to a project that are not in the form of cash.

For example, an airport awarded a federal grant for construction of a new runway may wish to use the purchase of land as an in-kind match, or an airport may wish to use the value of donated fill on airport property.

**To qualify, the in-kind expense must be directly related to or purchased for the federally funded project.**

Approval for an in-kind match must be obtained from the FAA **prior** to the donation. NCDOT Aviation coordinates approval requests on behalf of N.C. general aviation airports.

NCDOT will also consider in-kind match to state-funded projects on a case-by-case basis.

## Procedure

General aviation airports seeking FAA approval for an in-kind match for a federally funded project should request approval from their NCDOT regional airport project manager before the donation or expense occurs. Sponsors should include with the request:

- A detailed description of the desired in-kind contribution and its estimated or actual value.
- Documentation showing the location of the in-kind contribution in relation to the federally funded project.

In-kind matches will be accepted on a project-by-project basis for use on the specified project only.

Language must be included in the grant agreement stating the amount and source of in-kind match.

Invoices submitted to the Division of Aviation for approved in-kind matches must include documentation of the amount of in-kind match being claimed on the invoice. Manual tracking of in-kind matches is required because NCDOT's SAP/EBS grants processing system does not record them.

## Federal Guidance

The Office of Management and Budget provides the following guidance in the Code of Federal Regulations 2016, Title 2, Vol. 1, [Section 200.306](#):

- a. For all Federal awards, any shared costs or matching funds and all contributions, including cash and third-party in-kind contributions, must be accepted as part of the non-Federal entity's cost sharing or matching when such contributions meet all of the following criteria:
  1. Are verifiable from the non-Federal entity's records.
  2. Are not included as contributions for any other Federal award.
  3. Are necessary and reasonable for accomplishment of project or program objectives.
  4. Are allowable under [Subpart E-Cost Principles](#) of section 200.403.
  5. Are not paid by the Federal Government under another Federal award, except where the Federal statute authorizing a program specifically provides that Federal funds made available for such program can be applied to matching or cost sharing requirements of other Federal programs.
  6. Are provided for in the approved budget when required by the Federal awarding agency.
  7. Conform to other provisions of this part, as applicable.