

## An Open Letter to the President and the 115<sup>th</sup> Congress

April 17, 2017

The President's 2018 "America First" Budget proposes to establish a 25 percent non-federal match for FEMA preparedness grants that currently has no match requirement.<sup>1</sup> This letter is to express our support for this proposal and to offer a suggestion.

We would like to see the non-federal match requirement expanded to all discretionary/competitive federal grants. We believe federally funded projects are more impactful when recipients leverage existing local and/or private resources. That is, every party to a project should have a financial stake in its success.

We propose an applicant's non-federal match requirement should be based on its Metropolitan Statistical Area (MSA) population. This will result in at least three benefits: (1) greater non-federal commitments by urban applicants; (2) increased participation by applicants in rural, isolated and frontier/remote areas; and (3) improved geographic distribution of federal grants. The following table illustrates how the sliding scale might be constructed:

MSA Population	Applicant's non-federal match percentage	Federal funds to non-federal matching funds ratio
≥ 2,000,000	50%	1:1
1,000,000 < 2,000,000	25%	3:1
250,000 < 1,000,000	10%	9:1
< 250,000	0%	N/A

Other considerations:

- Continue the supplement, not supplant rule. Federal funds should always supplement local funds and should not be used to replace funding for existing programs.
- Base the matching funds requirement on a project's location rather than an applicant's location (if there is a difference between the two). Many statewide or national pass-through organizations prepare applications on behalf of their partners in less populated areas. Potential projects in rural areas shouldn't be disadvantaged because a pass-through entity is located in a large city.
- If the 50 percent non-federal match proves restrictive for nonprofit organizations in highly populated areas, alternative criteria or a lower threshold could be established to ensure their access to a funding competition.

The Grant Doctors is here as a resource to the President and the 115<sup>th</sup> Congress. Visit us any time at [thegrantdoctors.com](http://thegrantdoctors.com) or call us at 213-595-0935.

Best regards,

*The Grant Doctors LLC*

Dave Farley, MPA  
Founder & CEO

<sup>1</sup> [https://www.whitehouse.gov/sites/whitehouse.gov/files/omb/budget/fy2018/2018\\_blueprint.pdf](https://www.whitehouse.gov/sites/whitehouse.gov/files/omb/budget/fy2018/2018_blueprint.pdf), page 24.

