



UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF POSTSECONDARY EDUCATION

December 3, 2020

Dear GEAR UP Grantee Project Director:

Due to the continuing national emergency caused by Coronavirus Disease 2019 (COVID-19) and the impact of COVID-19 on State, local, and grantee budgets, we at the Office of Postsecondary Education (OPE) wanted to take this opportunity to reiterate the match waiver flexibilities that are available to Gaining Early Awareness for Undergraduate Programs (GEAR UP) partnership grantees and offer those same flexibilities to our GEAR UP State grantees.

As you are aware, the GEAR UP program requires that grantees provide, from State, local, institutional, or private funds, not less than 50 percent of the cost of the program, which matching funds may be provided in cash or in kind and may be accrued over the full duration of the grant award period.¹ This is commonly known as a dollar-for-dollar match requirement—that is, generally, for every federal dollar provided under the grant, grantees must provide one dollar in matching funds.

The GEAR UP program regulations in [34 CFR part 694](#) offer GEAR UP partnership grantees multiple flexibilities regarding this match provided they demonstrate sufficient need and receive approval from the Department. Pursuant to section 3518(b) of the CARES Act, the Department will also offer these same flexibilities to all GEAR UP State grantees.

The purpose of this letter is to reiterate those match waiver flexibilities and describe the process for requesting such a waiver.

GEAR UP grantees may apply for the following match waivers:

1. Waiver of up to 75% of the match requirement for up to 2 years (natural disaster or similar);
2. Waiver of up to 50% of the match requirement for up to 2 years (matching funds no longer available and sources exhausted); or
3. Waiver extension - if a grantee already has a waiver, they may request that the Department waive up to 50 percent of the matching requirement for a period of up to two years beyond the expiration of any previous waiver.

¹ See 20 USC 1070a-23(b)(1) and [34 CFR § 694.7](#) for a description of the matching requirement.

The GEAR UP regulations ([34 CFR § 694.9](#)) specify what standard grantees must meet for each type of waiver, as follows:²

Type of Waiver	Standard
1 - Waiver of up to 75% of the match requirement for up to 2 years	Grantee must demonstrate that matching contributions from the original application are no longer available due to an uncontrollable event, such as a natural disaster, that has a devastating economic effect on members of the Partnership and the community in which the project would operate.
2 - Waiver of up to 50% of the match requirement for up to 2 years	Grantee must demonstrate that: (a) The matching contributions described for those two years in the grantee's approved application are no longer available; and (b) The grantee has exhausted all funds and sources of potential contributions for replacing the matching funds.
3 - Waiver Extension	Up to 50 percent of the matching requirement for a period of up to two years beyond the expiration of any previous waiver

In determining whether the grantee has exhausted all funds and sources of potential contributions for replacing matching funds, the Secretary considers the grantee's documentation of key factors such as the following and their direct impact on the grantee:

1. A reduction of revenues from State government, County government, or the local educational agency (LEA).
2. An increase in local unemployment rates.
3. Significant reductions in the operating budgets of institutions of higher education that are participating in the grant.
4. A reduction of business activity in the local area (e.g., large employers have left the local area).
5. Other data that reflect a significant decrease in resources available to the grantee in the local geographical area served by the grantee.

Grantees requesting a match waiver should specifically note which type of waiver is being requested, the timeframe for the waiver, the amount of matching funds the waiver request, if granted, would waive, and are encouraged to provide detailed evidence and documentation to support their match waiver request.

Match waiver requests lacking sufficient justification may not be granted at all or may be granted for amounts smaller or for a shorter time period than requested. Any requests must continue to adhere to the requirement to be reasonable and necessary under [Subpart E of 2 CFR part 200](#), the Cost Principles of the *Uniform Administrative Requirements, Cost Principles, And Audit Requirements for Federal Awards* (Uniform Guidance).

² State grantees should use these same categories in requesting their match waiver and tailor their request to the area where the State GEAR UP project is providing services depending on their specific State grant (Statewide, regional, or local).

If a grantee is requesting a match waiver as a result of COVID-19, the Department will entertain the possibility of a retroactive match waiver from March 13, 2020, the date of the President's declaration of a national emergency due to COVID-19.

Thank you for your continued commitment to support GEAR UP participants during this time through the ongoing delivery of services to them. Please contact your assigned program specialist if you have any questions.

Sincerely,

A handwritten signature in cursive script that reads "Christopher J. McCaghren".

Christopher J. McCaghren, Ed.D.
Deputy Assistant Secretary
Higher Education Programs