

MAKING AN IMPACT ON U.S. MANUFACTURING

# Operating Plan Guidelines for MEP Center Renewals

February 2015

**NIST**  
National Institute of  
Standards and Technology  
U.S. Department of Commerce

**MEP • MANUFACTURING  
EXTENSION PARTNERSHIP**



## Table of Contents

<b>PART I: BACKGROUND</b> .....	<b>1</b>
Overview.....	1
The Operating Plan.....	1
Why An Operating Plan? .....	1
Operating Plan Review Process .....	2
<b>PART II: OPERATING PLAN CONTENT</b> .....	<b>6</b>
Section I: Center Background.....	6
Section II: FY 2015-2016 Operating Year Goals.....	8
Section III: Financials.....	9
<b>APPENDIX I: SAMPLE OPERATING PLAN COVER SHEET</b> .....	<b>12</b>
<b>APPENDIX II: SAMPLE CENTER FINANCIAL SUMMARY</b> .....	<b>13</b>
<b>APPENDIX III: SAMPLE BUDGET SUMMARY TABLE</b> .....	<b>14</b>
<b>APPENDIX IV: SAMPLE BUDGET NARRATIVE &amp; JUSTIFICATION</b> .....	<b>16</b>
Section I: REVENUE .....	16
Section II: EXPENSES .....	18
<b>APPENDIX V: SAMPLE SUBAWARD/THIRD PARTY IN-KIND CONTRIBUTION TABLE &amp; JUSTIFICATION</b> .....	<b>24</b>
<b>APPENDIX VI: REFERENCES</b> .....	<b>26</b>

## PART I: BACKGROUND

### Overview

This document provides guidance for preparation of the annual MEP Center Operating Plan and describes the main components and deliverables that are reviewed as part of the Center renewal package submission. Where the terms of the MEP award differ from the Recipient's Operating Plan, the terms and conditions of the award shall prevail. The Recipient is obligated to bring to the attention of the NIST Grants Officer any perceived differences between the terms and conditions of the award and the Recipient's Operating Plan.

As necessary, the Guidelines will be revised to reflect changing programmatic needs. Revisions will be transmitted uniformly to Centers with sufficient lead-time to accommodate any changes. Centers are encouraged to contact their MEP Federal Program Officer (FPO) or MEP Regional Manager for Strategic Transition (RMST) for assistance or with comments or questions.

### The Operating Plan

The Operating Plan is a document that describes an MEP Center's program-specific goals and objectives, as well as the financial budget, for the operating year and explains how the Center will achieve such goals and objectives. It is also a "road map" that communicates the Center's plan to staff, clients, strategic partners and other stakeholders. Please note that this document references "operating year" and "funding period" interchangeably, as these two periods are generally the same.

The plan consists of three basic components:

- Center Background information.
- Outcome goals for the proposed operating year.
- Supporting budget and budget narrative.

Centers may always expand on the minimum requirements shown in this document.

The Operating Plan should align with the NIST MEP Strategic Plan and with the award recipient's organizational mission. The Operating Plan should be specific about how those strategies will be implemented and support the mission and vision for the operating year.

### Why An Operating Plan?

The MEP Operating Plan serves as the Center's statement of work for the funding year in accordance with the MEP General Terms and Conditions (February 2015), Section 6, "Statement of Work and Required Plans". As such, it serves to address the following requirements:

- Set forth specific activity parameters and assumptions about program direction.
- Affirm or propose a staffing/organizational structure that will enable the Center to meet its operational and strategic goals.

- Focus the Center Team on the specific tasks that the Center must accomplish during the operating year to achieve key objectives with maximum efficiency in fulfilling the mission.
- Establish specific targets for each critical objective that can be used to evaluate performance.
- Help communicate Center activities to its staff and stakeholders.
- Serve as the basis for monitoring Center progress throughout the operating year award period.
- Track progress toward the latest annual or panel review recommendations.

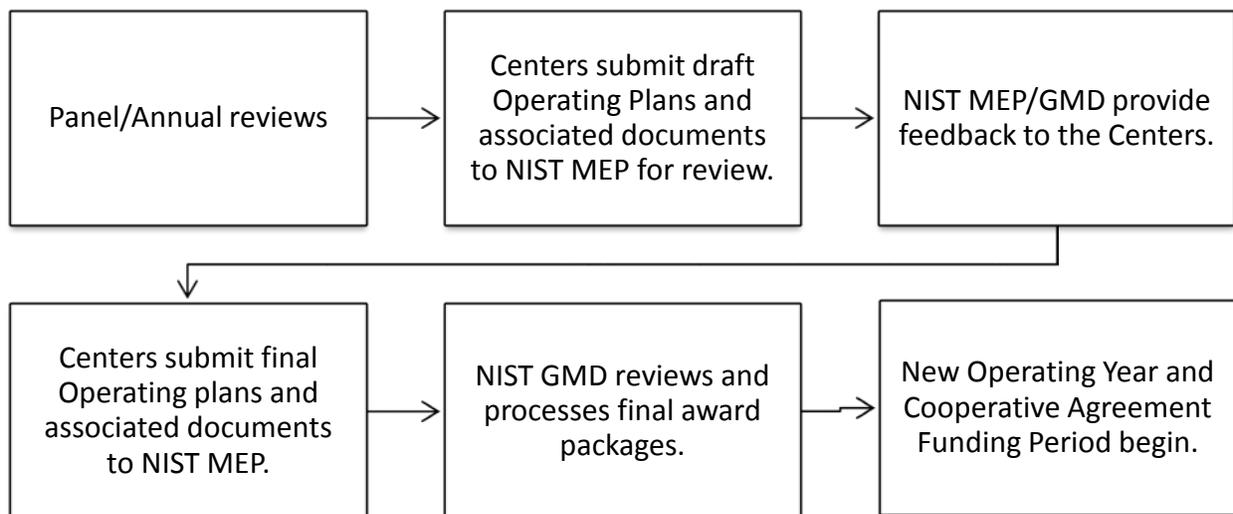
## Operating Plan Review Process

### *New Awards*

This document applies to the renewal of existing MEP Center awards. While the main concepts and structure will be similar for new awards, MEP will distribute separate guidance for the development of Operating Plans under new awards- specifically those awarded during the Center Competitions.

### *Renewals*

All MEP Centers not yet involved in the System-wide re-competition are required to submit an annual Operating Plan in order to renew their Cooperative Agreements. There is a NIST review timeframe of approximately 90 days; the review is expected to conclude prior to the MEP Centers' next operating year start date. Key internal reviewers and approvers are the FPO, RMST, MEP Director of Center Operations, GMD Grants Officer, and GMD Grants Management Specialist (GMS). The process is guided by a NIST standard operating procedure specific to the review and processing of renewals which is meant to facilitate the consistent and timely review of all renewal packages.



## Schedule

Deliverables	July Renewals	August-October Renewals
Draft <b>electronic</b> packages due to NIST MEP	April 1st	May 1st
Final <b>electronic</b> packages due to NIST MEP	May 1st	June 1st

Using the schedule listed above, Centers are instructed to email **draft** packages to Margie Robb at [margaret.rob主@nist.gov](mailto:margaret.rob主@nist.gov) in **MS Word and Excel formats** (no PDFs), copying their assigned FPO, RMST, and GMS on the email submission. Submissions should include:

- SF-424 - Application for Federal Assistance (CFDA #11.611)
- SF-424A - Budget Information – Non-Construction Programs
- **As applicable**, revised SF-424As for prior year(s) reflecting UFF and/or UPI
- SF-424B - Assurances – Non-Construction Programs
- CD-511 - Certification Regarding Lobbying
- Operating Plan for the upcoming project year with associated budget tables inserted into the text
- Electronic copies of all budget tables in Excel format (e.g., Summary Table, Detail Tables, Personnel Detail, Center Financial Summary Tables, Subrecipient/Third Party Contributor Tables (SRA/TPC) Tables)
- **As applicable**, revised SRA/TPC Tables for prior year(s) reflecting Unexpended Federal Funds (UFF) and/or Unexpended Program Income (UPI)
- **As applicable**, "Representation by Corporations Regarding an Unpaid Delinquent Tax Liability or a Felony Conviction Under Any Federal Law" (required for non-profit Recipients only)
- **As applicable**, approved Indirect Cost Rate (IDC) Agreement or copy of submitted IDC Rate Proposal
- **As applicable**, draft Sub-Recipient agreements with valuations of \$150,000 or more, including detailed budget tables, including approved or proposed IDC Rate agreements
- **As applicable**, draft proposed contracts with budgeted amounts of \$150,000 or more
- **As applicable**, draft Third Party Contributor (TPC) agreements with valuations of \$150,000 or more.

After receiving comments on the **draft** package, Centers should email their **final** packages to NIST MEP by the date listed in the schedule shown above.

**NOTE:** NIST no longer requires the submission of signed originals of documents. Electronic scans of signed documents are sufficient for award renewals.

### ***Special Instructions for Renewal of Centers in Round Two of the MEP Center Competition***

In order to ensure MEP coverage in the states included in Round Two of the MEP Center Competitions, NIST is requesting that participating Centers submit an application package for **up to a six-month award** (through December 31, 2015). The request should include the following documents and should be submitted electronically to Margie Robb at [margaret.rob主@nist.gov](mailto:margaret.rob主@nist.gov) using the same schedule shown above.

- SF-424 - Application for Federal Assistance (CFDA #11.611) covering up to a six-month period
- SF-424A - Budget Information – Non-Construction Programs covering up to a six-month period
- **As applicable**, revised SF-424As for prior year(s) reflecting UFF and/or UPI
- SF-424B - Assurances – Non-Construction Programs
- CD-511 - Certification Regarding Lobbying
- Up to a 6-month SOW in Lieu of Operating Plan with associated budget tables inserted into the text. The SOW will be a fraction of the full operating plan. The document should explain how Round Two Centers will address the Center's Key Initiatives during the six- month period. Please see Section II of this guidance for additional information. **Please limit responses to five (5) pages.**
- Electronic copies of all budget tables in Excel format (e.g., Summary Table, Detail Tables, Personnel Detail, Center Financial Summary Tables, SRA/TPC Tables)
- **As applicable**, revised SRA/TPC Tables for prior year(s) reflecting UFF and/or UPI
- **As applicable**, "Representation by Corporations Regarding an Unpaid Delinquent Tax Liability or a Felony Conviction Under Any Federal Law" (required for non-profit Recipients only)
- **As applicable**, approved IDC Rate Agreement or copy of submitted IDC Rate Proposal
- **As applicable**, draft Sub-Recipient agreements with valuations of \$150,000 or more, including detailed budget tables, including approved or proposed IDC Rate agreements
- **As applicable**, draft proposed contracts with budgeted amounts of \$150,000 or more
- **As applicable**, draft Third Party Contributor (TPC) agreements with valuations of \$150,000 or more.

As previously mentioned, it is not necessary to mail original signatures to accompany these documents. Electronic documents will suffice.

### ***FY15-16 Supplemental Funding***

In FY15-16, NIST MEP is offering two separate, one-time, supplemental funding opportunities to Centers. The first is an opportunity for Centers currently receiving less than \$500,000 in annual NIST MEP Federal funding to increase their annual federal funding request to \$500,000 in their renewal applications for the 2015-2016 operating year. The second, is an opportunity for Centers to request additional federal funding in an amount equal to the greater of \$150,000 or up to 15% of a Center's established Federal funds base. In both cases, eligible Centers must have sufficient, allowable non-Federal cost share to meet current statutory requirements.

In general, Centers carrying forward UFF will not be eligible to receive supplemental funding. However, Centers carrying forward a nominal amount of UFF into the renewal period that can show that they have the capacity to expend the additional Federal funds and provide sufficient non-Federal match for the anticipated carryover as well as an additional amount of Federal funds above base may be considered for supplemental funding.

For the purposes of Center Operations Reporting and Evaluation (CORE) scoring, only funds used to bring a Center up to a base of \$500,000 in Federal funds will be used for scoring. Other supplemental funds will not impact CORE scores in FY 15-16.

Please note that Centers that competed in Round One of the Center Competition are NOT eligible to apply for one-time supplemental funding. Through the competition process, these Centers are considered to be "right-sized" with sufficient funding to execute the MEP project.

## PART II: OPERATING PLAN CONTENT

This guidance is provided to MEP Centers as a resource and describes the information needed to develop a Center Operating Plan. Centers may also include additional information, such as a formal marketing plan, a strategic plan, an innovation practice plan, and an evaluation plan. Centers may also choose to expand on the goals or metrics sections to reflect goals or metrics defined by staff, regional office, or partners.

**Cover Page** – *A template of a cover page is in Appendix I.*

The cover page of the Operating Plan should list the legal name of the Center, any legally approved “Doing Business As” (DBA) names, the legal Recipient of the Cooperative Agreement, the dates of the operating year, and the date of the plan. Please ensure that EIN and DUNS numbers tie to the legal Recipient.

**NOTE: NIST cooperative agreement numbers change every 5 years. For FYE 15-16, awards with #10H in the award number will be assigned new award numbers.**

### Section I: Center Background

#### A. *Mission and Vision*

List the Center’s mission and vision statements. The outcomes for the year that are described in the Operating Plan should contribute towards achieving the Center’s mission.

#### B. *Center Profile*

1. **Center Strategy:** Provide a brief narrative outlining the Center’s strategy for delivering services that will support a strong manufacturing ecosystem, meet manufacturers’ needs and generate impact. Within this narrative, discuss the following:
  - a. How the market analysis provided below informs the strategies, products and services;
  - b. The approach for delivering services that balances market penetration with impact and revenue generation while addressing the needs of manufacturers;
  - c. The Center’s role and/or relationship with other entities in the State’s manufacturing ecosystem, including state, regional, and local agencies, economic development organizations and educational institutions such as universities and community or technical colleges, industry associations, and other appropriate entities;
  - d. Plans to engage with other entities in advanced manufacturing regional initiatives; and
  - e. The approach for achieving the MEP mission and objectives while also satisfying the interests of other stakeholders, investors and partners.
2. **Market Understanding:** Provide the Center’s approach for defining the target market, understanding the needs of manufacturers [especially Small and Mid-Sized Enterprises (SMEs)], and developing appropriate services to meet identified needs:

- a. **Market Segmentation:** Provide information that shows the current company size, geography and industry including a segmentation of rural and start-up manufacturers as appropriate to the Region. When appropriate, include trend tables, charts, and graphs. Discuss alignment with state and/or regional initiatives which impact the Center's strategy, product or service mix. Also discuss any other important factors the Center considered in market segmentation.
  - b. **Needs Identification and Product/Service Offerings:** Provide information on the Center's approach to needs identification and the selection of products and services for both sales growth and operational improvement as it relates to the analysis conducted in the market segmentation area. Of particular interest is how the Center leverages new manufacturing technologies, techniques and processes usable by small and medium-sized manufacturers. Also address the proposed approach to supporting a job-driven training agenda with manufacturing clients.
  
3. **Business Model:** Briefly describe how the Center's business model plan supports the accomplishment of its strategy. Include basic information such as:
  - a. **Outreach and Service Delivery to the Market:** Describe how the Center is organized to:
    - Identify, reach and provide outlined services to key market segments and individual manufacturers; and
    - Work with manufacturers' leadership in strategic discussions related to new technologies, new products and new markets.
  - b. **Partnership Leverage and Linkages:** Discuss how the Center will make effective use of key partnerships by:
    - Outlining the Center's partnership strategy for identifying, selecting and managing key partnerships including how the performance of partners is evaluated and describing the subaward/third party partnership monitoring process used by the Center; and
    - Listing the Center's current key partnerships, including Sub-Recipients and third party contributors. Briefly outline the terms under which each partnership operates, and each partner's major role(s). Do not include NIST as a partnership for this section; however, state agencies that are Sub-Recipients or third party providers may be included.
  
4. **Performance Measurement and Management:** Describe the Center's systematic approach to measuring and managing performance including the following:
  - Utilization of client-based business results important to stakeholders in understanding program impact; and
  - Center's proposed methodology for program management and internal evaluation likely to ensure effective operations and oversight for meeting program and service delivery objectives.

5. **Key Personnel and Organizational Structure:** Show the Center's composition as follows:
- a. **Key Personnel:** Describe the proposed staffing structure as it supports the Center's strategy, business model and overall operations including the following:
    - Proposed key senior leadership personnel and their background and key responsibilities;
    - Proposed staffing plan, including an FTE count that flows logically from the specified approach to the market and products and service offerings;
    - Proposed field staff structure sufficiently supporting the geographic concentrations and industry targets for the region; and
    - Individuals with signatory authority for Federal and financial documents. Per Section 8 of the MEP General Terms and Conditions (February 2015), "...the Recipient's signatory authority must be a duly authorized direct employee of the Recipient or a duly authorized member of the Center's oversight or other governance board that is acting in a fiduciary capacity to the Recipient
  - b. **Organizational Structure:** Address how the management structure (leadership and governance) meets the following requirements:
    - The proposed management structure (leadership and governance) is aligned to support the execution of the strategy, products and services;
    - Organizational roles and responsibilities of key personnel and staff are clearly delineated; and
    - The degree to which the Center's proposed oversight board (please identify Board Chair, noting members from small manufacturing firms) meets the requirements of Section 7 of the MEP General Terms and Conditions (February 2015) or, if such a structure is not currently in place or is not expected to continue to meet these requirements at the time of the MEP award, a feasible plan is proposed for developing such an oversight board within 12 months of issuance of an MEP renewal.

## Section II: FY 2015-2016 Operating Year Goals

This section should describe the Center's current strategic goals including its plan for achieving its goals and objectives for the upcoming operating year.

### A. Center Key Initiatives

The Center should provide a discussion of its key initiatives and the activities the Center will take to address these initiatives during the upcoming operating year. Centers may apply the MEP Strategic Plan (<http://www.nist.gov/mep/about/strategic-plan.cfm>) and Innovation/Growth goals, when appropriate. The discussion should provide the following:

- a. Summarize the Center's key initiatives including a description of the Center's measurable, defined and quantified goals and objectives for the upcoming operating year;
- b. Forecast the number of projects to be delivered by product type based on the Center's service delivery model. Identify planned changes in products, services, delivery, staff development and other anticipated changes;

- c. Highlight new services to be implemented in the operating year. Provide a table depicting currently available services and the new services that will become available as well as quantifiable goals or milestones for implementing the new services;
- d. Describe resources necessary to support service delivery including staff and third party partners;
- e. Explain how progress against the Center's strategies during the operating year will be measured; and
- f. Estimate the number of manufacturing clients served, those with strategic relationships developed and overall forecasted project activity in the operating period. Provide an estimate of balance of efforts projected in % assistance clients with top line growth and % assistance with bottom line growth.

### ***B. Response to Prior Year Review (Annual/Panel)***

Prior to the end of the operating year, each Center will undergo either an Annual review conducted by a NIST Team or a Panel Review conducted by a peer review panel. Comments from the reviews are provided to the Center and recommendations should be addressed and incorporated into the Center's Operating Plan, as appropriate.

### ***C. Supplemental Funding***

In FY15-16, MEP is offering a one-time opportunity to request additional funding of the greater of \$100,000 or up to 10% of a Center's normal Federal funds base. Eligible Centers must have sufficient, allowable non-Federal cost share to meet the current statutory requirements. See page 4 of this document for additional details and restrictions.

A Center applying for supplemental funding should use this section of the Operating Plan to describe in 1-3 paragraphs how it will use any one-time, supplemental funding under its MEP base award to support the Center's key initiatives and activities in the upcoming operating year.

## **Section III: Financials**

### ***A. Center Financial Summary***

Centers should use the Microsoft (MS) Excel templates provided by NIST MEP (sample in Appendix II) to show budgeted and actual revenue and expenses for previous operating years and budgeted and actual revenues and expenses for the current year-to-date. **Submit detailed table as an Appendix.** As a footnote to the financial summary table, Centers should list their actual fiscal years if they differ from their MEP operating years.

### ***B. The Operating Plan Budget Table***

Centers are strongly encouraged to use the MS Excel template provided by NIST MEP to complete the budget tables in the Operating Plan.

The Center's proposed budget for the funding period is divided into two sections:

1. **Revenue Federal/Non-Federal** Sources of Funds (Federal, Non-Federal Cash and Non-Federal In-Kind) and
2. **Expenses/Uses of Funds** both Federal and Non-Federal.

The **Federal/Non-Federal** Sources of Funds section should list all sources of funds being committed to the MEP project, including:

- NIST MEP (New and Unexpended Federal Funds (UFF), and one-time supplemental funds)
- Cash contributions by Recipients
- State Funds
- Local Funds
- Project/Services Fees (Program Income Projected)
- Anticipated Unexpended Program Income (UPI) from Prior Operating Year
- Third Party Contributions and/or Sub-Recipient Contributions (excluding contractors)
- Other

The **Expenses/Use of Funds** section should list the expense categories of the Center. Figures should correspond to amounts listed on the Federal standard forms (SF-424, SF-424A), and should be rounded to the nearest dollar. All budgets should identify estimated project expenses and associated activities.

Subaward costs are to be captured in total within the "Other" line as totals for Sub-Recipient Agreements (SRA). Do not spread Sub-Recipient costs throughout the Center's budget. Centers must submit SRA agreements for subawards of \$150,000 or more. Each SRA above this threshold must contain a budget detailing the activities to be completed and their associated costs. Whenever possible, SRA budgets should use the NIST MEP format found in Appendix II and Appendix III of this document.

Third Party Contributor (TPC) donations should be spread throughout the budget placed on the appropriate expense line in the in-kind column based on the type of expense being covered. An associated TPC agreement for contributions of \$150,000 or more should be submitted that details the valuation of the TPC. TPC agreements must be signed by both parties to the agreement.

Any cost sharing must be in accordance with the Recipient's approved project budget and must adhere to the "cost sharing" provisions of 2 C.F.R. § 200.306 and Section B.04. of the Department of Commerce Financial Assistance Standard Terms and Conditions (December 26, 2014), as may be amended. Costs incurred as non-Federal cost share must be allocable to the project, and are subject to the same allowability requirements as Federally-funded costs. The disallowance of any contributed costs as a result of an audit could result in a Recipient not meeting its required cost share under the cooperative agreement and a refund being due the Federal Government for the excess Federal share.

### ***C. Budget Narrative and Justification***

This section should include a detailed budget narrative that directly corresponds to all funding amounts and cost categories contained in the Center's budget. Sufficient detail must be provided so that NIST MEP and NIST GMD can make a preliminary determination on the allowability, allocability and reasonableness of the proposed costs. Refer to the detailed budget narrative guidance and examples included in Appendix III of these Guidelines.

#### ***D. Subawards and Subawardee and Third Party In-Kind Contributions Table***

The summary table lists all subawards and subawardee and third party in-kind contributions planned for the operating year. Dollar amounts listed in the Subawards and Subawardee/Third Party In-Kind Contributions Table must directly correspond to the "Revenue" section of the Operating Plan budget and must be described in the budget narrative. Amounts must also match those listed in the Sub-Recipient and Third Party In-Kind agreements themselves.

Centers should not include vendor contracts in this table. Vendor contracts are captured in the "Expenses" section of the budget narrative under "Contractual".

After the table, Centers should provide a narrative identifying the nature of the contribution (e.g., office space, partner staff, etc.) and highlighting the purpose and nature of each SRA/TPC agreement. The narrative should include a description of the manner in which the cost share accomplishes programmatic objectives and will further the impact of the Federal investment made to the Center. For SRAs and TPCs valued at \$150,000 or more, the Center should submit as part of its renewal package a detailed explanation and supporting documentation pertaining to its valuation and allocation to the MEP award of the SRA or TPC costs under applicable Federal cost principles.

**APPENDIX I: SAMPLE OPERATING PLAN COVER SHEET**  
(Centers may choose to add their logos on the cover page)

**OPERATING PLAN**

**Recipient Legal Name**

(NOTE: DBA's can only be used if they are officially registered with the State)

Current Operating Period Dates

Cooperative Agreement Number: 70NANBXXHXXXX

(NOTE: Center not receiving a new cooperative agreement number this year should leave this blank.)

Submitted: DATE – Month/Day/Year

## APPENDIX II: SAMPLE CENTER FINANCIAL SUMMARY

(A Microsoft Excel template is available from MEP via MEIS or your assigned FPO)

Center Financial Summary												
FY2015-2016 Operating Plan												
Category	2010-2011				2011-2012				2012-2013			
	Actual				Actual				Actual			
	Federal Cash	Non-Federal Cash	Non-Federal In-kind	TOTAL	Federal Cash	Non-Federal Cash	Non-Federal In-kind	TOTAL	Federal Cash	Non-Federal Cash	Non-Federal In-kind	TOTAL
<b>I: REVENUE (Federal and Non-Federal Cost Share)</b>												
NIST MEP Base Funds			\$0				\$0					\$0
NIST MEP Supplemental Funds			\$0				\$0					\$0
Unexpended Federal Funds (From Prior Operating Year) to be used ABOVE base			\$0				\$0					\$0
Unexpended Federal Funds (From Prior Operating Year) to be used TOWARDS base			\$0				\$0					\$0
Applicant Contribution			\$0				\$0					\$0
State/Local Funds			\$0				\$0					\$0
Unexpended Program Income (From Prior Operating Year)			\$0				\$0					\$0
Gross Program Income (Projected)			\$0				\$0					\$0
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interest on Program Income			\$0				\$0					\$0
Sub-recipient Cost Share			\$0				\$0					\$0
Third Party Contributions			\$0				\$0					\$0
<b>TOTAL REVENUE</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>II: EXPENSES</b>												
Personnel			\$0				\$0					\$0
Fringe Benefits			\$0				\$0					\$0
Travel			\$0				\$0					\$0
Equipment			\$0				\$0					\$0
Supplies			\$0				\$0					\$0
Total Contractual			\$0				\$0					\$0
Total Other			\$0				\$0					\$0
<b>Total Direct Costs</b>			\$0				\$0					\$0
Indirect Costs			\$0				\$0					\$0
<b>TOTAL EXPENSES</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL REVENUE - TOTAL EXPENSES</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Category	2013-2014				2014-2015				2014-2015			
	Actual				Budget				Actual (YTD) <sup>1</sup>			
	Federal Cash	Non-Federal Cash	Non-Federal In-kind	TOTAL	Federal Cash	Non-Federal Cash	Non-Federal In-kind	TOTAL	Federal Cash	Non-Federal Cash	Non-Federal In-kind	TOTAL
<b>I: REVENUE (Federal and Non-Federal Cost Share)</b>												
NIST MEP Base Funds			\$0				\$0					\$0
NIST MEP Supplemental Funds			\$0				\$0					\$0
Unexpended Federal Funds (From Prior Operating Year) to be used ABOVE base			\$0				\$0					\$0
Unexpended Federal Funds (From Prior Operating Year) to be used TOWARDS base			\$0				\$0					\$0
Applicant Contribution			\$0				\$0					\$0
State/Local Funds			\$0				\$0					\$0
Unexpended Program Income (From Prior Operating Year)			\$0				\$0					\$0
Gross Program Income (Projected)			\$0				\$0					\$0
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interest on Program Income			\$0				\$0					\$0
Sub-recipient Cost Share			\$0				\$0					\$0
Third Party Contributions			\$0				\$0					\$0
<b>TOTAL REVENUE</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>II: EXPENSES</b>												
Personnel			\$0				\$0					\$0
Fringe Benefits			\$0				\$0					\$0
Travel			\$0				\$0					\$0
Equipment			\$0				\$0					\$0
Supplies			\$0				\$0					\$0
Total Contractual			\$0				\$0					\$0
Total Other			\$0				\$0					\$0
<b>Total Direct Costs</b>			\$0				\$0					\$0
Indirect Costs			\$0				\$0					\$0
<b>TOTAL EXPENSES</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL REVENUE - TOTAL EXPENSES</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

[1] Please specify date used as "Year to Date"

### APPENDIX III: SAMPLE BUDGET SUMMARY TABLE

*(The budget table and detailed budget narrative below are the recommended format for all Recipients and Sub-Recipients. A Microsoft Excel template is available from MEP via MEIS or your assigned FPO. Footnotes below provide further guidance. Do not include footnotes in your budget.)*

#### Operating Plan Budget FY2015 –FY2016

Category <sup>1</sup>	NIST MEP Federal Cost Share Only	%	Non-Federal Cash Cost Share	Non-Federal In-Kind Cost Share	%	Totals
<b>I: REVENUE (Federal and Non-Federal Cost Share)</b>						
NIST MEP Base Funds <sup>2</sup>	\$400,000					\$400,000
NIST MEP Supplemental Funds	\$0					\$0
Unexpended Federal Funds (From Prior Operating Year) to be used ABOVE base <sup>3</sup>	\$10,000					\$10,000
Unexpended Federal Funds (From Prior Operating Year) to be used TOWARD base <sup>4</sup>	\$4,500					\$4,500
Applicant Contribution <sup>5</sup>			\$0	\$0		\$0
State/Local Funds			\$100,000	\$0		\$100,000
Unexpended Program Income (From Prior Operating Year) <sup>6</sup>			\$50,000	\$0		\$50,000
Gross Program Income (Projected)			\$176,000	\$0		\$176,000
<b>Total Other<sup>7</sup></b>			<b>\$148,000</b>	<b>\$355,100</b>		<b>\$503,100</b>
<i>Interest on Program Income<sup>8</sup></i>			<i>\$0</i>	<i>\$0</i>		<i>\$0</i>
<i>Sub-Recipient Cost Share<sup>9</sup></i>			<i>\$148,000</i>	<i>\$200,000</i>		<i>\$348,000</i>
<i>Third Party Contributions<sup>10</sup></i>				<i>\$155,100</i>		<i>\$155,100</i>
<b>TOTAL REVENUE</b>	<b>\$414,500</b>	<b>33.33%</b>	<b>\$474,000</b>	<b>\$355,100</b>	<b>66.67%</b>	<b>\$1,243,600</b>
<b>II: EXPENSES<sup>11</sup></b>						
Personnel	\$148,500		\$148,500	\$112,800		\$409,800
Fringe Benefits	\$30,630		\$30,630	\$28,200		\$89,460
Travel	\$6,508		\$6,508	\$0		\$13,016
Equipment	\$8,199		\$10,000	\$5,000		\$23,199
Supplies	\$6,000		\$15,000	\$4,000		\$25,000
<b>Total Contractual Costs</b>	<b>\$104,700</b>		<b>\$26,321</b>	<b>\$5,100</b>		<b>\$136,121</b>
<i>(1) IT International</i>	<i>\$15,000</i>		<i>\$5,000</i>	<i>\$0</i>		<i>\$20,000</i>
<i>(2) International Training Services</i>	<i>\$8,500</i>		<i>\$0</i>	<i>\$0</i>		<i>\$8,500</i>
<i>(3) Software Training</i>	<i>\$0</i>		<i>\$0</i>	<i>\$5,100</i>		<i>\$5,100</i>
<i>(4) American Sales, Inc.</i>	<i>\$31,200</i>		<i>\$21,321</i>	<i>\$0</i>		<i>\$52,521</i>
<i>(5) Jane Doe</i>	<i>\$50,000</i>		<i>\$0</i>	<i>\$0</i>		<i>\$50,000</i>
<b>Total Other Costs</b>	<b>\$60,051</b>		<b>\$179,964</b>	<b>\$200,000</b>		<b>\$440,015</b>
<i>(1) Sub-Recipient Agreements (ALL)<sup>12</sup></i>	<i>\$28,000</i>		<i>\$148,000</i>	<i>\$200,000</i>		<i>\$376,000</i>
<i>(2) Rent</i>	<i>\$22,001</i>		<i>\$22,003</i>	<i>\$0</i>		<i>\$44,004</i>
<i>(3) Utilities</i>	<i>\$5,250</i>		<i>\$5,250</i>	<i>\$0</i>		<i>\$10,500</i>
<i>(4) Office Expenses (telephone &amp; Internet)</i>	<i>\$1,500</i>		<i>\$1,500</i>	<i>\$0</i>		<i>\$3,000</i>
<i>(5) Dues/Subscriptions</i>	<i>\$800</i>		<i>\$1,200</i>	<i>\$0</i>		<i>\$2,000</i>
<i>(6) Audits</i>	<i>\$2,500</i>		<i>\$2,011</i>	<i>\$0</i>		<i>\$4,511</i>
<b>Total Direct Costs</b>	<b>\$364,588</b>		<b>\$416,923</b>	<b>\$355,100</b>		<b>\$1,136,611</b>
Indirect Costs (13.69%)	\$49,912		\$57,077			\$106,989
<b>TOTAL EXPENSES</b>	<b>\$414,500</b>	<b>33.33%</b>	<b>\$474,000</b>	<b>\$355,100</b>	<b>66.67%</b>	<b>\$1,243,600</b>
<b>TOTAL REVENUE – TOTAL EXPENSES<sup>13</sup></b>	<b>\$0</b>		<b>\$0</b>	<b>\$0</b>		<b>\$0</b>

- <sup>[1]</sup> Reference 15 C.F.R. Part 290.4(c) and 2 C.F.R. Part 200.306 for definitions and for additional guidance
- <sup>[2]</sup> This line should reflect up to but no more than the annual base level of Federal Funding available to the Center. Centers will not be penalized for not requesting the full Federal amount available.
- <sup>[3]</sup> This line should reflect unexpended Federal funds (UFF) being applied ABOVE the base annual amount. The Center must include in the budget narrative an explanation for the inability to expend the funds in the previous operating year.
- <sup>[4]</sup> This line should reflect UFF being applied TOWARD the base annual amount. The Center must include in the budget narrative an explanation for the inability to expend the funds in the previous operating year.
- <sup>[5]</sup> Applicant contributions can consist of cash or in-kind contributions to the MEP project.
- <sup>[6]</sup> This line should reflect the amount of prior year Unexpended Program Income (UPI) to be carried forward. The narrative should specify and describe the composition of the total amount.
- <sup>[7]</sup> The cost categories provided under "Total Other" are examples. Expenses in this category will vary from Center to Center.
- <sup>[8]</sup> Centers are reminded that per 2 C.F.R. Part 200.306 "payment methods must minimize the time elapsing between the transfer of funds from the United States Treasury or the pass-through entity and the disbursement by the non-Federal entity" and that as such no interest should be collected on Federal Funds.
- <sup>[9]</sup> This line should reflect the total estimated cash and in-kind cost share provided to the Recipient (Center) from all of its approved Sub-Recipients.
- <sup>[10]</sup> Third party contributions do not appear as a separate line item on the SF-424 but must be listed separately on this budget for MEP evaluation purposes.
- <sup>[11]</sup> The expenditure of all Third-Party contributions should be reflected (spread) in the appropriate cost category (e.g. Personnel, Fringe, Travel, etc. in the "Expenses" section of the budget table and narratives.
- <sup>[12]</sup> Sub-Recipient Expenses: Recipient (Center) provided funding to the Sub-Recipient. Amounts should correspond to amounts listed in the SRA/TPC table. Sub-Recipients should include ALL Program Income (PI) earned under the award on this line – not just the income planned to be used in the operating year. All PI generated by the MEP project should be reported. Excess PI will be shown as such in the "Total Revenue - Total Expenses" line of the budget table.
- <sup>[13]</sup> If the total of "Revenue" minus "Expenses" is positive, please include a narrative at the very end of the budget justification that explains that this surplus will be carried forward into the next operating year. Please see Section 13 of the MEP General Terms and Conditions (February 2015) for guidance on requesting the carry forward of Unexpended Program Income.

## APPENDIX IV: SAMPLE BUDGET NARRATIVE & JUSTIFICATION

*(This is an illustration of a **sample** detailed budget narrative and justification. This section must correspond with budget table. A Microsoft Excel **template** is available from MEP via MEIS or your assigned FPO.)*

### Section I: REVENUE

#### A. NEW NIST MEP FUNDS

##### NEW NIST FUNDS:

**SAMPLE:** For the Operating Year 2015, the Center requests \$\_\_\_\_\_ in new Federal funds to act as a catalyst for strengthening American manufacturing – accelerating its ongoing transformation into a more efficient and powerful engine of innovation driving economic growth and job creation.

##### SUPPLEMENTAL NIST FUNDS:

**SAMPLE:** For the Operating Year 2015, the Center requests \$\_\_\_\_\_ in new Supplemental Federal funds. These one-time supplemental funds will be used \_\_\_\_\_ in order to support the initiatives set out in Section II.C. of this Operating Plan.

#### B. UNEXPENDED FEDERAL FUNDS (UFF) FROM PRIOR OPERATING PERIOD

Per Section 14 of the MEP General Terms and Conditions (February 2015), Centers must request prior approval to carry forward UFF from the prior operating period. Centers may do so in this section of the operating plan. No Separate request for UFF carryforward is required. The request should include:

- An explanation for the inability to expend the funds in the previous operating year
- A plan for the use of the funds above-base (if applicable)
- An updated SF424A and Subaward Table (if applicable) **for the prior year** reflecting the previously approved budget and the actuals should be included as attachments.

Requests for programmatic approval for the use of carryover are considered on a case-by-case basis. **For centers entering into new awards (receiving a new award number), please note that any remaining unexpended Federal funds at the end of a five-year award period will be de-obligated.**

#### C. APPLICANT CONTRIBUTION

Describe the sources, limitation, etc., of funds being contributed by the Center in support of its own operations.

#### D. STATE FUNDS

Describe the sources, limitations (i.e., workforce only; training, etc.) of state funds being contributed to the project.

#### E. LOCAL FUNDS

Describe the sources, limitations (i.e., workforce only, training, etc.) of local funds being contributed to the project.

#### **F. UNEXPENDED PROGRAM INCOME (UPI) (FROM PRIOR OPERATING YEAR)**

As per prior practice, NIST is allowing Centers to carry forward program income from a prior award ONLY until the Center is re-competed. Per Section 13 of the MEP General Terms and Conditions (February 2015), Centers must request prior approval to carry forward UPI from the prior operating period. Centers may do so in this section of the operating plan. No Separate request for UPI carryforward is required. The request should include:

- An explanation for the inability to expend the funds in the previous operating year
- A plan for the use of the funds (if applicable)
- An updated SF424A and Subaward Table (if applicable) for the prior year reflecting the previously approved budget and the actuals.

Requests for programmatic approval for the use of carryover are considered on a case-by-case basis.

As a reminder, per Section 13.G of the MEP General Terms and Conditions (February 2015), the NIST Grants Officer generally will only approve the carry forward of 50% or less of the annual Federal funding amount in UPI with the expectation that the Center will work with its assigned RMST to ensure that it reinvests unexpended and future program income strategically into the project. Based on the explanation provided by a Center, the NIST Grants Officer may approve the carry forward of UPI in an amount greater than 50% of a Center's annual Federal funding amount, although such approvals will generally be limited to cases where large amounts of UPI were reasonably unforeseeable by the Center or in other extraordinary circumstances faced by a Center. The NIST Grants Officer will provide the Recipient with written approval or denial of a request to carry forward UPI.

Also as a reminder, reporting program income to NIST via the SF-425 is cumulative. Program income earned under prior award number should be included when submitting this form.

#### **G. PROGRAM INCOME (PROJECTED)**

Centers should provide a basis for the program income estimates included in the Budget Summary Table. The application of Program Income should be consistent with Section 13 of the MEP General Terms and Conditions (February 2015).

#### **H. OTHER REVENUE**

- Interest on Program Income – If a Center earns interest on funds directly related to the program, this is considered program income revenue from the previous year and the amount estimated to be earned during the new operating year. Centers should list the amount of interest earned on that Program Income here. Centers are reminded that per 2 C.F.R. Part 200.306 “payment methods must minimize the time elapsing between the transfer of funds from the United States Treasury or the pass-through entity, and the disbursement by the non-Federal entity” and that as such no interest should be collected on Federal Funds.

- Subrecipient Cost Share – List other revenue sources include Center's cash cost share and cost share of any subawardee. Sub-Recipients should include ALL Program Income earned within the award on this line- not just the income planned to be used in the operating year. All program income generated by the MEP project should be reported. Excess program income will be shown as such in the "Total Revenue - Total Expenses" line of the budget table.
- Third Party Contributions – All third party cash/in-kind contributions should be clearly delineated by source. See Section 11.C. of the MEP General Terms and Conditions (February 2015) for documentation requirements.

## Section II: EXPENSES

**NOTE:** All proposed direct and indirect costs must be consistent with costs incurred for like or similar items on all other Federal and Non-Federal projects or cost Centers.

A. **PERSONNEL SUMMARY:** List each position by title, including in-kind costs.

In this table, list the personnel of the Center by broad category such as service delivery, management, etc. Note any vacancies in these categories. Show the annual salary and the percentage of time devoted to the project. Compensation paid for employees must be consistent with that paid for similar work within the proposer's organization and similar positions in the industry.

**Employees who are considered indirect labor (included in Indirect Cost Rate) should not be included in the breakdown of direct salaries.** Neither contract nor subawardee personnel should be included in this section of the budget; rather, they should be included under the Contractual or "Other" sections of the budget. Also note that time volunteered by Board Members should NOT be included in this section of the budget; rather, this contribution should be included under the "Other" section of the budget.

Please use an asterisk (\*) to indicate whether any of the individuals listed in the table are "Key Personnel." As a reminder, per Section 9.G. of the MEP General Terms and Conditions (February 2015), additions or changes of Key Personnel or the absence for more than three months or a 25% reduction in time devoted to the project by the approved Center Director require approval by the Grants Officer (e.g., Center Directors, Chief Financial Officers, Managers, and Technical Staff whose expertise or experiences affect the basis of the proposal).

**PERSONNEL DETAIL (Under Separate Cover):** Centers should submit a detailed table that shows the name, annual salary, and the percentage of time devoted to the project of those individuals included in the Personnel Summary above. MEP requests this under separate cover to maintain the privacy of individual employees. **The chart provided below is a sample of what should be included in the detail table submitted under separate cover.**

**FEDERAL REQUEST:** \$148,500

Position	Name	Annual Salary/ Rate	% of Time	NIST MEP Federal Cost Share Only	Non-Federal Cost Share (Cash)	Non-Federal Cost Share (In-Kind)	Total
(1) Center Director*	Jane Doe	\$80,435	69%	\$27,750	\$27,750	\$0	\$55,500
(2) Project Manager*	John Day	\$50,500	100%	\$25,250	\$25,250	\$0	\$50,500
(3) Project Manager	Joan Kind	\$59,000	100%	\$29,500	\$29,500	\$0	\$59,000
(4) Project Manager	Fred Page	\$61,000	100%	\$30,500	\$30,500	\$0	\$61,000
(5) Project Manager	Norman Merge	\$51,000	100%	\$25,500	\$25,500	\$0	\$51,000
(5) Events Coordinator	June List	\$40,000	50%	\$10,000	\$10,000	\$0	\$20,000
(6) Office Manager	Ted Jones (TPC #1)	\$69,500	100%	\$0	\$0	\$69,500	\$69,500
(7) Training Assistant	Sally Smith (TPC #2)	\$43,300	100%	\$0	\$0	\$43,300	\$43,300
(8) Center Vice President (included in Indirect Pool)*	Sam Jones	\$100,000	100%	\$0	\$0	\$0	\$0
<b>TOTAL</b>				<b>\$148,500</b>	<b>\$148,500</b>	<b>\$112,800</b>	<b>\$409,800</b>

**B. FRINGE BENEFITS:** List all components that make up the fringe benefits rate.

**FEDERAL REQUEST: \$30,630**

Component	Rate	Wage	NIST MEP Federal Cost Share Only	Non-Federal Cost Share (Cash)	Non-Federal Cost Share (In-Kind)	Total
FICA	15.30%	\$148,500	\$11,360	\$11,360	\$0	\$22,720
Workers Compensation	6.24%	\$148,500	\$4,633	\$4,633	\$0	\$9,266
Insurance	19.713%	\$148,500	\$14,637	\$14,637	\$0	\$29,274
Non-Federal In-kind Fringe (TPC #1 & 2)*			\$0	\$0	\$28,200	\$28,200
<b>TOTAL</b>			<b>\$30,630</b>	<b>\$30,630</b>	<b>\$28,200</b>	<b>\$89,460</b>

**JUSTIFICATION:** Include copy of current agreement.

Fringe reflects current rate for agency. \*TPC #1 = \$18,800 + TPC#2 = \$9,400 = \$28,200

**C. TRAVEL:** List all expected travel for the operating year.

Travel expenses should be in accordance with the organization's written travel policy. In the absence of a written travel policy acceptable in form and substance to the NIST Grants Officer, established rates located at [www.gsa.gov](http://www.gsa.gov) shall apply. Recipients must comply with the Fly America Act for foreign travel.

**FEDERAL REQUEST: \$6,508**

Purpose of Travel	Destination	Item	Computation	NIST MEP Federal Cost Share Only	Non-Federal Cost Share (Cash)	Non-Federal Cost Share (In-Kind)	Total
(1) MEP regional meeting	Washington, DC	Airfare	\$200/flight x 8 staff	\$800	\$800	\$0	\$1,600
		Hotel	\$183/night x 8 staff x 3 nights	\$2,196	\$2,196	\$0	\$4,392
		Per Diem (meals and incidentals)	\$71/day x 8 staff x 3 days	\$852	\$852	\$0	\$1,704
(2) Local travel		Mileage	535 miles x 5 staff @ .55/mile	\$736	\$736	\$0	\$1,472
(3) MEP Quarterly Meeting	TBD	Airfare	\$200/flight x 4 staff	\$400	\$400	\$0	\$800
		Hotel	\$183/night x 4 staff x 3 nights	\$1,098	\$1,098	\$0	\$2,196
		Per Diem (meals and incidentals)	\$71/day x 4 staff x 3 days	\$426	\$426	\$0	\$852
<b>TOTAL</b>				<b>\$6,508</b>	<b>\$6,508</b>	<b>\$0</b>	<b>\$13,016</b>

**JUSTIFICATION:** Describe the purpose of travel and how costs were determined.

All costs were based on historical pricing.

(1) Eight staff will attend the MEP regional meeting in Washington, DC. This meeting will focus on service growth and business development.

(2) Local travel is needed to attend local meetings, project activities, and training events. Local travel rate is based on organization's policies/procedures for privately owned vehicle reimbursement rate.

(3) Four staff will attend the MEP quarterly meeting in a location that has yet to be determined. This meeting will focus on current center activities and outreach projects.

**D. EQUIPMENT:** List all planned equipment purchases for the operating year.

As set forth in 2 C.F.R. § 200.33, equipment means tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the Recipient (or Sub-Recipient) for financial statement purposes, or \$5,000. See also 2 C.F.R. §§200.12, Capital assets; 200.20, Computing devices; 200.48 General purpose equipment; 200.58 Information technology systems; 200.89 Special purpose equipment; 200.313, Equipment; and 200.439, Equipment and other capital expenditures. A Center must provide the methodology used to arrive at the proposed costs (e.g., historical costs, competitive bid, or published price list, etc.). Recipients shall conduct all procurement transactions in accordance with the requirements set forth in 2 C.F.R. §§ 200.110(a) and 200.317 - 200.326.

**FEDERAL REQUEST: \$8,199**

Item(s)	Computation	NIST MEP Federal Cost Share Only	Non-Federal Cost Share (Cash)	Non-Federal Cost Share (In-Kind)	Total	Methodology Used to Arrive at the Proposed Costs (e.g., historical costs, competitive bid, published price list, etc.)
(1) Video teleconferencing system (TPC #2)	\$5000 x 1	\$0	\$0	\$5,000	\$5,000	Competitive bid
(2) Copier Machine	18,199 x 1	\$8,199	\$10,000	\$0	\$18,199	Published Price List
<b>TOTAL</b>		<b>\$8,199</b>	<b>\$10,000</b>	<b>\$5,000</b>	<b>\$23,199</b>	

**JUSTIFICATION:** Explain the purpose of each requested expense.

All costs were based on retail values at the time the proposal was written.

(1) System is necessary for allowing two-way video and audio communication and includes face-to-face interaction and data sharing for office and field staff. The Center expects that by incorporating this system into its communications functions, travel expenses will decrease substantially.

(2) In order to save money by not relying on external providers for medium-sized print jobs, the Center intends to purchase volume copy machines for high volume printing. The Center expects to save money in overall print costs by making this investment.

**E. SUPPLIES:** List all planned supply purchases for the operating year.

As set forth in 2 C.F.R. § 200.94, supplies are defined as all tangible personal property other than those described in 2 C.F.R. § 200.33, Equipment. For this purpose, a computing device constitutes a supply if the acquisition cost is less than the lesser of the capitalization level established by the Recipient (or Sub-Recipient) for financial statement purposes or \$5,000, regardless of the length of its useful life. See also 2 C.F.R. §§ 200.20, Computing devices; 200.314, Supplies; and 200.453, Materials and supplies costs.

**FEDERAL REQUEST: \$6,000**

Item(s)	Computation	NIST MEP Federal Cost Share Only	Non-Federal Cost Share (Cash)	Non-Federal Cost Share (In-Kind)	Total	Methodology Used to Arrive at the Proposed Costs (e.g., historical costs, competitive bid, published price list, etc.)
Field staff supplies	\$50/month x 12 months x 4 staff	\$0	\$2,400	\$0	\$2,400	Historical costs
Laptop Computer (4 office staff)	\$2000 x 4	\$4,000	\$4,000	\$0	\$8,000	Competitive bid
Laptop Computer (2 field staff & 2 TPC staff)	\$2000 x 4	\$2,000	\$2,000	\$4,000	\$8,000	Competitive bid
Central office supplies	\$50/month x 12 months x 4 staff	\$0	\$2,400	\$0	\$2,400	Historical costs
Printers (6 staff)	\$700 x 6	\$0	\$4,200	\$0	\$4,200	
<b>TOTAL</b>		<b>\$6,000</b>	<b>\$15,000</b>	<b>\$4,000</b>	<b>\$25,000</b>	

**JUSTIFICATION:** Describe the need and include an adequate justification of how each cost was estimated.

All costs were based on retail values at the time the proposal was written.

(1) Supplies (field and central office) are needed for the general operation of the project activities.

(2) The laptop computers and printers are needed for both project work and presentations at the main office or in the field.

(3) TPC #1 = \$2,000 + TPC #2 = \$2,000 = \$4,000

**F. CONTRACTUAL:** List all contracts planned for the operating year.

A contractual arrangement is defined as an arrangement to carry out a portion of the programmatic effort, the acquisition of routine goods or services, or professional advice or service for a fee. The applicant/grantee must establish written procurement policies and procedures that are consistently applied. All procurement transactions shall be conducted in a manner to provide to the maximum extent practical, open and free competition. Sub-Recipient and Third-Party Contributor agreements should only appear in Appendix V.

**FEDERAL REQUEST: \$104,700**

Contractor/Organization Name	Service	Computation	NIST MEP Federal Cost Share Only	Non-Federal Cost Share (Cash)	Non-Federal Cost Share (In-Kind)	Total
(1) IT International	IT consultant	\$52.08/hour x 32 hrs./month x 12	\$15,000	\$5,000	\$0	\$20,000
(2) International Training Services	Computer program	\$1,700 x 5 staff/year	\$8,500	\$0	\$0	\$8,500
(3) Software Training (TPC #2)	software training	\$5,100/year	\$0	\$0	\$5,100	\$5,100
(4) American Sales, Inc.	Sales Support	\$75.03/hr. x 700 hrs./year	\$31,200	\$21,321	\$0	\$52,521
(5) Jane Doe	Marketing Coordinator	Annual salary of \$100,000 x 50%	\$50,000	\$0	\$0	\$50,000
<b>TOTAL</b>			<b>\$104,700</b>	<b>\$26,321</b>	<b>\$5,100</b>	<b>\$136,121</b>

**JUSTIFICATION:** Explain the need for each contractual agreement and how it relates to the overall project.

- (1) IT International will conduct information technology seminars and conferences and provide training services.
- (2) International Training Services will conduct yearly systems training.
- (3) U.S. Software, Inc., will develop customized software training courses.
- (4) American Sales, Inc., will develop sales and product distribution strategies.
- (5) Marketing Coordinator will develop outreach strategies, conduct conferences, and provide professional development.

**G. CONSTRUCTION: NOT ALLOWED**

**H. OTHER:** List all other direct costs that do not fall into the object cost categories above. Please note that Per 2 CFR §200.450 Lobbying “(e) Costs of membership in organizations whose primary purpose is lobbying are unallowable.” As such, no costs associated with lobbying or organizations whose primary function is lobbying are allowable under this award. With regard to rental costs, Recipients need to ensure that if rental costs are being included in the budget, they are in accordance with 2 CFR § 200.465. Rental costs under “sale and lease back” and “less-than-arm’s-length” agreements can only include expenses such as depreciation, maintenance, taxes, and insurance.”

**FEDERAL REQUEST: \$60,051**

Item	Computation	NIST MEP Federal Cost Share Only	Non-Federal Cost Share (Cash)	Non-Federal Cost Share (In-Kind)	Total
(1) Sub-Recipient Agreements (ALL)	See SRA/TPC Table	\$28,000	\$148,000	\$200,000	\$376,000
(2) Rent (\$xx.xx/sq. ft.)	\$3,667/month x 12 months	\$22,001	\$22,003	\$0	\$44,004
(3) Utilities	\$875/month x 12 months	\$5,250	\$5,250	\$0	\$10,500
(4) Office Expenses (telephone, internet, etc.)	\$250/month x 12 months	\$1,500	\$1,500	\$0	\$3,000
(5) Dues/Subscriptions	\$166.66/month x 12 months	\$800	\$1,200	\$0	\$2,000
(6) Audits	\$4,511/year	\$2,500	\$2,011	\$0	\$4,511
<b>TOTAL</b>		<b>\$60,051</b>	<b>\$179,964</b>	<b>\$200,000</b>	<b>\$440,015</b>

**JUSTIFICATION:** Explain the purpose of each requested expense.

- (1) Sub-Recipient Agreements providing outreach and training. Sub-Recipients should include ALL Program Income (PI) earned under the award on this line- not just the income planned to be used in the Operating Year. All PI generated by the MEP project should be reported. Excess PI will be shown as such in the "Total Revenue - Total Expenses" line of the budget table.
- (2) Office space.
- (3) The monthly utility expenses.
- (4) The monthly telephone and Internet expenses.
- (5) Expenses for professional and technical organization subscriptions and dues, excluding costs and membership fees for firms whose primary purpose is lobbying. Costs include membership fees for the following organizations: Organization A, Organization B, etc.
- (6) Required yearly audit expenses that are allocable to the MEP project.

=====

Item		NIST MEP Federal Cost Share Only	Non-Federal Cost Share (Cash)	Non-Federal Cost Share (In-Kind)	Total
<b>TOTAL DIRECT</b>		<b>\$364,588</b>	<b>\$416,923</b>	<b>\$355,100</b>	<b>\$1,136,611</b>
<b>INDIRECT COSTS</b>	<b>IDC Agreement</b>				
	13.69%	\$49,912	\$57,077		\$106,989

If indirect costs are included in the proposed budget, provide a copy of the approved negotiated agreement if this rate was negotiated with a cognizant Federal audit agency. If the rate was not established by a cognizant Federal audit agency, provide a statement to this effect. If the Center includes indirect costs in the budget and has not established an indirect cost rate with a cognizant Federal audit agency, the Center will be required to obtain such a rate in accordance with the Department of Commerce Financial Assistance Standard Terms and Conditions available at:  
[http://www.osec.doc.gov/oam/grants\\_management/policy/documents/DOC\\_Standard\\_Terms\\_12\\_26\\_2014.pdf](http://www.osec.doc.gov/oam/grants_management/policy/documents/DOC_Standard_Terms_12_26_2014.pdf).

Alternatively, in accordance with 2 C.F.R. § 200.414(f), Centers that have never received a negotiated indirect cost rate may elect to charge indirect costs to an MEP award pursuant to a de minimis rate of 10 percent of modified total direct costs (MTDC), in which case a negotiated indirect cost rate agreement is not required. Centers proposing a 10 percent de minimis rate pursuant to 2 C.F.R. § 200.414(f) should note this election as part of this section.

**TOTAL FEDERAL REQUEST: \$414,500**

**REVENUE – EXPENSES:** If the total of “Revenue minus Expenses” in the Summary Budget Table is positive, please include a narrative that explains that this Unexpended Program Income (UPI) will be carried forward into the next operating year. Please see Section 13 of the MEP General Terms and Conditions (February 2015) for guidance on requesting NIST approval of carry forward of UPI.

**FEDERAL REQUEST:** \$0

Item		NIST MEP Federal Cost Share Only	Non-Federal Cost Share (Cash)	Non-Federal Cost Share (In- Kind)	Total
TOTAL (DIRECT + INDIRECT)		\$414,500	\$474,000	\$355,100	\$1,243,600

**JUSTIFICATION:** XMED anticipates having a balance of UPI in the amount of \$\_\_\_\_\_ at the end of the operating year.

## APPENDIX V: SAMPLE SUBAWARD/THIRD PARTY IN-KIND CONTRIBUTION TABLE & JUSTIFICATION

(Do not include contracts/subcontracts in this table; a Microsoft Excel Template is available from MEP)

XMEP				Subaward/Third Party Contributions <sup>2</sup>					
Period: Current Operating Year				1	2	3	4	Sum of 2 thru 3	Sum of 1 thru 4
Organization Name <sup>1</sup>	Agreement Period	Center Contact	Agreement Type	NIST MEP Federal Cost Share Only	Non-Federal Cost Share			Total Non-Federal Cost Share	Total Project Amount
		<i>Staff Responsible for Monitoring Agreement</i>	<i>Subaward (SRA) or Third Party Contributions (TPC)</i>	<i>CASH</i>	<i>CASH</i>	<i>IN-KIND<sup>3</sup> (Including full-time personnel)</i>	<i>IN-KIND<sup>4</sup> (Including part-time personnel)</i>		
(1) Sub-Recipient Agreement #1	7/1/14-6/30/15	Jane Doe	SRA	\$ 10,000	\$ 50,000	\$ 90,000	\$ -	\$ 140,000	\$ 150,000
(2) Sub-Recipient Agreement #2	7/1/14-6/30/15	Jane Doe	SRA	\$ 10,000	\$ 50,000	\$ 55,000	\$ -	\$ 105,000	\$ 115,000
(3) Sub-Recipient Agreement #3	7/1/14-6/30/15	Jane Doe	SRA	\$ 8,000	\$ 48,000	\$ 55,000	\$ -	\$ 103,000	\$ 111,000
<b>TOTAL SRAs</b>				<b>\$ 28,000</b>	<b>\$ 148,000</b>	<b>\$ 200,000</b>	<b>\$ -</b>	<b>\$ 348,000</b>	<b>\$ 376,000</b>
(4) Third-Party Contributor #1	7/1/14-6/30/15	Jane Doe	TPC			\$ 90,300	\$ -	\$ 90,300	\$ 90,300
(4) Third-Party Contributor #2	7/1/14-6/30/15	Jane Doe	TPC			\$ -	\$ 64,800	\$ 64,800	\$ 64,800
<b>TOTAL TPCs</b>				<b>\$ -</b>	<b>\$ -</b>	<b>\$ 90,300</b>	<b>\$ 64,800</b>	<b>\$ 155,100</b>	<b>\$ 155,100</b>
<b>TOTAL SRAs and TPCs</b>				<b>\$ 28,000</b>	<b>\$ 148,000</b>	<b>\$ 290,300</b>	<b>\$ 64,800</b>	<b>\$ 503,100</b>	<b>\$ 531,100</b>

### NOTES:

1. Each item of the Subawards/Third Party In-Kind Contributions Table should be shown as a separate line item in the budget funding section and narrative.
2. Dollar amounts listed in the Subawards/Third Party In-Kind Contributions Table must tie directly to the budget, be described in the budget narrative, and correspond to the amounts reflected in the agreements themselves.
3. Per 15 C.F.R. § 290.4(c)(4), please state the dollar amount proposed/budgeted (or the value of property provided in lieu of cash) by the Center under the award to the partner organization.  
Per 15 C.F.R. § 290.4(c)(5), please state the dollar amount of third party in-kind contributions of part-time personnel, equipment, software, rental value of centrally located space (office and laboratory) and other related contributions may be up to a maximum of one-half of the Recipient's share. Allowable capital expenditures may be applied in the award funding period expended or in subsequent funding periods consistent with the written accounting procedures of the Recipient. See 2 C.F.R. § 200.306 or rules governing valuation of contributions of services and property.

## JUSTIFICATION:

Centers should use this section to provide a 1-3 paragraph narrative for each SRA/TPC agreement that identifies the nature of the SRA/TPC contributions (e.g., office space, partner staff, etc.) and highlight the purpose of each agreement.

- (1) SRA #1
- (2) TPC #2
- (3) Etc.

## APPENDIX VI: REFERENCES

### General Federal Regulations

- [2 C.F.R. Part 200](#) Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards
- Council on Financial Assistance Reform (COFAR): <https://cfo.gov/cofar/>
- [2 C.F.R. Part 1326](#), Department of Commerce Implementation of OMB Guidance on Non-procurement Debarment and Suspension

### Department of Commerce Regulations and Policies

- [15 C.F.R. Part 28, Appendix A](#), Certification Regarding Lobbying
- [15 C.F.R. Part 29](#), Governmentwide Requirements for Drug-Free Workplace (Financial Assistance)
- DOC Financial Assistance Standard Terms and Conditions (December 26, 2014), as may be amended,
- DOC Grants Policy Internet  
Website: [http://www.osec.doc.gov/oam/grants\\_management/policy/default.htm](http://www.osec.doc.gov/oam/grants_management/policy/default.htm)

### NIST Regulations and Policies

- Public Law 110-69 America Competes
- [15 USC 278k](#), Section 25–of the National Institute of Standards and Technology Act, as amended
- [15 C.F.R. Part 290](#), Regional Centers for the Transfer of Manufacturing Technology

### MEP Regulations and Policies

- MEP General Terms and Conditions (February 2015)
- The Federal Register Notice and the accompanying Announcement of Federal Funding Opportunity (FFO) applicable to the specific MEP award [for example, see 66 FR 15219 (March 16, 2001)]