

## Federal Funding Opportunity For:

**Manufacturing Extension Partnership (MEP) Availability of Funds for Projects to develop client engagement or business models and deployment strategies that integrate two or more of the MEP Strategic Growth Areas**

### **Background:**

The National Institute of Standards and Technology invites proposals from eligible organizations for projects to develop client engagement or business models and deployment strategies that integrate two or more of the MEP Strategic Growth Areas. The projects should further demonstrate in its proposed client engagement or business model, the benefit of this integration and how the approach can expand service capability and capacity of the MEP system. The five MEP Strategic Growth Areas are: supply chain, sustainability, technology acceleration, workforce and continuous improvement. Proposals should include a project plan, a client engagement or business model and deployment strategy for the project, and an approach for leveraging existing tools, resources and partnerships.

### **Eligible Applicants**

All nonprofit organizations including universities, community colleges, state governments, state technology programs and independent nonprofit organizations including existing MEP manufacturing extension centers are eligible. Organizations may submit multiple proposals under this solicitation for unique projects. A partnership with an existing MEP manufacturing extension center or centers is strongly encouraged.

#### **1. Application Package**

The forms listed in a. through e. below as well as the NIST MEP Operating Plan Guidelines are available as part of the **Grants.gov** application package and can also be completed through the download application process. Any questions relating to these forms can be directed to Diane Henderson at 301-975-5105 or [diane.henderson@nist.gov](mailto:diane.henderson@nist.gov).

#### **2. Form of Application/Proposal Submission**

The NIST MEP Operating Plan Guidelines are a resource framework for applicants to consider in developing the application. Complete applications/proposals must, at a minimum, include the following forms and documents:

- a. SF-424, Application for Federal Assistance
- b. SF-424A, Budget Information Non-Constructions
- c. SF-424B, Assurances Non-Construction
- d. CD-511, Certification Regarding Debarment, Suspension and Other Responsibility Matters; Drug-Free Workplace Requirements and Lobbying
- e. SF-LLL - Disclosure of Lobbying Activities (if applicable)

**Note:** Forms can be downloaded at [http://www.whitehouse.gov/omb/grants\\_forms/](http://www.whitehouse.gov/omb/grants_forms/)

The SF-424 and CD series of forms will not be considered part of the page count of the proposal.

### Additional Resources:

- DOC General Terms & Conditions – <http://oamweb.osec.doc.gov/docs/GRANTS/DOC%20STCsMAR08Rev.pdf>
- MEP General Terms & Conditions - <http://www.nist.gov/mep/legislative-history.cfm>
- MEP Operating Plan Guidelines - <http://www.nist.gov/mep/legislative-history.cfm>

Complete applications/proposals must, at a minimum, include the following forms and documents and meet the following requirements identified in 15 CFR 292.1(e) and (f), which are:

1. An executive summary summarizing the planned project consistent with the Evaluation Criteria stated in this funding opportunity and the Federal Register notice for this solicitation.
2. A description of the planned project sufficient to permit evaluation of the proposal in accordance with the proposal Evaluation Criteria stated in this funding opportunity and the Federal Register notice for this solicitation.
3. A budget for the project which identifies all sources of funds and which breaks out planned expenditures by both activity and object class (e.g., personnel, travel, etc.).
4. A description of the qualifications of key personnel who will be assigned to work on the proposed project.
5. A statement of work that discusses the specific tasks to be carried out, including a schedule of measurable events and milestones.
6. A completed Standard Form 424 (Rev. 10-2005), 424A (Rev. 7-97), and 424B (Rev. 7-97) prescribed by the applicable OMB circular, Form CD-511, Certification Regarding Lobbying, and Standard Form LLL (if applicable). Note: The SF-424, 424A, 424B, SF-LLL, and Form CD-511 will not be considered part of the page count of the proposal.

The proposal must not exceed 25 typewritten pages in length for the basic proposal document; it may be accompanied by additional appendices of relevant supplementary attachments and tabular material. The proposal must contain both technical and cost information. The proposal page count shall include every page including pages that contain words, table of contents, executive summary, management information and qualifications, resumes, figures, tables, and pictures. All hard copy proposals shall be printed such that pages are single-sided, with no more than fifty-five (55) lines per page. Use 21.6 x 27.9 cm (8 1/2" x 11") paper or A4 metric paper. Use an easy to read font of not more than about 5 characters per cm (fixed pitch font of 12 or fewer characters per inch or proportional font of point size 10 or larger). Smaller type may be used in figures and tables but must be clearly legible. Margins on all sides (top, bottom, left and right) must be at least 2.5 cm (1"). The applicant may submit a separately bound document of appendices containing other supporting information. The proposal should be self-contained and not rely

on the appendices for meeting criteria. Basic proposal documents exceeding the 25 page requirement will not be reviewed.

If submitting a paper application, each applicant must submit one signed original and two paper copies of the complete application. Facsimile, electronic mail, and or forms of electronic application submissions other than Grants.gov will not be accepted.

The application for this program consists of two mandatory elements: a) forms (the SF and CD forms listed in section IV.2 of this Federal Funding Opportunity notice) and b) documents you write yourself in response to the requirements contained in this Federal Funding Opportunity notice. If applying electronically through Grants.gov, combine in one file those required documents contained in this notice and attach the resulting file to field 15 of the SF-424 form by clicking on the oblong marked "Add Attachments".

#### **4. Information Session**

NIST MEP will hold an information session for organizations considering applying to this opportunity. The information session will be in the form of a free webinar to be held on July 22<sup>nd</sup> at 2:00 p.m. Eastern Daylight Saving Time. Organizations wishing to participate in the webinar must register at the NIST MEP public website [www.nist.gov/mep](http://www.nist.gov/mep).

#### **Submission Dates and Times**

All applications must be **received or postmarked** no later than 5:00 p.m. Eastern Time on July 15, 2010. This deadline applies to any mode of proposal submission, including courier, express mailing, and electronic. Do not wait until the last minute to submit a proposal. NIST will not make any allowances for late submissions, including incomplete Grants.gov registration. Any proposals not received or postmarked by the due date will not be considered and will be returned to the applicant without review.

**Important:** All applicants, of both electronic and paper applications, should be aware that adequate time must be factored into applicant schedules for delivery of the application. Applicants submitting electronic proposals are advised that volume on Grants.gov is currently heavy, and if Grants.gov is unable to accept applications electronically in a timely fashion, applicants are encouraged to exercise their option to submit applications in paper format.

#### **5. Executive Order 12372 (Intergovernmental Review of Federal Programs)**

Proposals under this program are not subject to Executive Order 12372, "Intergovernmental Review of Federal Programs."

#### **6. Other Submission Requirements**

Proposals may be submitted in hard copy or in electronic format as follows:

**Paper submission:**

National Institute of Standards and Technology  
Manufacturing Extension Partnership  
c/o Diane Henderson  
100 Bureau Drive, Stop 4800  
Gaithersburg, MD 20899-4800

Plainly mark on the outside of the package that it contains a Manufacturing Extension Partnership Center proposal.

For paper submissions, NIST requires an original and two (2) copies.

**Electronic submission:** Electronic proposals should be uploaded to [www.grants.gov](http://www.grants.gov)

The following forms are available as part of the Grants.gov application kit and can be completed through the download application process.

- SF-424, Application for Federal Assistance
- SF-424A, Budget Information Non-Constructions
- SF-424B, Assurances Non-Construction
- CD-511, Certification Regarding Lobbying
- SF-LLL, Disclosure of Lobbying Activities (if applicable)

The list of certifications and assurances referenced in item number 21 of the SF-424 is contained in the SF-424B.

**In order for an application to be considered complete, it must meet all the application documentation requirements stated in this Federal Funding Opportunity notice.**

Applicants may choose to scan or create the necessary documents and then attach them to the application in Grants.gov. Applicants should carefully follow specific Grants.gov instructions to ensure the attachments will be accepted by the Grants.gov system. A receipt from Grants.gov indicating a proposal is received does not provide information about whether attachments have been received.

If you have a question regarding successful transfer of attachments or questions regarding applying electronically for this announcement, please contact Christopher Hunton at 301-975-5718, e-mail address [Christopher.Hunton@nist.gov](mailto:Christopher.Hunton@nist.gov).

Applicants are strongly encouraged to start early and not to wait until the approaching due date before logging on and reviewing the instructions for submitting an application through Grants.gov. The Grants.gov registration process must be completed before a new registrant can apply electronically. If all goes well, the registration process takes from 3 to 5 business days. If problems are encountered, the registration process can take up to 2 weeks or more. Applicants must have a Dun and Bradstreet Data Universal Numbering System (DUNS) number and must be registered with the Federal Central Contractor Registry and with a Credential Provider, as explained on the Grants.gov web site. After registering, it may take several days or longer from the initial log-on before a new Grants.gov system user can submit an application. Only authorized individual(s) will be able to submit the application, and the system may need time to process a submitted application. Applicants should save and print the proof of submission they receive from Grants.gov. If problems occur while using Grants.gov, the applicant is advised to (a) print any error message received, and (b) call Grants.gov directly at 800-518-4726 for immediate assistance. Assistance from the Grants.gov Help Desk will be available around the clock every day, with the exception of Federal holidays. Help Desk service will resume at 7:00 a.m. Eastern Time the day after Federal holidays. For assistance with using Grants.gov, you may also contact support@grants.gov.

Please refer to important information in "Submission Dates and Times" above to help ensure your application is received on time. All questions about the general process of submitting an application and responses to those questions will be posted on the MEP website, <http://www.nist.gov/mep>.

### **NIST MEP Statute**

TITLE 15 - COMMERCE AND TRADE  
CHAPTER 7 - NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY  
Sec. 278k. Regional Centers for the Transfer of Manufacturing Technology

#### **-STATUTE-**

(a) Creation and support of Centers; affiliations; merit review in determining awards; objectives. The Secretary, through the Director and, if appropriate, through other officials, shall provide assistance for the creation and support of Regional Centers for the Transfer of Manufacturing Technology (!1) (hereafter in this chapter referred to as the "Centers"). Such centers (!2) shall be affiliated with any United States-based nonprofit institution or organization, or group thereof, that applies for and is awarded financial assistance under this section in accordance with the description published by the Secretary in the [Federal Register](#) under subsection (c)(2) of this section. Individual awards shall be decided on the basis of merit review. The objective of the Centers is to enhance productivity and technological performance in United States manufacturing through -

1. the transfer of manufacturing technology and techniques developed at the Institute to Centers and, through them, to manufacturing companies throughout the United States;
2. the participation of individuals from industry, universities, State governments, other Federal agencies, and, when appropriate, the Institute in cooperative technology transfer activities;
3. efforts to make new manufacturing technology and processes usable by United States- based small- and medium-sized companies;
4. the active dissemination of scientific, engineering, technical, and management information about manufacturing to industrial firms, including small- and medium-sized manufacturing companies; and
5. the utilization, when appropriate, of the expertise and capability that exists in Federal laboratories other than the Institute.

(b) Activities of Centers

The activities of the Centers shall include -

(1) the establishment of automated manufacturing systems and other advanced production technologies, based on research by the Institute, for the purpose of demonstrations and technology transfer;

(2) the active transfer and dissemination of research findings and Center expertise to a wide range of companies and enterprises, particularly small- and medium-sized manufacturers; and

(3) loans, on a selective, short-term basis, of items of advanced manufacturing equipment to small manufacturing firms with less than 100 employees.

(c) Duration and amount of support; program descriptions; applications; merit review; evaluations of assistance; applicability of patent law

(1) The Secretary may provide financial support to any Center created under subsection (a) of this section for a period not to exceed six years. The Secretary may not provide to a Center more than 50 percent of the capital and annual operating and maintenance funds required to create and maintain such Center.

(2) The Secretary shall publish in the [Federal Register](#), within 90 days after August 23, 1988, a draft description of a program for establishing Centers, including -

(A) a description of the program;

(B) procedures to be followed by applicants;

(C) criteria for determining qualified applicants;

(D) criteria, including those listed under paragraph (4), for choosing recipients of financial assistance under this section from among the qualified applicants; and

(E) maximum support levels expected to be available to Centers under the program in the fourth through sixth years of assistance under this section.

The Secretary shall publish a final description under this paragraph after the expiration of a 30-day comment period.

(3) Any nonprofit institution, or group thereof, or consortia of nonprofit institutions, including entities existing

on August 23, 1988, may submit to the Secretary an application for financial support under this subsection, in accordance with the procedures established by the Secretary and published in the [Federal Register](#) under paragraph (2). In order to receive assistance under this section, an applicant shall provide adequate assurances that it will contribute 50 percent or more of the proposed Center's capital and annual operating and maintenance costs for the first three years and an increasing share for each of the last three years. Each applicant shall also submit a proposal for the allocation of the legal rights associated with any invention which may result from the proposed Center's activities.

(4) The Secretary shall subject each such application to merit review. In making a decision whether to approve such application and provide financial support under this subsection, the Secretary shall consider at a minimum (A) the merits of the application, particularly those portions of the application regarding technology transfer, training and education, and adaptation of manufacturing technologies to the needs of particular industrial sectors, (B) the quality of service to be provided, (C) geographical diversity and extent of service area, and (D) the percentage of funding and amount of in-kind commitment from other sources.

(5) Each Center which receives financial assistance under this section shall be evaluated during its third year of operation by an evaluation panel appointed by the Secretary. Each such evaluation panel shall be composed of private experts, none of whom shall be connected with the involved Center, and Federal officials. An official of the Institute shall chair the panel. Each evaluation panel shall measure the involved Center's performance against the objectives specified in this section. The Secretary shall not provide funding for the fourth through the sixth years of such Center's operation unless the evaluation is positive. If the evaluation is positive, the Secretary may provide continued funding through the sixth year at declining levels. After the sixth year, a Center may receive additional financial support under this section if it has received a positive evaluation through an independent review, under procedures established by the Institute. Such an independent review shall be required at least every two years after the sixth year of operation. Funding received for a fiscal year under this section after the sixth year of operation shall not exceed one third of the capital and annual operating and maintenance costs of the Center under the program.

(6) The provisions of chapter 18 of title 35 shall (to the extent not inconsistent with this section) apply to the promotion of technology from research by Centers under this section except for contracts for such specific technology extension or transfer services as may be specified by statute or by the Director. (d) Acceptance of funds from other Federal departments and agencies. In addition to such sums as may be authorized and appropriated to the Secretary and Director to operate the Centers program, the Secretary and Director also may accept funds from other Federal departments and agencies for the purpose of providing Federal funds to support Centers. Any Center which is supported with funds which originally came from other Federal departments and agencies shall be selected and operated according to the provisions of this section. (Mar. 3, 1901, ch. 872, Sec. 25, as added Pub. L. 100-418, title V, Sec. 5121(a), Aug. 23, 1988, 102 Stat. 1433; amended Pub. L. 102-245, title I, Sec. 105(e), Feb. 14, 1992, 106 Stat. 12; Pub. L. 105-309, Sec. 2, Oct. 30, 1998, 112 Stat. 2935.)

## AMENDMENTS

1998 - Subsec. (c)(5). Pub. L. 105-309 substituted ". After the sixth year, a Center may receive additional financial support under this section if it has received a positive evaluation through an independent review, under procedures established by the Institute. Such an independent review shall be required at least every two years after the sixth year of operation. Funding received for a fiscal year under this section after the sixth year of operation shall not exceed one third of the capital and annual operating and maintenance costs of the Center under the program." for ", which are designed to ensure that the Center no longer needs financial support from the Institute by the seventh

year. In no event shall funding for a Center be provided by the Department of Commerce after the sixth year of the operation of a Center." 1992 - Subsec. (c)(6). Pub. L. 102-245, Sec. 105(e)(1), inserted before period at end "except for contracts for such specific technology extension or transfer services as may be specified by statute or by the Director". Subsec. (d). Pub. L. 102-245, Sec. 105(e) (2), amended subsec. (d) generally. Prior to amendment, subsec. (d) read as follows: "There are authorized to be appropriated for the purposes of carrying out this section, a combined total of not to exceed \$40,000,000 for fiscal years 1989 and 1990. Such sums shall remain available until expended."

#### **CHANGE OF NAME**

Pub. L. 108-447, div. B, title II, Dec. 8, 2004, 118 Stat. 2879, provided in part: "That hereafter the Manufacturing Extension Partnership Program authorized under 15 U.S.C. 278k shall be renamed the Hollings Manufacturing Partnership Program and the centers established and receiving funding under 15 U.S.C. 278k paragraph (a) shall be named the Hollings Manufacturing Extension Centers."

#### **AGREEMENTS AND CONTRIBUTIONS FOR COLLECTIVE RESEARCH AND DEVELOPMENT INITIATIVES**

Pub. L. 108-7, div. B, title II, Feb. 20, 2003, 117 Stat. 73, provided in part: "That hereafter the Secretary of Commerce is authorized to enter into agreements with one or more nonprofit organizations for the purpose of carrying out collective research and development initiatives pertaining to 15 U.S.C. 278k paragraph (a), and is authorized to seek and accept contributions from public and private sources to support these efforts as necessary." Similar provisions were contained in the following prior appropriation act: Pub. L. 107-77, title II, Nov. 28, 2001, 115 Stat. 774.

#### **ADDITIONAL RENEWAL OF FEDERAL FINANCIAL ASSISTANCE FOR CENTERS**

Pub. L. 105-277, div. A, Sec. 101(b) [title II], Oct. 21, 1998, 112 Stat. 2681-50, 2681-83, which provided that Federal financial assistance awarded by the Secretary of Commerce to a Regional Center for the Transfer of Manufacturing Technology could continue beyond six years and could be renewed for additional periods, not to exceed one year, at a rate not to exceed one-third of the Center's total annual costs or the level of funding in the sixth year, whichever was less, subject before any such renewal to a positive evaluation of the Center and to a finding by the Secretary of Commerce that continuation of Federal funding to the Center was in the best interest of the Regional Centers for the Transfer of Manufacturing Technology Program, was from the Departments of Commerce Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1999, and was not repeated in subsequent appropriations Acts. Similar provisions were contained in the following prior appropriation acts: Pub. L. 105-119, title II, Nov. 26, 1997, 111 Stat. 2476. Pub. L. 104-208, div. A, title I, Sec. 101(a) [title II], Sept. 30, 1996, 110 Stat. 3009, 3009-36. Pub. L. 103-317, title II, Aug. 26, 1994, 108 Stat. 1741.

#### **PUBLICATION IN FEDERAL REGISTER**

Pub. L. 100-519, title I, Sec. 102(d), Oct. 24, 1988, 102 Stat. 2590, provided that: "The requirement of section 25(c)(2) of the Act of March 3, 1901, [15 U.S.C. 278k(c)(2)], shall be considered to have been met by the publication made by the National Bureau of Standards on July 18, 1988 (53 Fed. Reg. 27060)."

#### **NIST MEP Rule**



Code of Federal Regulations

Title 15, Volume 1

From the U.S. Government Printing Office via GPO Access [CITE: 15CFR290]

TITLE 15--COMMERCE AND FOREIGN TRADE CHAPTER II--NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY, DEPARTMENT OF COMMERCE PART 290--REGIONAL CENTERS FOR THE TRANSFER OF MANUFACTURING TECHNOLOGY

Table of Contents Sec. 290.1 Purpose. 290.2 Definitions. 290.3 Program description. 290.4 Terms and schedule of financial assistance. 290.5 Basic proposal qualifications. 290.6 Proposal evaluation and selection criteria. 290.7 Proposal selection process. 290.8 Reviews of centers. 290.9 Intellectual property rights. Authority: 15 U.S.C. 278k. Source: 55 FR 38275, Sept.17, 1990, unless otherwise noted.

Sec. 290.1 Purpose. This rule provides policy for a program to establish Regional Centers for the Transfer of Manufacturing Technology as well as the prescribed policies and procedures to insure the fair, equitable and uniform treatment of proposals for assistance. In addition, the rule provides general guidelines for the management of the program by the National Institute of Standards and Technology, as well as criteria for the evaluation of the Centers, throughout the lifecycle of financial assistance to the Centers by the National Institute of Standards and Technology.

Sec. 290.2 Definitions. (a) The phrase advanced manufacturing technology refers to new technologies which have recently been developed, or are currently under development, for use in product or part design, fabrication, assembly, quality control, or improving production efficiency. (b) The term Center or Regional Center means a NIST-established Regional Center for the Transfer of Manufacturing Technology described under these procedures. (c) The term operating award means a cooperative agreement which provides funding and technical assistance to a Center for purposes set forth in Sec.290.3 of these procedures. (d) The term Director means the Director of the National Institute of Standards and Technology. (e) The term NIST means the National Institute of Standards and Technology, U.S. Department of Commerce. (f) The term Program or Centers Program means the NIST program for establishment of, support for, and cooperative interaction with Regional Centers for the Transfer of Manufacturing Technology. (g) The term qualified proposal means a proposal submitted by a nonprofit organization which meets the basic requirements set forth in Sec. 290.5 of these procedures. (h) The term Secretary means the Secretary of Commerce. (i) The term target firm means those firms best able to absorb advanced manufacturing technologies and techniques, especially those developed at NIST, and which are already well prepared in an operational, management and financial sense to improve the levels of technology they employ.

Sec. 290.3 Program description. (a) The Secretary, acting through the Director, shall provide technical and financial assistance for the creation and support of Regional Centers for the Transfer of Manufacturing Technology. Each Center shall be affiliated with a U.S.-based nonprofit institution or organization which has submitted a qualified proposal for a Center Operating Award under these procedures. Support may be provided for a period not to exceed six years. The Centers work with industry, universities, nonprofit economic development organizations and state governments to transfer advanced manufacturing technologies, processes, and methods as defined in Sec. 290.2 to small and medium sized firms. These technology transfer efforts focus on the continuous and incremental improvement of the target firms. The advanced manufacturing technology, which is the focus of the Centers, is the subject of research in NIST's Automated Manufacturing Research Facility (AMRF). The core of AMRF research has principally been applied in discrete part manufacturing, including electronics, composites, plastics, and metal parts fabrication and assembly. Centers will be afforded the opportunity for interaction with the AMRF and will be given access to research projects and results to strengthen their technology transfer. Where elements of a solution are

available from an existing source, they should be employed. Where private-sector consultants who can meet the needs of a small- or medium-sized manufacturer are available, they should handle the task. Each Center should bring to bear the technology expertise described in Sec. 290.3(d) to assist small- and medium-sized manufacturing firms in adopting advanced manufacturing technology. (b) Program objective. The objective of the NIST Manufacturing Technology Centers is to enhance productivity and technological performance in United States manufacturing. This will be accomplished through: (1) The transfer of manufacturing technology and techniques developed at NIST to Centers and, through them, to manufacturing companies throughout the United States; (2) The participation of individuals from industry, universities, State governments, other Federal agencies, and, when appropriate, NIST in cooperative technology transfer activities; (3) Efforts to make new manufacturing technology and processes usable by United States-based small- and medium-sized companies; (4) The active dissemination of scientific, engineering, technical, and management information about manufacturing to industrial firms, including small- and medium-sized manufacturing companies; and (5) The utilization, when appropriate, of the expertise and capability that exists in Federal laboratories other than NIST. (c) Center activities. The activities of the Centers shall include: (1) The establishment of automated manufacturing systems and other advanced production technologies based on research by NIST and other Federal laboratories for the purpose of demonstrations and technology transfer; (2) The active transfer and dissemination of research findings and Center expertise to a wide range of companies and enterprises, particularly small- and medium-sized manufacturers; and (3) Loans, on a selective, short-term basis, of items of advanced manufacturing equipment to small manufacturing firms with less than 100 employees. (d) Center organization and operation. Each Center will be organized to transfer advanced manufacturing technology to small and medium sized manufacturers located in its service region. Regional Centers will be established and operated via cooperative agreements between NIST and the award-receiving organizations. Individual awards shall be decided on the basis of merit review, geographical diversity, and the availability of funding. (e) Leverage. The Centers program must concentrate on approaches which can be applied to other companies, in other regions, or by other organizations. The lessons learned in assisting a particular target firm should be documented in order to facilitate the use of those lessons by other target firms. A Center should build on unique solutions developed for a single company to develop techniques of broad applicability. It should seek wide implementation with well-developed mechanisms for distribution of results. Leverage is the principle of developing less resource-intensive methods of delivering technologies (as when a Center staff person has the same impact on ten firms as was formerly obtained with the resources used for one, or when a project once done by the Center can be carried out for dozens of companies by the private sector or a state or local organization.) Leverage does not imply a larger non- federal funding match (that is, greater expenditure of non-federal dollars for each federal dollar) but rather a greater impact per dollar. (f) Regional impact. A new Center should not begin by spreading its resources too thinly over too large a geographic area. It should concentrate first on establishing its structure, operating style, and client base within a manageable service area.

Sec. 290.4 Terms and schedule of financial assistance. (a) NIST may provide financial support to any Center for a period not to exceed six years, subject to the availability of funding and continued satisfactory performance. Awards under this program shall be subject to all Federal and Departmental regulations, policies, and procedures applicable to Federal assistance awards. NIST may not provide more than 50 percent of the capital and annual operating and maintenance required to create and maintain such Center. Allowable capital costs may be treated as an expense in the year expended or obligated. (b) NIST contribution. The funds provided by NIST may be used for capital and operating and maintenance expenses. Each Center will operate on one-year, annually renewable cooperative agreements, contingent upon successful completion of informal annual reviews. Funding cannot be provided after the sixth year of support. A formal review of each Center will be conducted during its third year of operation by an independent Merit Review Panel in accordance with Sec. 290.8 of these procedures. Centers will be required to demonstrate that they will be self- sufficient by the end of six years of operation. The amount of NIST investment in each Center will depend upon the particular requirements, plans, and performance of the Center, as well as the

availability of NIST funds. NIST may support the budget of each Center on a matching- funds basis not to exceed the Schedule of Financial Assistance outlined in Table 1. The remaining portion of the Center's funding shall be provided by the host organization.

**Table 1. Schedule of NIST Matching Funds**

Year of Center Operation	Maximum NIST Share
1-3	1/2
4	2/5
5-6	1/3

(c) Host contribution. The host organization may count as part of its share:

1. Dollar contributions from state, county, city, industrial, or other sources;
2. Revenue from licensing and royalties;
3. Fees for services performed;
4. In-kind contributions of full-time personnel;
5. In-kind contribution of part-time personnel, equipment, software, rental value of centrally located space (office and laboratory) and other related contributions up to a maximum of one-half of the host's annual share.

Allowable capital expenditures may be applied in the award year expended or in subsequent award years.

Sec. 290.5 Basic proposal qualifications. (a) NIST shall designate each proposal which satisfies the qualifications criteria below as "qualified proposal" and subject the qualified proposals to a merit review. Applications which do not meet the requirements of this section will not receive further consideration. (1) Qualified organizations. Any nonprofit institution, or group thereof, or consortium of nonprofit institutions, including entities which already exist or may be incorporated specifically to manage the Center. (2) Proposal format. Proposals for Center Operating Awards shall: (i) Be submitted with a Standard Form 424 to the above address; (ii) Not exceed 25 typewritten pages in length for the basic proposal document (which must include the information requirements of paragraph (a)(3) of this section); it may be accompanied by additional appendices of relevant supplementary attachments and tabular material. Basic proposal documents which exceed 25 pages in length will not be qualified for further review. (3) Proposal requirements. In order to be considered for a Center Operating Award, proposals must contain: (i) A plan for the allocation of intellectual property rights associated with any invention or copyright which may result from the involvement in the Center's technology transfer or research activities consistent with the conditions of Sec. 290.9; (ii) A statement which provides adequate assurances that the host organization will contribute 50 percent or more of the proposed Center's capital and annual operating and maintenance costs for the first three years and an increasing share for each of the following three additional years. Applicants should provide evidence that the proposed Center will be self-supporting after six years. (iii) A statement describing linkages to industry, government, and educational organizations within its service region. (iv) A statement defining the initial service region including a statement of the constituency to be served and the level of service to be provided, as well as outyear plans. (v) A statement agreeing to focus the mission of the Center on technology transfer activities and not to exclude companies based on state boundaries. (vi) A proposed plan for the annual evaluation of the success of the Center by the Program, including appropriate criteria for consideration, and weighting of those criteria. (vii) A plan to focus the Center's technology

emphasis on areas consistent with NIST technology research programs and organizational expertise. (viii) A description of the planned Center sufficient to permit NIST to evaluate the proposal in accordance with Sec. 290.6 of these procedures. (b) [Reserved]

Sec. 290.6 Proposal evaluation and selection criteria. (a) In making a decision whether to provide financial support, NIST shall review and evaluate all qualified proposals in accordance with the following criteria, assigning equal weight to each of the four categories. (1) Identification of target firms in proposed region. Does the proposal define an appropriate service region with a large enough population of target firms of small- and medium-sized manufacturers which the applicant understands and can serve, and which is not presently served by an existing Center? (i) Market analysis. Demonstrated understanding of the service region's manufacturing base, including business size, industry types, product mix, and technology requirements. (ii) Geographical location. Physical size, concentration of industry, and economic significance of the service region's manufacturing base. Geographical diversity of Centers will be a factor in evaluation of proposals; a proposal for a Center located near an existing Center may be considered only if the proposal is unusually strong and the population of manufacturers and the technology to be addressed justify it. (2) Technology resources. Does the proposal assure strength in technical personnel and programmatic resources, full-time staff, facilities, equipment, and linkages to external sources of technology to develop and transfer technologies related to NIST research results and expertise in the technical areas noted in these procedures? (3) Technology delivery mechanisms. Does the proposal clearly and sharply define an effective methodology for delivering advanced manufacturing technology to small- and medium-sized manufacturers. Development of effective partnerships or linkages to third parties such as industry, universities, nonprofit economic organizations, and state governments who will amplify the Center's technology delivery to reach a large number of clients in its service region. (ii) Program leverage. Provision of an effective strategy to amplify the Center's technology delivery approaches to achieve the proposed objectives as described in Sec. 290.3(e). (4) Management and financial plan. Does the proposal define a management structure and assure management personnel to carry out development and operation of an effective Center? (i) Organizational structure. Completeness and appropriateness of the organizational structure, and its focus on the mission of the Center. Assurance of full-time top management of the Center. (ii) Program management. Effectiveness of the planned methodology of program management. [[Page 459]] (iii) Internal evaluation. Effectiveness of the planned continuous internal evaluation of program activities. (iv) Plans for financial matching. Demonstrated stability and duration of the applicant's funding commitments as well as the percentage of operating and capital costs guaranteed by the applicant. Identification of matching fund sources and the general terms of the funding commitments. Evidence of the applicant's ability to become self- sustaining in six years. (v) Budget. Suitability and focus of the applicant's detailed one- year budget and six-year budget outline.

Sec. 290.7 Proposal selection process. Upon the availability of funding to establish Regional Centers, the Director shall publish a notice in the [Federal Register](#) requesting submission of proposals from interested organizations. Applicants will be given an established time frame, not less than 60 days from the publication date of the notice, to prepare and submit a proposal. The proposal evaluation and selection process will consist of four principal phases: Proposal qualification; Proposal review and selection of finalists; Finalist site visits; and, Award determination. Further descriptions of these phases are provided in the following: (a) Proposal qualification. All proposals will be reviewed by NIST to assure compliance with Sec. 290.5 of these procedures. Proposals which satisfy these requirements will be designated qualified proposals; all others will be disqualified at this phase of the evaluation and selection process. (b) Proposal review and selection of finalists. The Director of NIST will appoint an evaluation panel to review and evaluate all qualified proposals in accordance with the criteria set forth in section 290.6 of these procedures, assigning equal weight to each of the four categories. From the qualified proposals, a group of finalists will be selected based on this review. (c) Finalist site visits. NIST representatives will visit each finalist organization. Finalists will be reviewed and assigned numeric scores using the criteria set forth in Sec. 290.6 of these procedures assigning

equal weight to each of the four categories. NIST may enter into negotiations with the finalists concerning any aspect of their proposal. (d) Award determination. The Director of NIST or his designee shall select awardees for Center Operating Awards based upon the rank order of applicants, the need to assure appropriate regional distribution, and the availability of funds. Upon the final award decision, a notification will be made to each of the proposing organizations.

Sec. 290.8 Reviews of centers. (a) Overview. Each Center will be reviewed at least annually, and at the end of its third year of operation according to the procedures and criteria set out below. There will be regular management interaction with NIST and the other Centers for the purpose of evaluation and program shaping. Centers are encouraged to try new approaches, must evaluate their effectiveness, and abandon or adjust those which do not have the desired impact. (b) Annual reviews of centers. Centers will be reviewed annually as part of the funding renewal process using the criteria set out in Sec. 290.8(d). The funding level at which a Center is renewed is contingent upon a positive program evaluation and will depend upon the availability of federal funds and on the Center's ability to obtain suitable match, as well as on the budgetary requirements of its proposed program. Centers must continue to demonstrate that they will be self-supporting after six years. (c) Third year review of centers. Each host receiving a Center Operating Award under these procedures shall be evaluated during its third year of operation by a Merit Review Panel appointed by the Secretary of Commerce. Each such Merit Review Panel shall be composed of private experts, none of whom shall be connected with the involved Center, and Federal officials. An official of NIST shall chair the panel. Each Merit Review Panel shall measure the involved Center's performance against the criteria set out in Sec. 290.8(d). The Secretary shall not provide funding for the fourth through the sixth years of such Center's operation unless the evaluation is positive on all grounds. As a condition of receiving continuing funding, the Center must show evidence at the third year review that they are making substantial progress toward self-sufficiency. If the evaluation is positive and funds are available, the Secretary of Commerce may provide continued funding through the sixth year at declining levels, which are designed to insure that the Center no longer needs financial support from NIST by the seventh year. In no event shall funding for a Center be provided by the NIST Manufacturing Technology Centers Program after the sixth year of support. (d) Criteria for annual and third year reviews. Centers will be evaluated under the following criteria in each of the annual reviews, as well as the third year review: (1) The program objectives specified in Sec. 290.3(b) of these procedures; (2) Funds-matching performance; (3) The extent to which the target firms have successfully implemented recently developed or currently developed advanced manufacturing technology and techniques transferred by the Center; (4) The extent to which successes are properly documented and there has been further leveraging or use of a particular advanced manufacturing technology or process; (5) The degree to which there is successful operation of a network, or technology delivery mechanism, involving the sharing or dissemination of information related to manufacturing technologies among industry, universities, nonprofit economic development organizations and state governments. (6) The extent to which the Center can increasingly develop continuing resources--both technological and financial--such that the Centers are finally financially self-sufficient.

Sec. 290.9 Intellectual property rights. (a) Awards under the Program will follow the policies and procedures on ownership to inventions made under grants and cooperative agreements that are set out in Public Law 96-517 (35 U.S.C. chapter 18), the Presidential Memorandum on Government Patent Policy to the Heads of Executive Departments and Agencies Dated February 18, 1983, and part 401 of title 37 of the Code of Federal Regulations, as appropriate. These policies and procedures generally require the Government to grant to Centers selected for funding the right to elect to obtain title to any invention made in the course of the conduct of research under an award, subject to the reservation of a Government license. (b) Except as otherwise specifically provided for in an Award, Centers selected for funding under the Program may establish claim to copyright subsisting in any data first produced in the performance of the award. When claim is made to copyright, the funding recipient shall affix the

applicable copyright notice of 17 U.S.C. 401 or 402 and acknowledgment of Government sponsorship to the data when and if the data are delivered to the Government, are published, or are deposited for registration as a published work in the U.S. Copyright Office. For data other than computer software, the funding recipient shall grant to the Government, and others acting on its behalf, a paid up, nonexclusive, irrevocable, worldwide license for all such data to reproduce, prepare derivative works, distribute copies to the public, and perform publicly and display publicly, by or on behalf of the Government. For computer software, the funding recipient shall grant to the Government, and others acting on its behalf, a paid up, nonexclusive, irrevocable, worldwide license for all such computer software to reproduce, prepare derivative works, distribute copies to the public, and perform publicly and display publicly, by or on behalf of the Government. Authority: 15 U.S.C. 278k. Source: 55 FR 38275, Sept. 17, 1990, unless otherwise noted.

**Public Law 110-69 America Competes Act -Text of legislation...H.R.2272**  
**America Creating Opportunities to Meaningfully Promote Excellence**  
**in Technology, Education, and Science Act (Enrolled as Agreed to or**  
**Passed by Both House and Senate)**

**SEC. 3003. MANUFACTURING EXTENSION PARTNERSHIP.**

(a) Clarification of Eligible Contributions in Connection With Regional Centers Responsible for Implementing the Objectives of the Program- Paragraph (3) of section 25(c) of the National Institute of Standards and Technology Act (15 U.S.C. 278k(c)(3)) is amended to read as follows:

“(3)(A) Any nonprofit institution, or group thereof, or consortia of nonprofit institutions, including entities existing on August 23, 1988, may submit to the Secretary an application for financial support under this subsection, in accordance with the procedures established by the Secretary and published in the Federal Register under paragraph (2).

“(B) In order to receive assistance under this section, an applicant for financial assistance under subparagraph (A) shall provide adequate assurances that non-Federal assets obtained from the applicant and the applicant's partnering organizations will be used as a funding source to meet not less than 50 percent of the costs incurred for the first 3 years and an increasing share for each of the last 3 years. For purposes of the preceding sentence, the costs incurred means the costs incurred in connection with the activities undertaken to improve the management, productivity, and technological performance of small- and medium-sized manufacturing companies.

“(C) In meeting the 50 percent requirement, it is anticipated that a Center will enter into agreements with other entities such as private industry, universities, and State governments to accomplish programmatic objectives and access new and existing resources that will further the impact of the Federal investment made on behalf of small- and medium-sized manufacturing companies. All non-Federal costs, contributed by such entities and determined by a Center as programmatically reasonable and allocable under MEP program

procedures are includable as a portion of the Center's contribution.

`(D) Each applicant under subparagraph (A) shall also submit a proposal for the allocation of the legal rights associated with any invention which may result from the proposed Center's activities.'

(b) Manufacturing Center Evaluation- Paragraph (5) of section 25(c) of the National Institute of Standards and Technology Act (15 U.S.C. 278k(c)(5)) is amended by inserting 'A Center that has not received a positive evaluation by the evaluation panel shall be notified by the panel of the deficiencies in its performance and shall be placed on probation for one year, after which time the panel shall reevaluate the Center. If the Center has not addressed the deficiencies identified by the panel, or shown a significant improvement in its performance, the Director shall conduct a new competition to select an operator for the Center or may close the Center.' after 'at declining levels.'

(c) Federal Share- Section 25 of the National Institute of Standards and Technology Act (15 U.S.C. 278k) is amended by striking subsection (d) and inserting the following:

`(d) Acceptance of Funds-

`(1) IN GENERAL- In addition to such sums as may be appropriated to the Secretary and Director to operate the Centers program, the Secretary and Director also may accept funds from other Federal departments and agencies and under section 2(c)(7) from the private sector for the purpose of strengthening United States manufacturing.

`(2) ALLOCATION OF FUNDS-

`(A) FUNDS ACCEPTED FROM OTHER FEDERAL DEPARTMENTS OR AGENCIES- The Director shall determine whether funds accepted from other Federal departments or agencies shall be counted in the calculation of the Federal share of capital and annual operating and maintenance costs under subsection (c).

`(B) FUNDS ACCEPTED FROM THE PRIVATE SECTOR Funds accepted from the private sector under section 2(c)(7), if allocated to a Center, shall not be considered in the calculation of the Federal share under subsection (c) of this section.'

(d) MEP Advisory Board- Such section 25 is further amended by adding at the end the following:

`(e) MEP Advisory Board-

`(1) ESTABLISHMENT- There is established within the Institute a Manufacturing Extension Partnership Advisory Board (in this subsection referred to as the 'MEP Advisory Board').

`(2) MEMBERSHIP-

`(A) IN GENERAL- The MEP Advisory Board shall consist of 10 members broadly representative of stakeholders, to be appointed by the Director. At least 2 members shall be employed by or on an advisory board for the Centers, and

at least 5 other members shall be from United States small businesses in the manufacturing sector. No member shall be an employee of the Federal Government.

`(B) TERM- Except as provided in subparagraph (C) or (D), the term of office of each member of the MEP Advisory Board shall be 3 years.

`(C) CLASSES- The original members of the MEP Advisory Board shall be appointed to 3 classes. One class of 3 members shall have an initial term of 1 year, one class of 3 members shall have an initial term of 2 years, and one class of 4 members shall have an initial term of 3 years.

`(D) VACANCIES- Any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term.

`(E) SERVING CONSECUTIVE TERMS- Any person who has completed two consecutive full terms of service on the MEP Advisory Board shall thereafter be ineligible for appointment during the one-year period following the expiration of the second such term.

`(3) MEETINGS- The MEP Advisory Board shall meet not less than 2 times annually, and provide to the Director--

`(A) advice on Manufacturing Extension Partnership programs, plans, and policies;

`(B) assessments of the soundness of Manufacturing Extension Partnership plans and strategies; and

`(C) assessments of current performance against Manufacturing Extension Partnership program plans.

`(4) FEDERAL ADVISORY COMMITTEE ACT- In discharging its duties under this subsection, the MEP Advisory Board shall function solely in an advisory capacity, in accordance with the Federal Advisory Committee Act.

`(5) REPORT- The MEP Advisory Board shall transmit an annual report to the Secretary for transmittal to Congress within 30 days after the submission to Congress of the President's annual budget request in each year. Such report shall address the status of the program established pursuant to this section and comment on the relevant sections of the programmatic planning document and updates thereto transmitted to Congress by the Director under subsections (c) and (d) of section 23.'

(e) Manufacturing Extension Center Competitive Grant Program- Such section 25 is further amended by adding at the end the following:

`(f) Competitive Grant Program-

`(1) ESTABLISHMENT- The Director shall establish, within the Centers program under this section and section 26 of this Act, a program of competitive awards among participants described in paragraph (2) for the purposes described in paragraph (3).



`(2) PARTICIPANTS- Participants receiving awards under this subsection shall be the Centers, or a consortium of such Centers.

`(3) PURPOSE- The purpose of the program under this subsection is to develop projects to solve new or emerging manufacturing problems as determined by the Director, in consultation with the Director of the Centers program, the Manufacturing Extension Partnership Advisory Board, and small and medium-sized manufacturers. One or more themes for the competition may be identified, which may vary from year to year, depending on the needs of manufacturers and the success of previous competitions. These themes shall be related to projects associated with manufacturing extension activities, including supply chain integration and quality management, and including the transfer of technology based on the technological needs of manufacturers and available technologies from institutions of higher education, laboratories, and other technology producing entities, or extend beyond these traditional areas.

`(4) APPLICATIONS- Applications for awards under this subsection shall be submitted in such manner, at such time, and containing such information as the Director shall require, in consultation with the Manufacturing Extension Partnership Advisory Board.

`(5) SELECTION- Awards under this subsection shall be peer reviewed and competitively awarded. The Director shall select proposals to receive awards--

`(A) that utilize innovative or collaborative approaches to solving the problem described in the competition;

`(B) that will improve the competitiveness of industries in the region in which the Center or Centers are located; and

`(C) that will contribute to the long-term economic stability of that region.

`(6) PROGRAM CONTRIBUTION- Recipients of awards under this subsection shall not be required to provide a matching contribution.'.

NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY

HOLLINGS MEP  
GENERAL TERMS AND CONDITIONS

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Version 3.8  
November 2009

GENERAL TERMS AND CONDITIONS

HOLLINGS MANUFACTURING EXTENSION PARTNERSHIP

This document applies to all Recipients of cooperative agreement awards under the Hollings Manufacturing Extension Partnership program.

## **1. ORDER OF PRECEDENCE OF TERMS AND CONDITIONS OF AWARD**

Where the terms of the award and any operating plan differ, the terms of the award shall prevail. The Recipient is obligated to bring to the attention of the Grants Officer any perceived difference between any terms and conditions and the Recipient's required plans.

## **2. BACKGROUND**

This cooperative agreement is a funding instrument that is based upon the cooperative or joint implementation of a manufacturing extension activity. This agreement provides the framework for the joint execution of these activities between the Recipient, and the National Institute of Standards and Technology (NIST) Manufacturing Extension Partnership (MEP), hereinafter referred to interchangeably as NIST or MEP.

## **3. REQUIRED PLANS**

The effort covered by this cooperative agreement will proceed based upon the recipient's original proposal, which will be regularly amended by several plans to be developed by the Recipient with the assistance and approval of MEP.

These plans will include a Start up Plan (for new centers only) covering start up activities, budgets, development of the Operating Plan and draft project schedules. The startup schedule shall be developed in accordance with the MEP Start Up Plan guidelines.

The Start Up Plan will be followed by an Operating Plan detailing the activities, tasks, resources and milestones on the first year of the project and projections of the second year activities, resources and milestones as detailed in the MEP Operating Plan Guideline.

An updated Operating Plan shall be submitted annually detailing project progress on the previous year's plan and providing an Operating Plan for the next year's activities as detailed in the MEP Operating Plan guidelines and format. A draft Operating Plan shall be submitted to the MEP Federal Program Officer for comment, 90 days prior to the end of the current operating year. A final annual Operating Plan must be submitted to MEP 60 days prior to the end of the current operating year. Updated Operating plans shall incorporate strategic planning for the next one to three years.

## **4. REPORTS, SURVEYS, STUDIES, AND MANUALS**

All reports, surveys, studies and manuals developed, produced or distributed under this cooperative agreement shall be submitted to the MEP Federal Program Officer. Each item shall consist of an electronic or paper copy, submitted in the format specified by the MEP Federal Program Officer.

## **5. STATEMENT OF SUBSTANTIAL INVOLVEMENT**

NIST will be substantially involved in this cooperative agreement. NIST involvement may include the types of substantial involvement described in Final Office of Management and Budget Guidance Implementing the Federal Grant and Cooperative Agreement Act, 43 Fed. Reg. 36860-65 (Aug. 18, 1978). In addition, NIST involvement in this cooperative agreement may also include the activities in MEP General Terms and Condition 8 and the following activities:

- guidelines and assistance in developing required plans,
- linkages to the national manufacturing extension system,

- access to standard tools, training, and the experience developed to date by the national extension system,
- guidance for evaluation of performance and collection of data and information from the recipient organization,
- timely response to requests for mandatory approvals,
- assistance where possible in accessing solutions to technical and managerial problems,
- a framework for performance to high standards and assistance in achieving and maintaining high standards, and
- active participation in activities of the recipient organization to help define, understand, and resolve issues.

The Recipient is obliged to:

- develop, submit, and follow required plans and budgets,
- conduct the tasks necessary to provide the services or complete the objectives described in the proposal and these plans timely and responsively,
- prior to development of new tools, products or resources, investigate existing tools, products or resources available commercially, through MEP, or the national system, as appropriate,
- participate in activities of the MEP national manufacturing extension system
- submit detailed technical and financial reports,
- Participate in Program Reviews, and
- conform to terms and conditions of this cooperative agreement and applicable regulations and laws.

The specific rights and obligations of the parties involved in this project are detailed in the remaining sections of this cooperative agreement.

## **6. STATEMENT OF WORK**

The tasks to be performed by the Recipient under this award are detailed in the original proposal as amended by the required plans. During this period, if any modifications are required to the statement of work or plans, these modifications must be submitted in writing and are not effective until approved by the NIST Grants Officer in writing. These modifications will be incorporated as an amendment to the cooperative agreement.

## **7. COMPOSITION OF BOARD OF DIRECTORS/TRUSTEES**

MEP has determined that centers clearly benefit when a majority or more of its Board members/Trustees compose a membership representing principally small and medium manufacturing as well as committed partners and do not have dual obligations to more than one Center. Therefore, two-thirds of the members of the Center's oversight board

must not be members of any other MEP Center boards. If the Center does not currently meet this requirement, the Center must submit a detailed plan, including a timeline and dates for establishing within 12 months, an independent Board of Directors/Trustees, at least two-thirds of the members of which are not officers or board members of any other MEP Center.

## **8. INTERACTIONS WITH NIST AND OTHER MANUFACTURING EXTENSION PARTNERSHIP ORGANIZATIONS**

It is anticipated that a center will enter into agreements with other entities such as private industry, universities, and State governments to accomplish programmatic objectives and access new and existing resources that will further the impact of the Federal investment made on behalf of small- and medium -sized companies [Public Law 110-69, America COMPETES Act, Sec.3003 (a)].

To facilitate a more rapid transfer of advanced manufacturing technology on a national scale and avoid duplication of effort, the recipient shall cooperate with NIST and the other NIST Manufacturing Extension Partnership organizations by participating in coordinated joint program activities. Such activities include, but are not limited to; participation in national and regional meetings, communities of practice, and sharing of expertise, products and resources within the MEP system.

The interactions of NIST and the MEP Federal Program Officer under this cooperative agreement include direct involvement in helping the Recipient define, understand, and resolve problems in the organization's operations and promoting continuous improvement. The interactions of NIST and the MEP Federal Program Officer may include the use of consultants or panelists with special expertise or experience.

NIST may take other appropriate steps, or provide other appropriate assistance, to ensure that the organization operates in a manner which most effectively promotes U.S. manufacturing competitiveness, including initiating and facilitating revision of operating plans as soon as the need for such revisions are identified either by NIST or the Recipient.

## **9. RECORD-KEEPING**

The Recipient shall keep complete and accessible detailed records on administrative and financial matters in accordance with the appropriate Federal regulations and OMB Circulars. The specific record-keeping requirements are a function of the type of recipient organization and are indicated on the Financial Assistance Award, Form CD-450.

## **10. DOCUMENT REVIEW**

All lower tier agreements (below sub-award level) in excess of \$100,000 shall be submitted to NIST MEP for review.

## **11. APPROVALS**

Recipients shall follow all procedures and requirements for prior approval as described at 15 CFR Part 14 or 15 CFR Part 24, whichever is applicable.

At a minimum the following items require prior written approval of the NIST Grants Officer:

a. Additions or changes in Key Personnel or in the status or level of effort of Key Personnel. Key Personnel include

Center Directors, Chief Financial Officer, Managers and Technical Staff whose expertise or experiences affect the basis of the proposal.

- b. Acquisitions of equipment valued at \$10,000 or more.
- c. Start Up, Operating, and other required plans.
- d. Budget submissions and revisions identified in the DOC Standard Terms and Condition A.04.

For awards over \$100,000, prior approval is required for transfer of funds among direct cost categories that cumulatively exceed 10% of total budget (total Federal and non-Federal funds authorized by the Grants Officer at time of transfer request).

- e. Sub-awards, contracts and third party contributor agreements, with budgeted amounts in excess of \$100,000.
- f. Terminations or material modifications of sub-awards, contracts and third party contributor agreements with budgeted amounts in excess of \$100,000.
- g. Development of tools, systems, resources in excess of \$10,000.
- h. All sub-recipients that receive property in lieu of money from the Center.
- i. Carryover of unexpended program income as described in General Terms and Conditions Section 18.G.
- j. Carry-over of Unexpended Federal Funds from prior operating period(s).
- k. Foreign travel. The recipient shall comply with the provisions of the Fly America Act (49 USC 40118). The implementing regulations of the Fly America Act are found at 41 CF 301-10.131 through 301-10.143.

If a foreign air carrier is anticipated to be used for any part of foreign travel, the recipient must receive prior approval from the Grants Officer. When requesting such approval, the recipient must provide a justification in accordance with the guidance provided by 41 CFR 301-10.142, which requires the recipient to provide the Grants Officer with the following: names, dates of travel; origin and destination of travel; detailed itinerary of travel, name of air carrier and flight number for each leg of the trip and a statement explaining why the recipient meets one of the exceptions to the regulations.

## **12. SIGNATORY AUTHORITY FOR AWARD DOCUMENTS**

The NIST MEP program does not authorize the delegation of signatory authority by the Recipient to any other organization or to any individual who is not a Recipient's Board Member or employee. Documents subject to this policy include but are not limited to: CD-450, Financial Assistance Award; CD-451, Amendment to Financial Assistance Award; CD-511, Certification Regarding Lobbying; SF-424, Application for Federal Assistance; SF-424B, Assurance – Non-Construction Programs; and SF-425, Federal Financial Report, and all agreements on behalf of the Recipient. Such documents must be signed by either a duly authorized member of the Fiduciary Board of Directors, or a duly-authorized direct employee of the Recipient. NIST will return to the recipient unprocessed any documents it receives that do not comply with this policy.

## **13. FINANCIAL AND TECHNICAL REPORTING SCHEDULE**

Detailed Financial and Technical reports shall be submitted in the format and on a scheduled basis as specified in MEP guidance documents found at the Source for Center web site under "NIST MEP Management Information

Reporting Procedures, Version 5.1" SF-425, "Federal Financial Report" and shall be submitted 30 days following the end of the calendar quarters, March 31, June 30, September 30, and December 31. Technical reports shall contain information as prescribed in 15 CFR Part 14.51.

#### **14. PERFORMANCE REVIEWS**

Funding for this Recipient is contingent upon positive program evaluations in an annual review, as required by 15 C.F.R. § 290.8, and statutory merit Panel reviews, as required by 15 U.S.C §278k(c) (5) and performance relative to client project follow-up per General Term and Condition Section 23.

Approximately 120 days prior to the end of each 12-month period, NIST MEP will conduct the appropriate Program Review. This review may focus on the prior year's activities, progress, lessons learned, monitoring of sub-recipients, resource expenditures, activities planned for the next year, and any proposed changes to the project plan or budget. The recipient will be provided guidelines on the format for the review approximately 30 days prior to the Program Review.

The results of the Program Review will be incorporated into the Operating Plan for the next year of the project and submitted to MEP for approval 60 days prior to the end of the current project year.

NIST may implement cost disallowances, suspension, termination, or other enforcement action including the imposition of Special Award Conditions if the recipient does not receive a positive evaluation in any required reviews, including reviews due prior to obligation of funds for this award or amendment.

#### **15. APPLICABILITY OF AWARD PROVISIONS**

Recipients and sub-recipients are subject to all Federal laws, Federal and Department of Commerce (DOC) policies, regulations, and procedures applicable to Federal financial assistance awards.

#### **16. TERMINATION**

NIST may terminate the award in accordance with 15 CFR Part 14.61-.62 and 15 CFR 24.43-44.

Material non-compliance with award terms in accordance with 15 CFR Part 14.61(a) may include failure by the Recipient:

- (1) to maintain progress on the activities, or failure to achieve the milestones, detailed in the required plans, and
- (2) to meet the requirements of the program evaluations described in General Term #14.

The Recipient may terminate the award upon sending to NIST written notification setting forth the reasons for such termination and the effective date, as described in 15 CFR 14.61(a)3 and 15 CFR 24.44.

#### **17. LIABILITY**

##### **a. Property**

The U.S. Government shall not be responsible for damage to any property provided to or acquired by the Recipient, its sub-recipients, its contractors, or its clients, or acquired by the Recipient, its sub-recipients, its contractors, or its

clients pursuant to this cooperative agreement.

b. No Warranty

NIST makes no warranty, expressed or implied, as to any matter whatsoever, including: the conditions of the research or any invention or product, whether tangible or intangible, made, or developed under this cooperative agreement; or the ownership, merchantability, or fitness for a particular purpose of any research, invention, or product arising from or related to this award.

d. Research Type Material

NIST, or other Federal laboratories, may provide hardware or software ("Material") under this cooperative agreement to the Recipient for its use in developing devices or systems that can be transferred to third parties or used in-house. Such NIST material was developed in a research environment, for research purposes, and for use by researchers who are aware of the limitations of "research type" hardware and software. Within this context, the material is safe. However, it may lack the interlocks, cross-checks, and constraints on operator actions which would be incorporated in a product being prepared for sale or use in general commerce. A second factor is that this material may contain "bugs" which would be detected and corrected in the ordinary course of engineering a final product.

Thus, improper use of this material without completion by the Recipient of appropriate safeguards could result in personal injury, equipment damage, or incorrect machine actions.

The Recipient agrees not to provide material from NIST to third parties until it has first incorporated safeguards and given warnings appropriate to the intended use and user.

The Recipient agrees to provide adequate warning to its own employees, contractors, and third party users at its own facilities, noting "research type" material involved in the program.

The Recipient shall be solely responsible for all liabilities, demands, damages, expenses and losses arising out of any negligent act or omission of its employees in connection with the performance of work under this cooperative agreement. To the extent the Recipient is not prohibited by law, the Recipient shall procure and maintain a general tort liability insurance policy, which provides coverage for the negligent acts and omissions of employees of the Recipient in amounts not less than \$500,000 per occurrence and \$1,000,000 in the aggregate. This insurance requirement pertains specifically to the use of research type materials provided by the Federal Government. This insurance is not required until such time that such research type materials are provided to the Recipient or any of its sub-recipients or contractors. In addition, in consideration for its right to participate in this cooperative agreement, the Recipient covenants with the U.S. Government not to institute any suit or action at law or in equity against the U.S. Government by reason of any claim the Recipient now has or may hereafter acquire relating to the operation of the hardware or software materials provided to the Recipient under this cooperative agreement.

e. Force Majeure

Neither party shall be liable for any unforeseeable event beyond its reasonable control, not caused by the fault or negligence of such party, which causes such party to be unable to perform its obligations under this cooperative agreement (and which it has been unable to overcome by the exercise of due diligence), including, but not limited to: flood, drought, earthquake, storm, fire, pestilence, lightning and other natural catastrophes, epidemic, war, riot, civil disturbance or disobedience, strikes, labor dispute, or failure, threat of failure, or sabotage of the Recipients, sub-recipients, or contractors facilities, or any order or injunction made by a court or public agency. In the event of the occurrence of such a *force majeure* event, the party unable to perform shall promptly notify the other party. Such party shall further use its best efforts to resume performance as quickly as possible and shall suspend performance only for such period of time as is necessary as a result of the *force majeure* event.



## 18. COST SHARING AND MATCHING

The minimum cost-sharing ratio required by 15 CFR §290.4.b. is 66.67% Recipient contribution and 33.33% NIST contribution for the fifth year and beyond. (See Department of Commerce Financial Assistance Standard Term and Condition A.03 for the treatment of cost sharing). There can be no carryover of excess cost share from one year to the next.

The Recipient may establish, through its leveraged partnerships, a cost share ratio exceeding the required cost-sharing ratio. The recipient is responsible for the management of the overall program as defined in the Operating Plan and Budget and will document and report on the entire activity of the project." However, realizing the partnership dynamics of the Recipient, NIST only holds the Recipient responsible for the statutory minimum cost-sharing ratio level for the purposes of drawing down the federal cost share.

Cost share commitments must be met on an annual basis in accordance with the Recipient's approved budget. Any cost sharing must be in accordance with the "cost sharing or matching" provisions of 15 CFR Part 14 or 15 CFR 24. Costs included as cost share must be allocable to the project and allowable under the applicable cost principles.

Costs incurred as non-Federal cost share 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 Government for the excess Federal share.

### Documenting Non-Federal Cost Share

NOTE: Non- Federal cost share can be contributed by the Center, sub-recipients, and third parties. Contractors cannot provide cost share in the form of discount or reduced billing rate.

15 CFR Part 290.4(c): Host Contribution. The host organization may count as part of its share, to the extent expended for allowable project costs:

- (1) Dollar contributions from state, county, city, industrial, or other sources;
- (2) Revenue from licensing and royalties;
- (3) Fees for services performed;
- (4) [Third party] in-kind contributions of full time personnel;
- (5) [Third party] in-kind contribution of part time personnel, equipment, software, rental value of centrally located space (office and laboratory) and other related contributions up to a maximum of one-half of the host's annual share.

It is extremely important that the non-Federal cost share contributions be documented. Following are some examples of documentation that should be made available to auditors.

Centers should refer to 15 CFR Part 14.23 or 15 CFR Part 24.24 to review the list of criteria that must be met in order for the non- Federal cost share to be acceptable.

A. Documenting Contributions under 15 CFR Part 290 4. (c)(1) – (3):

Centers must have documented evidence of all cash received from any contributor. This evidence may be in the form of a letter and a bank account statement displaying an electronic funds transfer from a cash contributor to the Center's bank account.

All sub-recipients must adhere to the same documented evidence requirements as those imposed on the Center.

**Documenting Third Party In-kind Contributions Under 15 CFR Part 290.4(c)(4) and (5):**

**Third Party Contributor (All Third Party Non-cash Contributions Are Considered In-kind)**

Per 15 CFR Part 14.2(n), **Third party in-kind contributions** mean the value of non-cash contributions provided by non-Federal third parties. Third party in-kind contributions may be in the form of real property, equipment, supplies and other expendable property, and the value of goods, services and personnel directly benefiting and specifically identifiable to the project or program.

Centers must have documented evidence of the third party in-kind contribution from the contributor. This evidence must include documentation from the contributor that contains:

- The value of each third party in-kind contribution established in accordance with the applicable cost principles. (see 15 CFR Part 14.23 or 15 CFR Part 24.24, and the applicable cost principles: 2 CFR Part 220 (replaces OMB Circular A-21), 2 CFR Part 225 (replaces OMB Circular A-87 and 2 CFR Part 230 (replaces OMB Circular A-122).
- The method of valuation of third party in-kind contribution shall be submitted as part of the center's operating plan and approved by NIST MEP and Grants Officer.
- A list of the type of third party in-kind contribution.
- Percentage of time that the contribution was used to support the MEP Project.

If the percentage of time is 100% dedicated to the MEP project and personnel is classified as a full-time employee as defined under applicable state labor law, then the individual(s) is considered to be a full time personnel under 15 CFR Part 290.4(c)(4). Therefore, the 50% in-kind limitation under 15 CFR Part 290.4(c)(5), does not apply.

Third Party In-Kind Contributions must be evidenced by written documentation that is signed by the contributor and Center that describes the contribution, its value, when and for what purpose it was donated. The Center

must provide an acknowledgement of the contribution and include all the information required by IRS Instructions for Form 8283. This form can be found at <http://www.irs.gov/pub/irs-pdf/f8283.pdf>.

Sub-recipient Documentation To Be Maintained By The MEP Center

At a minimum, the following documents should be maintained by the MEP Center and/or sub-recipient(s) and made available in the event of an audit:

- a. Sub-award Document
- b. Documentation to support valuation of third party in-kind contributions
- c. Sub-recipient Financial Reporting
  - Monthly or Quarterly Statement of Revenue, Expenses and Fund Balance
  - Actual vs. Budget Expense Detail Schedule - by account classification and by cash and third party in-kind non-Federal share Federal cost share
  - Actual vs. Budget Cash Flow Statements
- d. Sub-recipient Program Tracking Documents
  - Monthly or quarterly report of Program Income (list by major types or programs)
- e. Written narrative of technical progress report

**19. PROGRAM INCOME** (as referenced at 15 C.F.R. §. 14.2(a), .22(g), and .24, and 15 C.F.R. §. 24.21(f) and .25)

A. Program income earned during the project period shall be retained by the recipient and shall be used as follows in the order provided:

*First*, to finance the minimum non-federal share of the project.

*Second*, all program income earned in excess of that required to meet the minimum non-federal share shall be added to the funds committed to the project by MEP and the Recipient and used to further eligible project objectives and activities if declared and explained within the Center's annual operating plan.

B. The cost sharing requirement shall not apply to program income.

C. Recipients shall have no obligation to the Federal Government regarding program income earned after the end of the project period.

D. Costs incidental to the generation of program income may be deducted from gross income to determine program income, provided these costs have not been charged to the award.

E. Proceeds from the sale of property shall be handled in accordance with the requirements of Property Standards in 15 CFR 14.30 through 14.37 or 15 CFR 24.31 and 15 CFR 24.32.

F. Recipients shall have no obligation to the Federal Government with respect to program income earned from license fees and royalties for copyrighted material, patents, patent applications, trademarks, and inventions produced under an award.

G. Unexpended program income

Program income in excess of what is required annually to meet the minimum non-federal portion of the annual operating budget, and cannot be expended using the additive approach during the operating period, may be carried over to the subsequent funding period or otherwise disposed of, if declared and explained within the Center's annual operating plan and approved in writing by the Grants Officer. Upon close-out of any MEP awards, the NIST Grants Officer will provide Recipient(s) with close-out instructions, including instructions regarding program income.

## **20. COOPERATIVE AGREEMENT AWARD PERIODS**

MEP awards are Institutional Awards and are made with the intent to maintain a long-term partnership between the Department of Commerce and the recipient for those projects established under long term planning goals and objectives common to the research and programmatic needs of both parties (DOC Grants Manual).

Cooperative Agreement awards made to a Recipient under this program may be awarded for up to one year, and renewed annually for up to four additional years, contingent upon applicable award terms, laws, policies and the availability of funding. After five years, if funding will be continued, a new cooperative agreement will be awarded.

## **21. UNEXPENDED FEDERAL FUNDS.**

NIST MEP does not anticipate Centers having unexpended federal funds at the end of an annual operating period:

- a. If the recipient has unexpended federal funds at the end of an operating period the recipient may request review and approval to carry the funds into the next operating period.
- b. If there are remaining federal funds at the end of a five year award term, these remaining funds will be de-obligated. After program review, NIST MEP will determine the appropriate disposition of any unexpended federal funds from a prior five-year award.

## **22. AUDITS**

Audit requirements can be found in the Department of Commerce Financial Assistance Standard Terms and Conditions under item D. In addition, the *MEP Audit & Compliance Guide* is available at [www.mepcenters.nist.gov](http://www.mepcenters.nist.gov) "Source for Centers" to assist Recipients and its auditors in providing a general program overview and guidance in complying with program and government regulations. The Guide is not a compliance supplement and does not conflict with the requirements of OMB Circular A-133.

## **23. POST CLIENT PROJECT FOLLOW-UP**

The recipient shall provide client and project data in the specified format to the organization identified by NIST/MEP in order for post-project follow-up data to be obtained.





National Institute

MANUFACTURINGogy  
EXTENSION  
PARTNERSHIP™

COOPERATIVE AGREEMENT RENEWAL

OPERATING PLAN  
GUIDELINES

November 2009

VERSION 2.5

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## PART I: BACKGROUND

### Overview

This document provides recommended guidance for creating the annual MEP Center Operating Plan and describes the main components and deliverables that are reviewed as part of the Center renewal package submission.

These Operating Plan Guidelines are viewed as a “living” document. Comments are always welcomed and encouraged. The Guidelines will be revised from time to time 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 HMEP Program Officer (FPO), Account Manager (AM) and Business Liaison Specialist (BLS) for assistance, or with comments or questions.

The plan consists of the three basic steps of describing and reflecting the alignment of:

- Center mission
- goals for the operating year, and
- supporting budget

*Centers may always expand on the minimums shown in this document.*

**NOTE: Draft Operating Plans** must be submitted with all associated forms and supporting documentation listed below to the Center assigned NIST HMEP **Federal Program Officer (FPO)** 90 days prior to the start of the new operating period. NIST HMEP review will **not** commence until all associated documents are submitted with the Operating Plan.

The **final Operating Plan** must be submitted in hard copy accompanied by all associated signed documents to the **NIST HMEP FPO, no later than 60 days prior to the start of the new cooperative agreement period**. The FPO and AM assigned to the Center are available to support the Center on Operating Plan development prior to the due date. Any delay in meeting this schedule may result in a delay in funding.

Documents accompanying the Operating Plan for review must include:

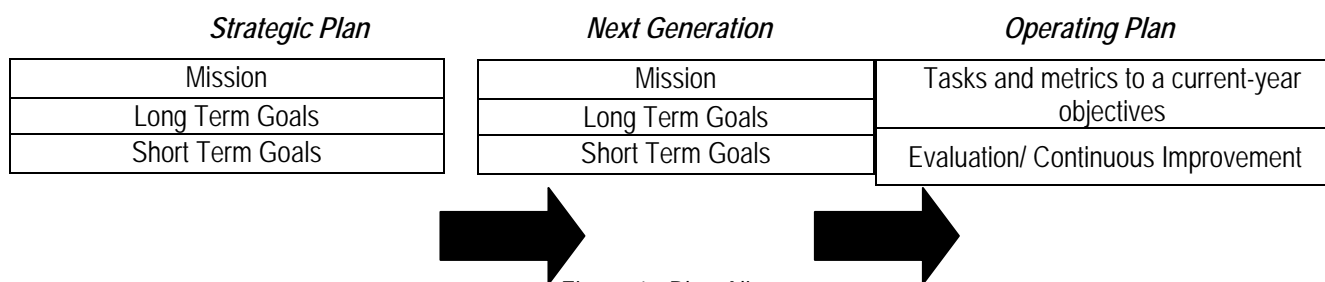
- SF 424 Application for Federal Assistance (CFDA #11.611)
- SF 424A Budget Information Non-Construction Programs
- SF 424B Assurances Non-Construction Programs
- CD511 Certification Regarding Lobbying
- Indirect Rate Cost Approval Document
- Subawards, contracts and third party contributor agreements, with budgeted amounts in excess of \$100,000 and terminations or material modifications of subawards, contracts and third party contributor agreements in excess of \$100,000.



## The Operating Plan

The Operating Plan is a document that **describes an HMEP Center's program-specific objectives and goals for the operating year and how it will meet them.** It is also a "road map" that communicates the yearly plan to Center staff, Boards of Directors and other stakeholders.

The Operating Plan should align **with** the strategies outlined in the Center's Strategic Plan and the HMEP Next Generation Strategies, but should be **much more specific** about how those strategies will be implemented for the current year.



The Operating Plan should contain information that describes:

- The Center's mission and vision
- The Center's Strategic and Operating goals for the operating year
- How success will be measured and evaluated.

### NOTES:

- **Additional information regarding the Operating Plans can be found at <https://www.mepcenters.nist.gov/>**
- **Appendix III: Operating Plan Budget Checklist provides further information in preparing an Operating Plan that includes requested documentation from the NIST MEP Program Office and Grants Acquisition Management Division (GAMD).**

## Why An Operating Plan?

The Operating Plan describes the Center's scope of work for the funding year in accordance with the Cooperative Agreement General Terms and Conditions, Section 2.

Operating Plans are used to:

- Document explicit activity parameters and assumptions about program direction.
- Establish 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.
- Create tasks and milestones that can be used for evaluating performance.
- Help communicate Center activities to its staff and stakeholders.
- Monitor Center progress throughout the operating year award period.

#### NOTE: IMPORTANT DUE DATES

90 Days prior to the start of the new operating year award period, center submits to NIST HMEP FPO DRAFT Operating Plan and all associated documents

- SF 424
- SF 424A
- SF424B
- CD-511
- Indirect Rate Cost Approval Document
- Subawards, contracts and third party contributor agreements, with budgeted amounts in excess of \$100,000 and terminations or material modifications of subawards, contracts and third party contributor agreements in excess of \$100,000.

60 Days prior to the start of the new operating year award period, center submits to NIST HMEP FPO FINAL Operating Plan and all associated documents

- Signed SF 424
- Final SF 424A
- Signed SF 424B
- CD-511
- Indirect Rate Cost Approval Document
- Subawards, contracts and third party contributor agreements, with budgeted amounts in excess of \$100,000 and terminations or material modifications of subawards, contracts and third party contributor agreements in excess of \$100,000.

The Operating Plan Guideline is intended to assist the Center to prepare a plan that will, at a minimum, satisfy the requirements of NIST HMEP and the NIST Grants Office. Centers may also add additional appendices as desired. *The overall goal is to develop a solid plan that the Center, its staff and its stakeholders will also find useful and valuable in understanding how the Center's activities will be implemented during the operating year.*

## Developing an Operating Plan

### Timing

All HMEP Centers are required to submit an annual Operating Plan in order to renew their Cooperative Agreements. The following timeline provides the timing and description of the deliverables:

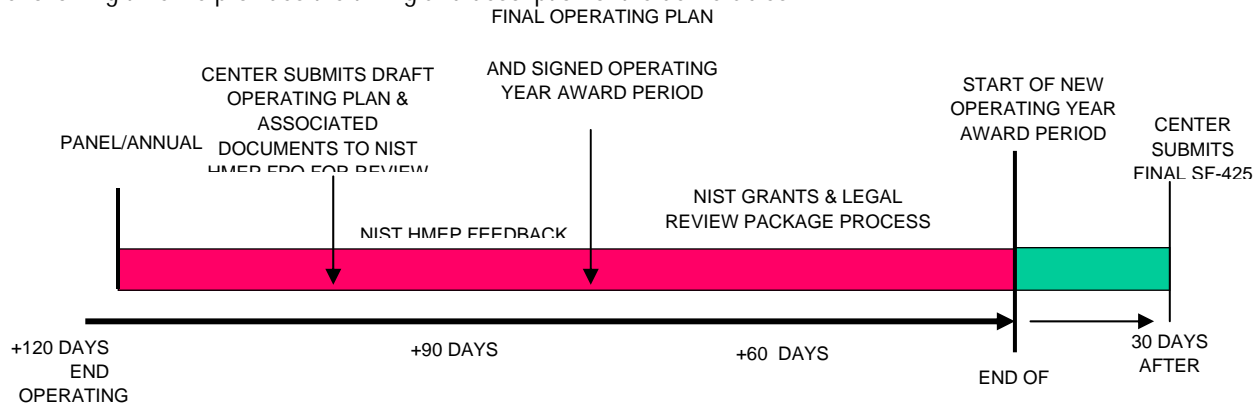


Figure 2: Operating Plan Timeline

Approximately 120 days prior to the end of the operating year, the Center will undergo a review, conducted either by the FPO/AM Team or by a peer review panel. Comments from the review will be provided to the Center to incorporate recommendations into its new Operating Plan. Guidance, if needed, is available from the FPO, AM and the BLS at NIST HMEP. In order to ensure timely renewal, a final version, with all changes and edits addressed and reviewed, of the new Operating Plan and all associated signed documents must be submitted to the NIST HMEP FPO for final processing to NIST Grants Office at least 60 days prior to the end of each funding year as part of the Cooperative Agreement renewal package.

### Amending the Operating Plan

Any changes made to the scope of work and in some cases the budget, requires a re-submittal to NIST HMEP for recommended approval and final approval from the NIST Grants Officer. The Center should work with the NIST HMEP FPO/AM to update, and amend, if necessary, the annual Operating Plan. Changes will become effective via an amendment to the award, signed by the NIST Grants Officer. All associated documents must be resubmitted to NIST HMEP reflecting these changes.

Refer to 15 CFR 14.25, 15 CFR 24.30, the HMEP General Terms and Conditions and the DoC Financial Assistance Standard Terms and Conditions (A.04) for other changes that may require an amended Operating Plan.

If a recipient needs to move costs from direct to indirect or vice versa, the recipient must submit this request in writing to the Grants Officer via the HMEP Program Office for approval.

A subrecipient must submit its request to the recipient for approval. For more details, refer to DoC Financial Assistance Standard Terms and Conditions (A.04.c) for budget changes and transfer of funds categories.

## **PART II: Operating Plan Format**

This document is provided as a resource document and describes the information needed for a Center Operating Plan. Centers may also include additional information such as a formal marketing plan, a strategic plan, and an evaluation plan or may choose to expand on the goals or metrics sections to reflect goals or metrics broken out by staff, regional office, partner, or by month.

### **Section I**

#### **A. Cover Page (Recommended Length 1 Page- A template of the cover page can be found in Appendix I)**

The cover page of the Operating Plan should list the name of the Center and any d/b/a names, Legal Recipient of the Cooperative Agreement, the current NIST Cooperative Agreement number, the dates of the operating year, and the date and version number of the plan.

**NOTE: The Cooperative Agreement Number will change every 5 years and/or upon a novation or transfer to another organization, or for other administrative programmatic reasons.**

#### **B. Mission and Vision (Recommended Length 1 Page)**

This page should include the Center's mission and vision statements. The goals and tasks for the year that are described in the Operating Plan in the sections following the mission and vision statements should demonstrate relevance towards achieving the mission.

#### **C. Center Profile from most recent Center Progress Report (Recommended Length up to 12 Pages)**

To allow a complete and concise presentation of the Center to all parties that read the operating plan it is important to include an overview of the Center structure. This can be achieved by including the Center Profile that Centers have prepared for the Center Progress Report used in the review process. This includes the following items:

- Brief History of the Center (going back 5 years)
- Overview of all the Center's activities and overall budget including what percentage of the budget is HMEP-related
- Center Organization and Governance (include list of current Board Members with affiliation, position and role within the board)
- Center Financial Summary (include budgeted versus actual expenses for past two years and current operating period for at least the past six months)
- Center Personnel, including detailed Staffing and Leadership Structure
- Individuals authorized to sign Federal documents as defined in General Terms and Conditions.
- Center Locations and Geographic Coverage of Region (a map that depicts coverage and boundaries is desirable)
- Market Characteristics of the Service Region
- Center Products and Services and Service Delivery Mode

- Partnership strategy, roles and all deliverables of partners

## Section II

### A. List of Strategic Plan Goals (Recommended Length 1-2 Pages)

This section should include the current Strategic goals of the Center, taken from the current Center Strategic Plan. This section should include, in part, the strategic approach the Center intends to take to achieve the HMEP System goals. The current year Center program goals (see C. below) should be linked to the strategic plan goals.

### B. Key Center Performance Metrics (Recommended Length 1-2 Pages)

This section should list the key Center performance metrics or “dashboard” of the four to five key metrics that the Center leadership will track to assess progress.

Sufficient historical performance data should be provided to reflect relevance to those proposed for the operating period. Two (2) years of actual history, period to date and projected for the new operating period should be provided.

These key metrics should link back to Strategic Plan and current year Center goals and include how the Center will track progress towards the HMEP System goals.

**MEP System Goals** that should be addressed by Centers are provided below:

- Performance - All centers exceed the current MAIM (impact metrics).
- State Strategy - 100% center participation in improving the integration of the HMEP Program into the State's Strategies relative to manufacturing.
- Service Delivery - 100% center participation in the development or delivery of at least one growth services activity.
- Workforce - 100% center participation in the development or delivery of at least one workforce activity (e.g., WIRED, lay-off aversion, etc.).
- System - 100% center participation in the management or delivery of at least one joint project with at least two other centers. (e.g., System Accounts, trade association projects, etc.).

**MEP Next Generation Strategy** - Key Initiatives should be addressed separately as applicable to the Center:

- Continuous Improvement --- Enhance productivity and free up the capacity that will provide manufacturers a stable foundation to pursue innovation and growth. HMEP will continue to provide a unique approach to implementing the concepts of lean manufacturing, scaled for smaller companies to readily adopt, and serve as a starting point to leverage the operational improvements into company transforming strategies.
- Technology Acceleration - Services being offered to bring innovative and affordable new product and process improvement opportunities adapted to the needs of manufacturers.
- Supplier Development - Services and activities provided to improve the competitive position of manufacturers through the development of an efficient supply base and the identification of innovative processes and products. Develop and deliver the national capacity, tools, and services needed to put suppliers in the best position to thrive in existing and future global supply chains.

- Sustainability –Activities and programs focused on helping companies gain a competitive edge by reducing environmental costs and impact by developing new environmentally-focused materials, products and processes to gain entry into new markets.
- Workforce – Activities focused on expanding partnerships and collaborations to develop and deliver the tools and services needed to foster the development of progressive managers and entrepreneurial CEOs and continue to provide training and educational opportunities for the entire manufacturing operation.

### C. Center Program Goals for the Operating Year (Recommended Length up to 7 pages)

The Center's goals for the operating year are listed in this section. The goals should support the implementation of the Center's strategies as outlined in the Center's Strategic Plan and Key Center Performance Measures. The Center should specifically articulate how it will accomplish these goals, i.e., how the work of the Center is designed to impact firms beyond simply providing technical assistance.

This section should also include any Center goals that are the result of recommendations made during the Center's most recent review. Centers are encouraged to include goals for continuing activities that are considered to be part of the Center's normal business practices.

Whenever possible, tie metrics to each goal with a comparison to the previous year's goal, if available. For Center performance metrics, include the previous year's actual results.

## Section III

### A. Budget

The Center's proposed budget for the funding period is divided into two sections, Federal/Non-Federal Sources of Funds and Expenses/Uses of Funds. The Federal/Non-Federal section should list sources such as NIST HMEP, State, Project/Services Fees (Program Income Projected), Anticipated Unexpended Program Income from Prior Operating Years, etc. The expense section should list the expense categories of the Center. Figures on budget/narrative (SF-424, SF424A) should be rounded to nearest dollar. **All budgets should include an explanation of the accounting system (ie. accrual vs. cash) and documenting expenses and activities.**

Subrecipient costs within the Operating Plan package are to be captured in total within the Contractual line with a request to roll them up under a separate sub-item within Contractual as Subrecipient Agreements (SRA). Each SRA should contain a budget detailing the activities to be completed and their associated costs. **Note: Dollar amounts listed in the SRA table must be traceable directly to the budget and budget narrative.**

Center monitoring process and the monitoring Point of Contact should be discussed in the narrative under the "contractual" heading.

**Cost Share** - Cost share commitments must be met on an annual basis in accordance with the Center's approved budget. Any cost sharing must be in accordance with the "cost sharing or matching" provisions of 15 CFR Part 14 or 15 CFR 24 and the Current NIST HMEP General Terms and

Conditions. Costs included as cost share must be reasonable, allocable to the project and allowable under the applicable OMB cost principles: 2 CFR 225, 2 CFR 230, and 2 CFR 220.

**Program Income** – Application of Program income should be consistent with 15 CFR Sec. 14.2(aa), .22(g), and .24, and 15 CFR Sec. 24.21(f) and .25 and the Current NIST HMEP General Terms and Conditions.

**Planned Program Income Level** – If the Center has plans of establishing program income they must provide a discussion of the basis for and targeted level of planned program income. The center will also include in the discussion a business plan for the planned program income level.

**Indirect Cost Rate** – Attach indirect cost rate proposal or approval with Operating Plan and verify rate letter from the cognizant agency with Operating Plan. Verify rate calculation and that the budget numbers are correct. Once Center receives final approval they must submit a copy of the approval to the Grants Officer.

**SF424/SF424A** – Line 7a on SF424A should reflect projected program income generated for the period and also include the amount of as unexpended program income proposed to be used during the upcoming proposed operating period.

**Fringe Benefits** - This category includes the rate and baseline as well as employer cost for benefits including health insurance, dental insurance, life insurance, pension plans, cafeteria (FLEX), and PTO. These expenses are consistent with the headcount for the Center. This category is net of employee co-pays and does not represent contributions made by employees.

## B. Sample Budget Table

Budget table below is a recommended format for Centers to follow.

### XMEP Operating Plan BUDGET

Current Operating Period

Category	Cash <sup>1</sup>	Third Party In-kind <sup>1</sup>	Total
<b>Revenue</b> (Federal and Non-Federal Cost Share)			
NIST HMEP Funds <sup>2</sup>			
Unexpended Federal Funds from previous operating period to be used ABOVE base <sup>3</sup>			
State/Local Funds			
Unexpended Program Income <sup>4</sup>			
Project/Service Fees			
Other <sup>5</sup>			
Interest & Dividends			
Third Party Contributions <sup>6</sup>			
<b>TOTAL REVENUE</b>			
<b>Expenses</b>			
Personnel			
Fringe Benefits			
Travel			
Equipment			
Supplies			
Contractual Total			



Professional Service			
Fees paid to Third Party Service Providers			
Sub-recipient <sup>7</sup>			
Sub recipient Cost Share <sup>8</sup>			
Other total			
Training			
Rent & Utilities			
Office Expenses			
Marketing			
Other Admin			
Indirect costs			
<b>TOTAL EXPENSES</b>			
<b>TOTAL REVENUE – TOTAL EXPENSES</b>			

Footnotes below provide further guidance. Do not include footnotes in your budget.

<sup>1</sup> Reference 15CFR Part 290.4(c); Host Contributions for definitions

<sup>2</sup> This line should reflect up to but no more than the annual base level of Federal Funding available to the Center. Note: The amount reflected in this line is the sum of any prior year unexpended Federal funding to be carried forward but **not above** base plus new year funding. The narrative should specify and describe the amount of each.

<sup>3</sup> This line should reflect only the unexpended fund amount being applied **above** 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. A business case for the use of these funds must also be included in the Budget narrative.

<sup>4</sup> If this object line is > \$0, Center must include in budget narrative a business case for the use of any funds for the current operations or for year to year business continuity requirements.

<sup>5</sup> Must provide detailed breakdown and fully explain in the narrative section (including Center and subaward/partner cost share).

<sup>6</sup> Third party contribution does not appear as a separate line item on the SF-424 but needs to be listed separately on this budget for the HMEP evaluation purposes.

<sup>7</sup> Subrecipient: Recipient (Center) provided funding to the Subrecipient.

<sup>8</sup> Subrecipient Cost share: Total cash and in-kind estimated cost share provided to the Recipient (Center).

**General Note:** The cost categories provided under "Other total" are just examples.

Sample: Subawards/Third Party In-Kind Contributions Table  
(DO NOT INCLUDE CONTRACTS/SUBCONTRACTS ON THIS TABLE)

XMEP  
Period: Current Operating Year  
Date of Submission

[illegible]

TOTAL								
-------	--	--	--	--	--	--	--	--

Notes:

<sup>1</sup> Per 15 CFR Part 290.4 please state the dollar amount proposed/budgeted (or the value of property provided in lieu of money) by the Center under the award to the partner organization.

<sup>2</sup> 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 15 CFR Part 14.23 and 24.24 for rules governing valuation of contributions of services and property.

<sup>3</sup> Purpose/Nature of cost share refers to the RELATED EXPENSE and the related tasks of the scope of work. Provide a narrative 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 and identify the nature of the contribution, e.g. office space, partner staff, etc.

Dollar amounts listed in the Subawards/Third Party In-Kind Contributions Table must tie directly to the budget and be described in the budget narrative.

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.

**Note: A center should articulate in this section its Subaward/Third Party monitoring process and identify the person responsible for monitoring Subaward/Third Party activities.**

## C. Budget Narrative

This section should include a budget narrative that ties to the numbers and categories contained in the Center Budget. Adequate quantifiable detail should be provided so that NIST HMEP and the NIST Grants Office can make a preliminary determination of the allowability, allocability, and reasonableness of the proposed costs.

Centers should fully describe any and all cost share contributions. The value of each third party in-kind contribution established in accordance with the applicable administrative requirements, (see 15 CFR Part 14.23 or 15 CFR Part 24.24, and the applicable cost principles: 2 CFR Part 220 (replaces OMB Circular A-21), 2 CFR Part 225 (replaces OMB Circular A-87 and 2 CFR Part 230 (replaces OMB Circular A-122).

## D. Unexpended Federal funds at the end of the Operating Period

NIST HMEP does not anticipate Centers having unexpended Federal funds (UFF). Any Center with UFF at the end of the operating period is required to submit a revised SF424A reflecting the budget changes from the prior operating period.

If a Center has UFF at the end of the operating period it may request for NIST HMEP to review and approve to carry those funds forward into the next operating period. There are two options available for carrying UFF forward as outlined below.

**Option A:** If a Center has unexpended Federal Funds at the end of its Operating Year and would like to carry this amount forward into the new Operating Year **towards the normal base funding**, the Center is required to do the following:

1. Prepare a cover letter requesting to carry-forward the total amount of unexpended Federal funds into the upcoming operating year. Include an explanation of why the funds were not expended in the previous operating year along with an updated budget chart for the previous year that reflects the realized budget (Federal/non-Federal) utilized
2. If approved, Center's unexpended Federal Funds for the previous period will be applied towards the annual base award amount for the upcoming operating year

**Option B:** If a Center has unexpended Federal Funds at the end of its Operating Year and would like to request approval to carry this amount forward, **above its annual award amount**, the Center is required to:

### Carryover under \$100K

Prepare a cover letter requesting to carry-forward the total amount of unexpended Federal funds. Include an explanation of why the funds were not expended in the previous operating year along **that is above and beyond the Center's normal scope of operation** with an updated budget chart for the previous year that reflects the realized budget (Federal/non-Federal).

### Carryover \$100K or more – and Year-to-Year (Multi-year) Carryover

Prepare a cover letter requesting to carry-forward the total amount of unexpended Federal funds supported by a detailed project plan that includes description, budget allocation, interim milestones and deliverables into the upcoming operating year.

1. Include an explanation of why the funds were not expended in the previous operating year along with an updated budget chart and how they will be applied in the new operating year **that is above and beyond the Center's normal scope of operation.**
2. Include unexpended Federal dollar amount on Operating Plan budget chart and reflect appropriate cost share.
3. Include a description about the use of unexpended Federal dollars in Operating Plan budget narrative.
4. The combined annual base award amount and unexpended amount should be reflected on the SF424 and SF424A.

## APPENDIX I

### Sample Operating Plan Cover Sheet Template

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Cover Page *(Center may choose to add their logo on the cover page)*

### OPERATING PLAN

HMEP (DBA) and Legal Recipient Name

Current Operating Period Dates  
Version 1.X \*  
Cooperative Agreement Number: 70NANBXHXXXX

Submitted: DATE - Month/Day/Year

\* Indicate version number for tracking

## APPENDIX II: Subawards, Subrecipients, Third Party Agreements

### A. Subawards

Per 15 CFR Part 14.2(ii), **Subaward** means an award of financial assistance in the form of money, or property in lieu of money, made under an award by a recipient to an eligible subrecipient or by a subrecipient to a lower tier sub-recipient. The term includes financial assistance when provided by any legal agreement, even if the agreement is called a contract, but does not include procurement of goods and services nor does it include any form of assistance, which is excluded from the definition of "award" in paragraph (f). In accordance with paragraph (f), the term does not include technical assistance, which provides services instead of money.

### B. Subrecipients

Per 15 CFR Part 14.2(jj), **Subrecipient** means the legal entity to which a subaward is made and which is accountable to the recipient for the use of the funds provided. A subaward is created whenever the recipient provides financial assistance under the award in the form of money (Federal or non-Federal), or property in lieu of money.

All subrecipient agreements (subawards), must, at a minimum, include:

- CFDA Number, Award Number, Award performance period, and Awarding Agency (for audit purposes),
- Project Scope/Operating Plan (should show relationship (nexus/linkage) between Center Operating Plan and subrecipient's scope of work),
- Detailed Object Class Budget,
- Administrative and Legal remedies for failure to adhere to the terms and conditions of the agreement, and
- All applicable flow-down provisions including audit clauses from the NIST awarded Cooperative Agreement. [Including "Retention and access requirements for records" under 15 CFR Part 14.53]

**NOTE:** An example of acceptable flow-down language would be: "All terms of the attached NIST cooperative agreement apply to the subrecipient, except those specifically excluding subrecipients from coverage and those setting forth the scope of work, budget, and cost share, unless specifically addressed in the award. Terms that flow down include all Federal, Commerce Department, and MEP statutes, regulations, and program requirements. Flow down provisions that on the recipient level require interactions between the recipient and NIST, such as payment mechanisms, program and financial reporting and prior approvals, on the subrecipient level require that the same or analogous interactions occur between the subrecipient and the Recipient, and not between the subrecipient and NIST.

It is the responsibility of the Center to monitor all subrecipient activity and to make a determination that all costs that are claimed as either direct reimbursement from the MEP or as matching share are allowable,

allocable and reasonable. Documentation related to non-Federal cost share that meets the administrative regulations and cost principles governing the agreement must be maintained throughout the life of the cooperative agreement. The Center should ensure that the subrecipient has complied with all the terms of the subrecipient agreement and maintains documentation supporting all costs.

**The Operating Plan should include a brief description of the Center monitoring process and identify the Center point of contact that will be responsible for this process.**

In almost all instances, subawards involve the provision of money from a Center to another entity under the MEP award. If a subrecipient is not receiving money from the Center it must receive property in lieu of money, and have obligations to perform in the Center's stead under the first-tier MEP award from NIST to the Center. If property is provided in lieu of money, the value of the property, and the subrecipient's performance obligations under the award should be clearly documented in the agreement between the parties and implemented in practice, [consistent with 15 CFR 14.2(f), (jj), and 15 CFR 24.3 ]. Property, provided in lieu of funds to the subrecipient should be valued in accordance with the administrative requirements (15 CFR Part 14 or 15 CFR Part 24) and the cost principles governing the award (OMB Circulars A-21, A-87, and A-122). In the unusual event that a Center is considering the provision of property rather than money, it should discuss any such potential subrecipient arrangements with the FPO promptly.

If the Center receives more than the budgeted cost share from its subrecipients, then the subrecipient agreement must highlight the specific activities that will contribute to the MEP Program and a budget reflecting those specific activities.

Subrecipient agreements with budget amounts in excess of \$100K, included under either the Federal share or non-Federal share, must be approved, in advance and in writing, by the NIST Grants Officer. Additionally, in the unlikely event of a subaward involving property in lieu of money from the Center, the agreement must be reviewed and approved in advance by the NIST Grants Officer.

In accordance with the flow down requirements of the award, all subrecipient awards under the MEP cooperative agreement, must also include the applicable uniform administrative requirements and general and special award conditions that accompany the cooperative agreement and apply to the MEP Center.

### **C. Third Party In-Kind Contributor Agreements**

Third Party In-Kind Contributor Agreement means an agreement between a recipient or a subrecipient and a non-Federal third party involving non-cash contributions that accomplish program objectives, further the impact of the Federal investment in the Center and are specifically identified with the MEP program.



## D. Contracts

Per 15 CFR Part 14.2(i), **Contract** means a procurement contract under an award or subaward, and a procurement subcontract under a recipient's or subrecipient's contract.

The prior approval requirement, which stems from Hollings Manufacturing Extension Partnership *General Terms and Conditions*, Section 11. *Approvals*, extends to contracts and agreements in excess of \$100,000 in total operating budget. At a minimum, the contracts should include:

- Type of procurement instrument (cost plus fixed fee, firm fixed price, etc.)
- Budget or Price
- Scope of Work
- Administrative and legal remedies for non-compliance or breach of contract terms
- Termination Clause – including the manner by which the termination shall be effected and the basis for settlement. In addition, a description of conditions when a contract may be terminated for default as well as conditions where the contract may be terminated because of circumstances beyond the control of the contractor must be included.
- Access to Books and Records Clause – Allows the Center, DOC, NIST, DOC/OIG, the Comptroller of the U.S., or any duly authorized representative, to access the books, documents, papers and records of the contractor which are directly pertinent to the specific program for the purpose of making audits, examinations, excerpts and transcriptions.
- Payment terms
- Equal Employment Opportunity Provision
- Clean Air Act and Federal Water Pollution Control Act Provision
- Intellectual Property Rights
- Data Rights
- New Restrictions on Lobbying – 15 CFR Part 28
- Debarment and Suspension – 2 CFR Part 1326
- Cost Principles – 48 CFR 31.2

All contracts awarded under the MEP cooperative agreement should be consistent with 15 CFR Part 14.40 through 14.48 and 15 CFR Part 24.36.

## E. MEP General Terms and Conditions

The *MEP General Terms and Conditions* set forth the requirements that the Center has agreed to by entering into a cooperative agreement with HMEP. This document applies to all Recipients of cooperative agreement awards under the Hollings Manufacturing Extension Partnership. The current version can be found at [www.mepcenters.nist.gov](http://www.mepcenters.nist.gov) "Source for Centers" within the CFO Community of Practice.

## F. MEP Audit & Compliance Guide (April 2007 Version 1.0)

The *MEP Audit & Compliance Guide* is intended to assist Recipients and their auditors by providing a general

program overview and guidance in complying with program and government regulations. The Guide can be found at [www.mepcenters.nist.gov](http://www.mepcenters.nist.gov) "Source for Centers" within the CFO Community of Practice. The Guide is not a compliance supplement and does not conflict with the requirements of OMB Circular A-133 (Audits of States, Local Government and Non-Profit Organizations). The guide includes a comprehensive discussion of regulations and requirements as they apply to the HMEP Program, illustrations of the application of the regulations and requirements to HMEP activities, samples of required forms and reports, and suggested audit procedures. Examples of topics include:

- Cost Share definition and requirements (Federal and non-Federal)
- Subrecipients and Subawards
- Procurement Standards
- Program Income
- Audit requirements
- Cash Management
- Allowable and Unallowable Costs

## G. Regulations and Guidelines

Below is a list of HMEP-related documents that are crucial to ensuring compliance with HMEP program requirements. This is not an all inclusive list but intended to highlight the major requirement sources.

- 15 USC 278k Sections 25 and 26 - National Institute of Standards and Technology Act, as amended
- 15 CFR Part 14, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, Other Non-Profit, and Commercial Organizations
- 15 CFR Part 24, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments
- Department of Commerce, Financial Assistance Standard Terms and Conditions
- OMB Circular A-21, Cost Principles for Educational Institutions
- OMB Circular A-87, Cost Principles for State, Local and Indian Tribal Governments
- OMB Circular A-122, Cost Principles for Non-Profit Organizations
- OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations
- 2 CFR Part 1326, Department of Commerce Implementation of OMB Guidance on Non-procurement Debarment and Suspension
- 15 CFR Part 28, New Restrictions on Lobbying
- 15 CFR Part 29, Drug Free Workplace
- 15 CFR Part 290, Regional Centers for the Transfer of Manufacturing Technology
- Federal Register Notices 15219-15223 dated 3/16/2001 and 12890-12893 dated 3/18/2003

### APPENDIX III: Operating Plan Budget Checklist

This checklist applies to the following: The Sample Budget (Revenues/Sources of Funds and Expenses/Uses of Funds), the Budget Narrative, and the Subaward/Third-Party In-Kind Contributors Table. These three documents must reconcile with the SF-424 and SF-424A. This checklist is available to Recipient to use in preparation of its renewal package and as a tool for GAMD and the HMEP Program Office during review. Each office will provide a final version with renewal package as part of review.

Award Number: \_\_\_\_\_

Recipient: \_\_\_\_\_

Please address each item below:

Yes   No

1) Does the SF-424A match the Operating Plan Budget and the Budget narrative?

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If "No" then one of the documents needs to be resubmitted

2) On the Operating Plan Budget, does the Federal/Non-Federal Cost Share minus Expenses equal Zero?

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If "No" then the Recipient needs to provide plans for the use of the unexpended program income.

The Following Pertain to the "Budget Narrative":

**NOTE: A Budget Narrative MUST be submitted for EACH subrecipient agreement. The following items must be addressed for EACH budget narrative.**

If "No" is answered to any of the following, please request the information from the Recipient.

3) Is there a description of sources of State and Local Funds?

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4) Is there a description of how the anticipated unexpended program income will be applied?

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5) Is the Anticipated Unexpended Program Income from Prior Operating Years reflected on the Operating Plan Budget?


6) Are the "Other" sources described?

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7) Is there an explanation of Third-Party contributions and how it was valued?

(See 15 CFR Part 14.23 or 14 CFR Part 24.24 for valuation)

8) PERSONNEL - Does the Center list all personnel costs, including third-party in-kind personnel?

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(The Center **must** note whether the In-Kind personnel were Full Time or Part Time. See 15 CFR Part 290.4 - HMEP Rule)

9) TRAVEL: Did the Center Identify cost for local travel and costs for long distance trips?

Were long distance trips identified?

Was any travel contributed by a third party?


10) EQUIPMENT: Did the Center identify equipment items and purchase cost?

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(Equipment items with an invoice price exceeding \$10,000 must be described and justified)

Was any equipment contributed by a third party (see 15 CFR Part 14.23 or 15 CFR Part 24.24)?


11) MATERIALS/SUPPLIES: Did the Center Identify general types of expendable supplies/materials?

Were any materials/supplies contributed by a third party? If so, are they listed?

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12) Professional Services - Did Center provide brief information on what services were included?

Are any of the services in kind? If so, are they listed?

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13) Fees Paid to 3rd Party Providers - Did Center provide hourly or daily rate of providers?


Are any of the services in-kind? If so, are they listed?

14) OTHER- Are Other costs fully explained?


Are any of the Other costs in-kind? If so, are they listed?

15) INDIRECT COSTS- Does the recipient and any subrecipients have negotiated indirect rates?


If yes, is there a copy in the file? (If not, request a copy)

(NOTE: If they have indirect costs then they shouldn't direct charge rent, utilities, office/admin.

and other operating expenses unless they are DIRECTLY incurred just for this award.)

The Following Pertain to the "**Sub-Award/Third Party In-Kind Contributions Table**":

Note: Every column should be completed for each agreement.

16) Are the agreement periods within the period of the award?

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17) If Agreement Type is a sub-award agreement, is the Recipient providing a funding commitment or property in lieu of money?

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(If "No" then it should be a TPC (Third-Party Contributions))

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## SUBRECIPIENT AND THIRD-PARTY CONTRIBUTOR AGREEMENTS

If the subrecipient agreements are available for review at the time of the Operating Plan submission then the figures in the SubAward/Third Party In-Kind Contributor Table (Section III, C.) should be reviewed to ensure that they match the budgeted amounts in the subagreement. If the agreements are not available then a special award condition will be added stating that the agreements must be provided by insert date provided by HMEP. Once received they should be compared to the Table stated above. **NOTE: EACH AGREEMENT MUST CONTAIN A DETAILED BUDGET**

1) a) Will the subrecipient receive funds from the Recipient (Center)?

b) Will the subrecipient receive anything of quantifiable value in lieu of funding from the Center?

c) If yes to either question above, is it identified in the subrecipient agreement (subaward)?


2) Does the agreement provide an adequate explanation of how the proposed match was valued?

Yes   No

If "No" then request the information from the Recipient.

3) Did the agreements include a statement that the subrecipient must comply with the provisions of the NIST award including applicable cost principles, administrative and audit requirements (FLOW-DOWN PROVISIONS)?

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4) For contracts (providing goods or services) over \$100K was the attached checklist completed?

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NIST HMEP Program Review

Date:

Signature:

NIST GAMD Review

Date:

Signature: