



2016 Manufacturing Extension Partnership Request for Proposal (RFP) Frequently Asked Questions

Question 35: We are having difficulty understanding the answers to the questions 25 and 27 regarding the cash match needed in the New Services and Technology Development category. Assuming that an Affiliate does not have access to external funds such as community sponsorships to provide the cash basis for match in this service category what are the "other lines of business" that are allowable to "generate cash from program income and matching grant dollars in excess of their costs" which may be used as cash match in this category? For example, are we allowed to use the excess cash match in the Large Business Category as cash match in the new services and technology development category? Alternatively, could we apply our organizations own cash reserves as cash match to fund the development of MEP New Services under the New Services and Technology Development category? If the answer to both of the above is no, in the absence of community sponsorship is there any way for an affiliate to qualify to receive OHMEP funding in the New Services and Technology Development category?

The confusion seems to be over the difference between costs and income. These do not have to match for each line of business, only in aggregate. So there is no need to "use excess cash match", only "excess cash". Example with just two lines of business, in which the consulting line of business generates surplus income that can be used to cover costs in the product development area:

Table with 7 columns: Line of Business, Program Income/Sponsorships, Grant Multiplier, Matching Funds (Federal + State), Total LOB Income, Project Costs, Surplus/(Deficit). Rows include Large Business Consulting, New Product Development, and Total.

Please note that the federal and state matching funds are earned based on the income generated, not the costs incurred.

The Lead Applicant is welcome to offer its own cash reserves as match for new product development. The organization should be careful to assure that funds from other state or federally funded programs are not used as match.

Question 36: Regarding the program income section on Budget Form 3. Does this only refer to Program Income that we generate, or does it also include Program Income that our sub-recipient Partners generate resulting from/with our support. For example, we have one Partner who will sell consulting services that they deliver but that we have created, designed, manage, and help sell.

The Program Income section of Form 3 should reflect only program income generated by the Lead Applicant. Please use the Cash Cost Share section of Budget Form 2 to capture program income generated by Partners/Sub-recipients, and reflect this information in the Additional Cost Share section of Form 3.

Question 37: Regarding Budget Form 2 and Budget Form 3, if our Partner letters indicate that they are willing to provide more cost-share than we are interested in taking, may we reflect a cost share amount in Budget Forms 2 and 3 that is lower than their official letters as we complete our final budget?

You may reflect the lower amounts in these forms. Please add a note to your budget narrative explaining your intent to use the lower amounts as your budget baseline.