

## **Background**

The Pennsylvania Department of Community and Economic Development (DCED) recently established the Pennsylvania Manufacturing Innovation Program (PAMIP) to leverage the internationally acclaimed science and engineering talent and discovery capacity of Pennsylvania's institutions of higher education to ensure that Pennsylvania remains a national and international leader in manufacturing and achieves the full economic potential for high-paying manufacturing jobs. A main component of the PA Manufacturing Innovation Program is the Manufacturing Fellows Initiative (PMFI). This \$2 million initiative supports manufacturing research collaborations between PA colleges/universities and PA manufacturers. The goal of the program is to enable these institutions to seamlessly bring their capabilities to bear to support industrial innovation and position the Commonwealth at the forefront of the next wave of manufacturing.

Specifically, the PMFI Program will leverage the research and innovation capabilities of the Commonwealth's research universities and other higher education institutions and the technology-rich manufacturing sector of PA industry, to form a unique university-industry collaboration that will lead to the following outcomes in the Commonwealth:

- Create a program that is PA manufacturing company driven and uses a competitive proposal process to select and enable projects that will promote innovation in PA's manufacturing job creators.
- Create an environment linking PA companies with students to create high paying manufacturing jobs and to interest and retain highly-educated students in the field of manufacturing.
- Provide PA companies with a competitive technology edge by introducing them to researchers and universities with equipment and skill sets to which they do not currently have access.
- Open the floodgates of technology assistance and innovation to PA companies by breaking down the barriers to academic expertise.
- Focus the innovation and educational capabilities of PA's world-class research universities on real-world manufacturing solutions for PA.

## **Request for Proposals**

DCED is now soliciting proposals from faculty Principal Investigators (PI) for projects that fit within the PMFI mission and which include a collaboration with an industry partner. Please note that companies may serve as project collaborators, but they may not receive state funding. Any company that would like to partner with a university on a project, but has not identified a faculty collaborator, should complete an inquiry form available on the program website ([www.manufacturingPA.org](http://www.manufacturingPA.org)).

Proposals are due by **June 12, 2018** with award notices for selected projects expected to be issued by late-July 2018. Faculty may submit proposals on the PMFI website ([www.manufacturingPA.org](http://www.manufacturingPA.org)). The application form requires the submission of the Technical Proposal Template (template may be downloaded on the website) along with a proposed budget, budget justification, industry letter(s) of support and University statement of intent.

Carnegie Mellon University's Manufacturing Futures Initiative is the fiscal agent for this program.

### **Project Requirements**

PMFI will operate as a competitive funding program that will provide Commonwealth-funded incentive grants (approximately \$25,000 to \$70,000) to researcher-lead teams at any accredited PA college/university engaged in a short-term manufacturing innovation project (up to 1.5 years) with a manufacturer. Projects must focus on advancing a new product or process innovation. The anticipated start date for selected projects will be Sept. 1, 2018. The typical award period is expected to be from Sept. 1, 2018 to Aug. 31, 2019.

PMFI funding must be used to support up to 50% of the cost of an undergraduate or graduate student under the supervision of a faculty member who is committed to working with a manufacturer and other non-faculty related expenses at universities.

Partner companies and universities are required to provide leverage funding, targeted at \$1.00 for every \$1.00 of PMFI funding, for labor and project expenses to complement the funding by the Commonwealth. Partner companies may provide cash, donations and in-kind contributions as leverage. Universities may utilize non-state government funding sources related to the project. The leveraged funds identified in a project proposal must be in place before PMFI funds are released to the project and must be expended during the period of performance of the project.

The PMFI program will primarily target projects with partnering PA companies that have manufacturing facilities located within the Commonwealth or firms engaged in developing Pennsylvania locations. Candidate projects may be identified by DCED, universities, Industrial Resource Centers, DCED PREP program partners, Ben Franklin Centers or by self-referral from businesses.

### **Proposal Review Criteria**

Each submitted proposal will be reviewed under a common set of criteria outlined below. The evaluation criteria include technical merit, student involvement, level of industry engagement, the potential for long term job and business growth and regional diversity across Pennsylvania.

**Active Participation of Manufacturers and Impact on PA Manufacturing:** To demonstrate industry engagement, PIs are required to supply "support letters" on company letterhead from the participating manufacturers as an attachment to the proposal. The support letter should discuss the impact of the research project on the organization and identify the financial leverage provided by the organization. Examples of active participation include cash cost matching, equipment/material donations, and in-kind use of company facilities, equipment, materials, and/or personnel to conduct experiments, demonstrations, or other research tasks directly related to the project. The support letters from industry must explicitly list (preferably in a table format) the activities the company will undertake in support of the project along with the monetary value of each of those activities. Note that for leverage

funding to be considered as part of the budget proposal, the company support letter **must** quantify the direct cash leverage value and/or the donation value of each in-kind activity. In-kind support will not be counted as leverage unless there is a detailed list of the in-kind donation(s) and the associated monetary value included in the company support letter.

**Active Participation of Graduate and/or Undergraduate Students:** A key element of the PMFI program is to link students (fellows) with companies in an effort to increase the retention of well-educated students in the Commonwealth. Projects with clear plans for interaction of graduate and/or undergraduate students with PA companies are strongly encouraged.

**Technical Approach:** The proposal shall describe in detail the project's scope of work and the concepts used to achieve the results described. The proposal shall illustrate the relevance of the proposed effort to the technical topic(s) as well as the strength of the proposal team, including the depth of team member capabilities and experience and the ability of the team to successfully complete the project within the proposed budget.

### **Technical Proposal Template**

This Technical Proposal Template is available on the website ([www.manufacturingPA.org](http://www.manufacturingPA.org)) and must be uploaded as part of the application in a PDF format. The template requires the following information:

- Executive Summary (Abstract) of Project limited to 300 words
- Project Description limited to 3 pages including any figures/tables (Please use Times New Roman (or Times) font with 11 pt. or larger font size and 1 inch margins on each page)
- Anticipated Results limited to 200 words
- Relationship to PMFI Goals and Potential Impacts on PA limited to 300 words

Additionally, the application must include a letter of support from the manufacturing partner and the contact name and full address for a company employee who will serve as the company's PMFI point-of-contact for the duration of the project. The point-of-contact will be invited to attend events during the course of the project, and will be asked to provide feedback on the program including a metrics report at the conclusion of the project. Language from the support letter may be included in reporting to the program sponsor.

### **Budget Request**

An itemized budget must be uploaded (preferably in an Excel format). Please consider the following requirements when preparing the proposed budget.

- Funds are to be expended by the lead university/college and are not eligible to be used to cover industry partner expenses. The latter should be included as cost-share.
- Faculty salary is not eligible for DCED support under this program. Faculty salary may be included as cost-share.
- The project should be performed primarily by a tenured or non-tenure track faculty, staff members, and students at the lead university/college. Graduate and undergraduate students

should be listed. If the PI is not able to identify the specific student who will work on the project when the proposal is submitted, the student should be listed as “to be determined.”

- DCED research funding is limited at a 10% indirect cost rate applied to the Total Direct Costs and as such, is not subject to the university’s federally audited indirect cost rate.
- Other direct costs:
  - Graduate student: Provide graduate student level of effort and tuition/stipend required to support the student(s) that are funded by the project. *Please note that state funding is limited to 50% of the cost of a graduate student’s effort on the project. The balance of the student effort on the project can be counted as cost-share.*
  - Undergraduate student: Provide undergraduate student hourly rate and estimated hours. *State funding is limited to 50% of the cost of an undergraduate student’s effort on the project. The balance of the student effort on the project can be counted as cost-share.*
  - Travel: Include destination/purpose for travel expenses and additional justification with respect to expenses should be provided. Travel is limited to Pennsylvania and travel costs are capped at state rate levels. Travel expenses related to participation in the statewide annual meeting should be included for the faculty member and Manufacturing Fellow.
  - Materials and supplies: Materials and supplies must be identified and justified as necessary.
  - Non-Capital Equipment/Software: Equipment and software must be identified and justified as necessary.
  - Printing/Publishing: Expenses must be described and justified.
  - Subcontracts: Subcontracts require a statement of work, contact information, and budget identifying how the funds will be utilized. Subcontracts require approval from DCED prior to funds being released.
  - Other: Other direct costs that do not fall into the categories above should be listed and justified as necessary.

Cost-share must be identified by cost category in the budget at a ratio of \$1 of cost-share for every \$1 of funding requested. University cost share items must be outlined in terms of the type of cost-share (faculty time, student tuition/stipend) and the relationship to the project. The primary funding source must be provided. Please note that other state funding cannot be used as a cost-share source. Any industry cost share listed in the budget should be confirmed in the letter of support accompanying the application. Upon award, the PI will receive a cost-share form to be completed by any external partner providing match and documentation to support the cost-share value(s) identified in that form will be required.

Please consider the following table as an example for cost-share identification.

SOURCE 1
<b>External Partners (In Kind/Cash)</b>
Name of Organization
Contact Name:
Amount:

PA Company: Yes/No
Is the Match Pending: Yes/No
SOURCE 2
<b>University Cost-Share</b>
Amount:
Source of Funding:
Is the Match Pending: Yes/No
Relationship to project:

**Budget Justification**

A budget justification (or budget narrative) must also be submitted in addition to the itemized budget described above. The justification should outline the need for each item in the budget. When preparing a budget justification, please follow the same order of requested items/categories as outlined in the budget.

**Signed Statement of Intent**

A signed statement of intent from the University's authorized official indicating institutional endorsement of the proposal and willingness to participate in the project must be submitted with the proposal.

**Invoicing and Cost-Share Reporting**

Monthly invoicing will also be required by the project's lead institution. Each invoice will be required to include a cost-share statement that includes the amount incurred to date, current and cumulatively, at the required 1-1 ratio. A cost-share form will be provided when projects are awarded. Reimbursable expenses will be paid up to the amount of cost-share reported.

In order for industry cost-share to be claimed for the project, the company representative must complete/sign the cost-share form which verifies the cost-share (in-kind support/cash) incurred for the invoice period and provide documentation to support the cost-share value(s) submitted.

**Reporting and Metrics**

Per the DCED requirements, all PIs will be required to assist in identifying and measuring PMFI program effectiveness. These requirements include:

- Providing university impact information (e.g., students involved, patents, publications, presentations, leveraged funds, follow-on funds).
- Assisting PMFI staff in collecting economic impact information (metrics and case studies) for the project.

- Providing a progress report at the project mid-point and a final report at the conclusion of the project. Reports will be due within 30 days following the reporting period. Mid-point and final report templates will be provided.
- Participating (PI and/or Manufacturing Fellow) in forums to discuss the project with PA manufacturers and DCED officials, including webinar series and statewide annual meeting in the spring of 2019.
- Identifying PMFI and DCED as project sponsors in all project presentations, publications, and discussions of the project with the media.

### **Compliance with Sub-Recipient Agreement**

Each lead university/college that is successful in receiving a PMFI award will be required to sign a sub-recipient agreement with Carnegie Mellon for PA DCED funds. The university/college must comply with PA DCED sub-recipient agreement language, including, but not limited to, nondiscrimination, conflict of interest, project records, and the PA Prevailing Wage Act.

### **Intellectual Property**

The Commonwealth of Pennsylvania and/or DCED will make no claims to any Intellectual Property generated through PMFI projects. All IP terms and conditions will be governed by the university policies in place at the PI's university and any agreements that may exist between that university and the partner company.

### **Funding Contingency**

Funding awards are contingent upon CMU receiving funds from DCED.

### **Submittal and Questions**

The deadline for submitting proposals is June 12, 2018 at 11:59 pm. Please submit proposals via the online form on the PMFI website ([manufacturingPA.org](http://manufacturingPA.org)) and upload the Technical Proposal Template, proposed budget, budget justification, industry letter(s) of support and University statement of intent. Questions regarding the proposal content should be addressed to Colleen Mantini, PMFI Program Director, at [cmantini@cmu.edu](mailto:cmantini@cmu.edu).