

PENNSYLVANIA MANUFACTURING INNOVATION

Program Guidelines | October 2018



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Section I – Introduction

A. Description

The Pennsylvania Manufacturing Innovation Program is a collaboration of Pennsylvania's seven engineering research institutions (Carnegie Mellon University, Drexel University, Lehigh University, Pennsylvania State University, Temple University, University of Pennsylvania, and University of Pittsburgh) to seamlessly bring their capabilities to bear to support industrial innovation and position the commonwealth at the forefront of the next wave of manufacturing.

This program leverages the internationally acclaimed science and engineering talent and discovery capacity of all Pennsylvania's institutions of higher education to help ensure that Pennsylvania remains a national and international leader in manufacturing and achieves the full economic potential for good well-paying manufacturing jobs.

The institutions of higher education will establish the commonwealth as a globally recognized *distributed factory of the future*, accelerate high-wage manufacturing jobs, enable existing PA-based companies to advance new products and processes and be a magnet for new industrial investments.

B. Mission

Establish a signature program for engaging Pennsylvania's best and brightest students with PA manufacturers to advance innovation and workforce development.

C. Projects

The program will support designated undergraduate and graduate student fellows who are attending Pennsylvania colleges or universities and who are partnered with manufacturers to advance new products or process innovations. Projects will be selected on the basis of factors including the level of industry engagement, the potential for long term job and business growth and regional diversity across Pennsylvania.

Projects may be identified by the Industrial Resource Centers (IRCs), the Pennsylvania Department of Community and Economic Development (DCED), a Pennsylvania College or University, and/or a Pennsylvania manufacturing company. A Pennsylvania industry mentor will be assigned to each Fellow.

Section II – General Information

A. Designated Grantee

Carnegie Mellon University (CMU) will serve as the Fiscal Agent and direct recipient of funds which will perform administrative duties in the execution of the program.

B. Applicants

CMU will establish a web-based portal through which any accredited Pennsylvania College or University with an Industry partner/mentor may propose a project for the program. While the seven engineering research institutions will each be awarded at least one project, a minimum of twenty percent of grant funds will be reserved for other Pennsylvania Institutes of Higher Education.

C. Projects

Projects must focus on helping to advance new product or process innovations and will be selected on the basis of factors including the level of industry engagement, the potential for long term job and business growth, and regional diversity across Pennsylvania. Award levels for individual projects can range from \$25,000 to \$70,000.

D. Use of Funds

Funding is primarily to be used to support student research, research-related expenses, project-related travel costs, and limited administrative costs of the fiscal agent (less than 5%) which may include program administration and the costs to conduct an annual statewide meeting of Pennsylvania manufacturing fellows and industry mentors. Funding may not be used to support faculty, but faculty engagement may be used as match.

E. Matching Funds

Projects must document a 1:1 match of grant funds as related to activities described in Section II D. Use of funds (other than administrative costs of the fiscal agent and the costs to conduct an annual statewide meeting). Match may include non-commonwealth funding sources such as university funds, industry support, and under-recovered indirect costs (variance between an institution's federally-negotiated rate and DCED's 10% indirect cost rate).

Section III – Program Requirements

A. Nondiscrimination

No assistance shall be awarded to an applicant under this program unless the applicant and the project user certify that the applicant and the project user shall not discriminate against any employee or against any person seeking employment by reason of race, gender, creed, color, sexual orientation, gender identity or expression, or in violation of the Pennsylvania Human Relations Act, which prohibits discrimination on the basis of race, color, religious creed, ancestry, age, sex, national origin, handicap or disability, or in violation of any applicable federal laws. All contracts for work to be paid with grant funds must contain the commonwealth's official nondiscrimination clause.

B. Conflict of Interest Provision

An officer, director, or employee of an applicant who is a party to or has a private interest in a project shall disclose the nature and extent of the interest to the governing body of the applicant, and may not vote on action of the applicant concerning the project, nor participate in the deliberations of the applicant concerning the project.

C. Project Records

The applicant must maintain full and accurate records with respect to the project and must ensure adequate control over related parties in the project. The program office requires access to such records, as well as the ability to inspect all work, invoices, materials, and other relevant records at reasonable times and places. Upon request of the program office, the applicant must furnish all data, reports, contracts, documents, and other information relevant to the project.

D. Pennsylvania Prevailing Wage Act

The Pennsylvania Prevailing Wage Act (43 P.S. §165-1 et. seq.) may be applicable to a project funded under this program. Prevailing Wage requirements are generally applicable to grants for construction, reconstruction, demolition, alterations, repair work, renovations, build-out and installation of machinery and equipment in excess of \$25,000. If applicable, the applicant is responsible for including prevailing wage rates in all bid documents, specifications, and construction contracts pertaining to the project funded under this program. The Department of Labor and Industry (L & I) has final authority to make prevailing wage applicability determinations. Questions may be directed to (717) 787-3681.

Section IV – Single Application and Contracting Process

The designated grantee will submit a Single Application for Assistance to the Department for review and approval based upon the availability of grant funding as determined annually by the legislature and the Commonwealth Budget Office. The grantee will be notified by the Technology and Innovation Office (OTI) contact when to submit an application. The grant funding available for these activities is highly dependent upon annual commonwealth budget recommendations and constraints. All applications must be submitted electronically. The electronic Single Application can be found at dced.pa.gov. If help is needed completing the Single Application, assistance is available by calling 1-800-379-7448.

When the single application and an annual operating plan (Section V) are approved, the applicant will receive a Department grant contract for signature that must be returned to the Department at the address shown on the cover letter. The grant contract is fully executed when Department officials and other commonwealth officials have executed the grant contract. A copy of the fully executed grant contract will then be mailed to the applicant.

Section V – Operating Plan Outline

The Single Application should include an “Operating Plan” that is a description of the activities of the program. There is a heading in the Single Application called Addenda where the operating plan should be submitted electronically. The Operating Plan should be in the following format:

- A. **Purpose of the Program.** Provide a brief explanation of the purpose of the project and/or the mission statement of the Program.
- B. **Operating Activities.** Summarize the process or methods that will be used to provide the services to the Program Companies. Include how the Companies are found, how it is determined which Companies will be served, a description of any review processes, the responsibilities of the Companies (if any) and how the services will be delivered.
- C. **Performance Metrics and Deliverables.** Outline the quantifiable goals which the Program will use commonwealth funding to accomplish. The outline of the goals should include previous years, if applicable, and projections for current year. Goals may include but are not limited to the enhanced metrics requirements.
- D. **Personnel.** Provide a listing of the Program personnel (including administration) that will be involved in managing the grant. Please include: name, title, organization, address, phone, fax, e-mail and a very short description of duties. Identify the main point of contact for the grant.
- E. **Coordination with Commonwealth, Federal and Other Programs.** The applicant may be involved with other commonwealth programs or organizations that receive commonwealth funding. List these programs and/or organizations and briefly describe the coordination efforts. Also list Federal, Nonprofit or Other programs if the participation in the project is more than a minor role.

- F. **Organizational Structure.** The applicant will provide a description and/or an organizational chart of managing and support personnel. The Program selection committee shall include DCED, representatives of the University community, a representative of the Industrial Resource Centers, and a representative from industry designated by DCED. Members of the selection committee and their private or public affiliation must be noted.
- G. **Program Specific Requirements.** The Department may require information or activities unique to the Program. It is the responsibility of the grant applicant to contact the Program Manager to obtain those requirements. The Operating Plan will be reviewed and when approved, will be made a part of the grant contract with the Department.

Section VI – Activity and Impact Reporting Requirements

Reporting to the Department will be on an annual basis with the first report due on or before July 15, 2018 that includes a narrative that updates activities listed in the operating plan. The Department will provide a template for reporting metrics.

Section VII – Case Studies

CMU will provide at least one case study annually with the Activity and Impact annual reports. The following format will be used:

Company Name:

Address:

City, State, Zip:

Phone:

Email:

Industry Focus:

Organization(s) from which the company received assistance:

Year the project started:

Year [company name] was formed:

County/counties in which the funded project occurred:

Please provide a narrative (250 words or less). Include all of the following:

- 1- or 2-sentence description of the company
- Name of organization that provided assistance
- What type of assistance was provided (financial or technical/non-financial)? Amount (if applicable)
- How did the assistance impact company goals?
- What was the impact of the program/project on the market?
- Outcomes (i.e. jobs created, jobs retained, funds leveraged, new company formation)

If applicable/available, please note:

Total annual sales:

Is this a minority/woman owned business? If so, describe.

As a representative of [Company Name], I approve this information for use in commonwealth correspondence and collateral materials.

Name:

Title:

Signature:

Date:

Section VIII – Budgets, Budget Revisions and Invoicing

A budget will be submitted with the electronic single application showing the expense categories for the Department grant and the expense categories for any required matching funds. The budget will be reviewed by the Department, and when approved, will be made a part of the contract with the Department.

A. Budget Revisions

After the applicant has a fully executed grant contract, the original budget may require revision of certain budgeted line items to reflect changing circumstances. A request for a budget revision should be made to the Office of Technology & Innovation (OTI) Program Contact at the Department and should include the description for the budget revision. A form/spreadsheet showing the original budget in one column and the proposed revised budget in a separate column should be included in the request. The Department will review the budget revision request and, if approved, send an approval letter by surface mail. Please Note: Budget revisions must be submitted to the Department at least prior to sixty days the expiration of the grant contract.

B. Invoices

Submissions for payment to the Department should include a document that includes column with the original and/or revised budget and a column showing the expenditure of the budgeted line items for that particular invoice submission. Subsequent invoices from the first invoice submission should add an additional column for each invoice submission. A separate column should be provided showing the remaining balance of the grant funds after each invoice submission. When the final invoice is submitted, the remaining balance column should show no funds remaining.

All invoices should be submitted using the payment request from provided by OTI and sent to the following address or emailed to jeleinbach@pa.gov.

PA Department of Community & Economic Development
Office of Technology and Innovation - Executive Director
Commonwealth Keystone Building
400 North Street, 4th Floor
Harrisburg, PA 17120-0225