REQUEST FOR PROPOSAL

By

The University of Texas at Arlington

for

TMAC Sub-recipient(s)

RFP No. 2017-007

Submittal Deadline: May 1, 2017

Issued: March 3, 2017

REQUEST FOR PROPOSAL

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ATTACHMENTS

SECTION 1

INTRODUCTION

1.1 Description of the University

The University of Texas at Arlington ("UTA", "University") is a Carnegie Research-1 "highest research activity" institution. With a projected global enrollment of close to 57,000 in Academic Year 2016-17, UTA is the largest institution in The University of Texas System. Guided by its Strategic Plan *Bold Solutions | Global Impact,* UTA fosters interdisciplinary research within four broad themes: health and the human condition, sustainable urban communities, global environmental impact, and data-driven discovery. UTA was recently cited by *U.S. News & World Report* as having the second lowest average student debt among U.S. universities. *U.S. News & World Report* also ranks UTA fifth in the nation for undergraduate diversity. The University is a Hispanic-Serving Institution and is ranked as the top four-year college in Texas for veterans on *Military Times'* 2017 "Best for Vets" list.

The University's main campus in Arlington includes approximately 420 acres bisected by Trading Horse Creek and more than 100 buildings (the "**Campus**"). UTA is home to the city's first mixed-use, residential and retail development – College Park District. The 7,000-seat College Park Center is the district's centerpiece and the new home court for UTA basketball and volleyball, concerts, commencement exercises and other major events. The two (2) other campuses operated by University are located in Fort Worth, Texas, at Riverbend Park and the University of Texas at Arlington Fort Worth Center.

1.2 Background and Special Circumstances

TMAC is the Manufacturing Extension Partnership (MEP) center for the State of Texas. TMAC's mission is to accelerate the profitable growth and competitiveness of the manufacturers in the State of Texas by developing or improving products, technologies, processes and people. TMAC is a federation of research organizations, non-profits, and universities. TMAC is seeking additional partners to deliver services to small (5 to 49 employees) and medium (50 to 500 employees) sized manufacturers with a National American Industry Classification System (NAICS) code in the State of Texas.

1.3 Objective of this Request for Proposal

The University is soliciting proposals in response to this Request for Proposal, RFP No.2017-007 (this "**RFP**"), for selection of up to three (3) subrecipients for a one (1) year award of no less than $150,000 in annual funding amounts by way of TMAC's Cooperative Agreement with the National Institute of Standards and Technology (NIST) to provide manufacturing extension services to primarily small and medium-sized manufacturers in the State of Texas (the "**Services**") which are more specifically described in **SECTION 4** (Scope of Work) of this RFP.

1.4 Term of the Agreement

The initial term of the resulting Agreement will be for one (1) year starting July 1, 2017 and thereafter the University shall have the right, at its option, to renew the Agreement for up to six (6)

additional renewal terms of one (1) year each. The July 1, 2017 start date is contingent upon a compliant proposal by the proposer and concurrent approval by NIST. Annual awarded amounts will be determined if and when a decision to renew is made. Renewals shall be for not less than $150,000. Funding for the program listed in this state funding opportunity is contingent upon the availability of appropriations. Publication of this state funding opportunity does not oblige TMAC or UTA to award any specific project or to obligate any available funds.

1.5 Addenda and Additional RFP Documents

Any addenda or other subsequently released RFP documents will be posted to the Electronic State Business Daily (ESBD) website. They will not be sent directly to potential proposers. It is the Proposer's responsibility to periodically check the ESBD website for additional RFP documents. RFP documents can be acquired by accessing the Electronic State Business Daily) website (http://esbd.cpa.state.tx.us/) and selecting University of Texas at Arlington from the agency list and searching for the RFP number.

SECTION 2

NOTICE TO PROPOSER

2.1 Submittal Deadline

University will accept proposals submitted in response to this RFP until 3:00 pm, Central Prevailing Time on Monday, May 1, 2017 (the "**Submittal Deadline**").

2.2 University Contact Person

Proposers and other interested parties may direct all questions or concerns regarding this RFP to the following University contact (the "**University Contact**"):

Nancy Czarowitz
Contract Specialist
Email: czarowitz@uta.edu

University instructs all proposers and interested parties to restrict all contact and questions regarding this RFP to written communications forwarded to the University Contact. The University Contact must receive all questions or concerns no later than 3:00 pm, April 7, 2017. University will have a reasonable amount of time to respond to questions or concerns.

It is University's intent to respond to all appropriate questions and concerns as soon as is practicable following the deadline for questions. However, the University reserves the right to decline to respond to any question or concern.

2.3 Criteria for Selection

The successful Proposer(s), if any, selected by University through this RFP will be the Proposer(s) that submits a proposal on or before the Submittal Deadline that is the most advantageous to University. The successful Proposer(s) is referred to as the "**Contractor**."

Proposer is encouraged to propose terms and conditions offering the maximum benefit to University in terms of (1) services to University, (2) total overall cost to University, and (3) project management expertise.

An evaluation team from University will evaluate proposals. The evaluation of proposals and the selection of Contractor(s) will be based on the information provided by Proposer in its proposal. University may give consideration to additional information if University deems such information relevant.

The criteria to be considered by University in evaluating proposals and selecting Contractor(s), will be these factors:

2.3.1 Threshold Criteria Not Scored

2.3.1.1 Ability of University to comply with laws regarding Historically Underutilized Businesses; and

2.3.1.2 Ability of University to comply with laws regarding purchases from persons with disabilities.

2.3.2 Scored Criteria

2.3.2.1 Cost of services (20%)

Cost share quality and reliability

2.3.2.2 Reputation and experience of the Proposer (10%)

2.3.2.3 Quality of the Proposer's services (30%)

Marketing approach:

- Leadership (entrepreneurial or innovative)
- Demonstrated ability to reach and influence key decision makers

2.3.2.4 Extent to which the services meet the University's needs (25%)

Quality:

- Market segmentation depth and breadth: zip code, county, urban, rural, company size (very small, small, mid-sized, large), industry (aerospace, defense, food, automobile, housing, appliances, agriculture)
- Service offerings depth and breadth: Lean solutions, ideas to commercialization, innovation engineering management systems, quality solutions, enterprise transformation, and cybersecurity
- Overall quality of services and solutions

2.3.2.5 Proposer's past relationship with the University (0%)

2.3.2.6 Total long-term cost to the University of acquiring the Proposer's services (15%)

Affordability of services offered to small and medium-sized manufacturers/customers of TMAC

2.4 Key Events Schedule

Date RFP Issued	March 3, 2017
Pre-Proposal Conference (ref. **Section 2.6** of this RFP)	10:30 am, Friday, March 24, 2017
Deadline for Questions/Concerns (ref. **Section 2.2** of this RFP)	3:00 pm Central Prevailing Time on Friday, April 7, 2017
Submittal Deadline (ref. **Section 2.1** of this RFP)	3:00 pm Central Prevailing Time on Monday, May 1, 2017

2.5 Historically Underutilized Businesses

2.5.1 All agencies of the State of Texas are required to make a good faith effort to assist historically underutilized businesses (**HUBs**) in receiving contract awards. The goal of the HUB program is to promote full and equal business opportunity for all businesses in contracting with state agencies. Pursuant to the HUB program, if under the terms of any agreement or contractual arrangement resulting from this RFP, Contractor subcontracts any of the Services, then Contractor must make a good faith effort to utilize HUBs certified by the Procurement and Support Services Division of the Texas Comptroller of Public Accounts. Proposals that fail to comply with the requirements contained in this Section 2.5 will constitute a material failure to comply with advertised specifications and will be rejected by University as non-responsive. Additionally, compliance with good faith effort guidelines is a condition precedent to awarding any agreement or contractual arrangement resulting from this RFP. Proposer acknowledges that, if selected by University, its obligation to make a good faith effort to utilize HUBs when subcontracting any of the Services will continue throughout the term of all agreements and contractual arrangements resulting from this RFP. Furthermore, any subcontracting of the Services by the Proposer is subject to review by University to ensure compliance with the HUB program.

2.5.2 The University has reviewed this RFP in accordance with Title 34 TAC Section 20.13(a), and has determined that subcontracting opportunities are probable under this RFP.

2.5.3 A HUB Subcontracting Plan (**HSP**) is a required part of the proposal. The HSP will be developed and administered in accordance with University's Policy on Utilization of Historically Underutilized Businesses, attached as **APPENDIX TWO** and incorporated for all purposes.

*Each Proposer must complete and return the HSP in accordance with the terms and conditions of this RFP, including **APPENDIX TWO**. Proposers that fail to submit the HSP will be considered non-responsive to this RFP as required by* Section 2161.252, *Government Code*.

Questions regarding the HSP may be directed to:

Laurie Thompson,
HUB Program Coordinator
(817) 272-2039
lauriethompson@uta.edu

2.5.4 Proposer must submit one (1) original of the HSP to University at the same time it submits its proposal to University (ref. **SECTION 3.2** of this RFP.) The original of the HSP must be submitted **under separate cover and in a separate envelope (the "HSP Envelope").** Proposer must ensure that the top outside surface of its HSP Envelope clearly shows and makes visible:

2.5.4.1 the RFP No. (ref. **SECTION 1.3** of this RFP) and the Submittal Deadline (ref. **SECTION 2.1** of this RFP), both located in the lower left hand corner of the top surface of the envelope,

2.5.4.2 the name and the return address of the Proposer, and

2.5.4.3 the phrase “HUB Subcontracting Plan”.

Any proposal submitted in response to this RFP that is not accompanied by a separate HSP Envelope meeting the above requirements may be rejected by University and returned to Proposer unopened as non-responsive due to material failure to comply with advertised specifications.

University will open Proposer’s HSP Envelope prior to opening the proposal to confirm Proposer submitted the HSP. Proposer’s failure to submit the HSP will result in University’s rejection of the proposal as non-responsive due to material failure to comply with advertised specifications.

Note: The requirement that Proposer provide the HSP under this **SECTION 2.5.4** is separate from and does not affect Proposer’s obligation to provide University with the number of copies of its proposal specified in **SECTION 3.1** of this RFP.

2.5.5 University may offer Proposer an opportunity to seek informal review of its draft HSP by University’s HUB Office before the Submittal Deadline. If University extends this offer, details will be provided at the Pre-Proposal Conference (ref. **SECTION 2.6** of this RFP) or by other means. Informal review is designed to help address questions Proposer may have about how to complete its HSP properly. Concurrence or comment on Proposer’s draft HSP by University will *not* constitute formal approval of the HSP, and will *not* eliminate the need for Proposer to submit its final HSP to University as instructed by **SECTION 2.5**.

2.6 Pre-Proposal Conference

University will hold a mandatory pre-proposal conference at 10:30 am Central Prevailing Time on Friday, March 24, 2017, in the first floor conference room of the Finance and Administration Annex, 219 W. Main St., Arlington, TX 76010 (ref. **APPENDIX THREE Campus Map**). The pre-proposal conference will allow all Proposers an opportunity to ask University’s representatives relevant questions and clarify provisions of this RFP.

DUE TO THE COMPLEXITY OF THE REQUIREMENTS, ATTENDANCE AT THE MANDATORY PRE-PROSAL CONFERENCE IS REQUIRED IN ORDER FOR A PROPOSAL TO BE CONSIDERED.

Participation in the conference is mandatory. However, proposers need not be present in person at the meeting, but if not present must call in via a conference call. Roll call will be taken of those calling in. Only proposals submitted from those Proposers that sign the Pre-Proposal Conference Sign-In Sheet (including those that call in) and attend the majority of the Pre-Proposal Conference will be considered.

Conference call #: 1-877-820-7831
Participant passcode: 587776

The University of Texas at Arlington is not responsible if you are not able to connect to the call for any reason, and recommends attendance of the meeting in person.

SECTION 3

SUBMISSION OF PROPOSAL

3.1 Number of Copies

Proposer must submit a total of two (2) complete and identical copies of its *entire* proposal. An *original* signature by an authorized officer of Proposer must appear on the Execution of Offer (ref. **Section 2** of **APPENDIX ONE**) of at least one (1) copy of the submitted proposal. The copy of the Proposer's proposal bearing an original signature should contain the mark "original" on the front cover of the proposal. One copy must be submitted in hard copy format. Copy two must be submitted on a flash drive.

NOTE: It is not necessary to reproduce and submit our original RFP document in its entirety. Any exceptions to the RFP content or terms and conditions can simply be noted in your proposal submission.

Note: University will not accept proposals submitted by telephone, proposals submitted by Facsimile ("**FAX**") transmission, or proposals submitted by electronic transmission (i.e., e-mail) in response to this RFP **(APPENDIX ONE, Section 1.9.5)**.

3.2 Submission

Proposals must be received by University on or before the Submittal Deadline (ref. **SECTION 2.1** of this RFP) and should be delivered to:

Physical Address
Nancy Czarowitz
Contract Specialist
The University of Texas at Arlington
219 W. Main St.
Arlington, TX 76010

3.3 Proposal Validity Period

Each proposal must state that it will remain valid for University's acceptance for a minimum of one hundred eighty days (180) after the Submittal Deadline, to allow time for evaluation, selection, and any unforeseen delays.

3.4 Terms and Conditions

3.4.1 Successful proposer(s) will be required to sign a TMAC Subrecipient Agreement that must also be approved by the National Institute of Standards and Technology (NIST). Award subject to MEP General Terms and Conditions (see **APPENDIX FOUR**).

3.5 Submittal Checklist

Proposer is instructed to complete, sign, and return the following documents as a part of its proposal. If Proposer fails to return each of the following items with its proposal, then University may reject the proposal:

3.5.1 Signed and Completed Execution of Offer (ref. **Section 2** of **APPENDIX ONE**);

3.5.2 Responses to Proposer's General Questionnaire (ref. **Section 3** of **APPENDIX ONE**);

3.5.3 Signed and Completed Addenda Checklist (ref. **Section 4** of **APPENDIX ONE**);

3.5.4 Responses to questions and requests for information in the Specifications and Additional Questions Section (ref. **SECTION 4** of this RFP);

3.5.5 Signed and completed originals of the HUB Subcontracting Plan (ref. **Section 2.5** of this RFP and **APPENDIX TWO**);

SECTION 4

SPECIFICATIONS AND SCOPE OF WORK

4.1 General

The minimum requirements and the specifications for the Services, as well as certain requests for information to be provided by Proposer as part of its proposal, are set forth below. As indicated in **SECTION 2.3** of this RFP, the successful Proposer is referred to as the "**Contractor**."

4.2 Minimum Requirements

4.2.1 Each Proposer must include information that clearly indicates that Proposer is one of the following:

- Section 501(c)(3) non-profit organization
- Non-profit university
- State university
- Non-profit community or technical college
- State, local or Tribal government

4.3 Additional Questions/Required Information Specific to this RFP

4.3.1 Proposer must address the type(s) of customers (companies with a qualified NAICS code) to be served, including:

4.3.1.1 Small establishments (less than 20 employees)

4.3.1.2 Rural (any county with less than 50,000 residents)

4.3.1.3 Start-up/Emerging (established within the last five (5) years)

4.3.1.4 Total number of manufacturers to be served

4.3.1.5 Total number of transformational projects (projects that are long-term in nature; have coaching elements; impact the company either operationally or financially)

4.3.1.6 Total number of projects that will involve bringing new technologies to the customer

4.3.1.7 Total number of top line growth projects (projects affecting an organizations sales, revenues, or growth)

4.3.1.8 Total number of bottom line growth projects (projects affecting an organizations cost savings, efficiency, processes, or operational excellence)

4.3.2 Proposers must be able to articulate how they will be able to meet the following performance metrics:

4.3.2.1 Serve 81 manufacturing (MFG) clients per $1 million in federal dollars awarded

4.3.2.2 Serve 32 new MFG clients per $1 million in federal dollars awarded

4.3.2.3 Achieve a net promoter score of 75

4.3.2.4 Achieve a survey response rate of at least 70%

4.3.2.5 Generate new sales for MFG clients served of $15.00 per federal dollar awarded

4.3.2.6 Generate new Investments for MFG clients served of $15.00 per federal dollar awarded

4.3.2.7 Generate retained sales for MFG clients served of $35.00 per federal dollar awarded

4.3.2.8 Generate cost savings for MFG clients served of $7.00 per federal dollar awarded

4.3.2.9 Generate new & retained jobs of 500 per $1million in federal dollars awarded

4.3.2.10 Percent improving competitiveness of 80% as reported by MFG clients served responding to a survey who said "yes" to a quantitative question regardless of whether they quantified or not

4.3.3 Proposer must submit the following information as part of Proposer's proposal:

4.3.3.1 Describe your marketing and business development strategies (Proposer MUST include a marketing plan)

Each applicant should develop a plan that includes a business model, targeted marketing plan, outcomes statement, and a 12-month budget (including budget narrative).

4.3.3.2 Describe your organizations financial viability

4.4 Scope of Work

Funding will be to provide service offerings to small and medium-sized manufacturers with qualified NAICS code(s). The objective of the MEP Center Program is to provide manufacturing extension services to primarily small and medium-sized manufacturers within the State of Texas. The selected Proposer(s) will become part of TMAC's statewide system of extension services.

Eligible Proposer may work individually or may include proposed subawards to eligible organizations or proposed contracts with any other organization as part of the applicant's proposal, effectively forming a team. However, TMAC generally will not fund applications that propose an organizational or operational structure that, in whole or part, delegates or transfers to another person, institution, or organization that applicant's responsibility for core subrecipient management and oversight functions.

SECTION 5

PRICING AND DELIVERY SCHEDULE

Proposal of: _____
(Proposer Company Name)

To: The University of Texas at Arlington

Ref.: TMAC Subrecipient(s)

RFP No.: RFP 2017-007

Ladies and Gentlemen:

Cost Share Requirements:
This program requires non-federal cost share of at least 50 percent of the total project cost for the first year of operation. Acceptable forms of cost share are cash, returned indirect costs, program income, and in-kind. In-kind cost share may not exceed 50% of eligible total required cost share for this state funded opportunity. Any cost sharing must be in accordance with the "cost sharing or matching" provisions of 15 CFR part 14, *Uniform Administrative Requirements for Grants and Cooperative Agreements with Institutions of Higher Education, Hospitals, Other Non-Profit, and Commercial Organizations* or 15 CFR part 24, *Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments, as applicable.*

As with the Federal share, any proposed costs included as non-federal cost sharing must be an allowable/eligible cost under this program and the following applicable federal cost principles*: 1) Institutions of Higher Education: 2 CFR part 220 (OMB Circular A-21); 2) Nonprofit Organizations: 2 CFR part 230 (OMB Circular A-122); and 3) State, Local and Indian Tribal Governments: 2 CFR part 225 (OMB Circular A-87).* Any proposed non-federal cost sharing will be made a part of the cooperative agreement award and will be subject to audit if the project receives funding.

Proposer must provide its cost share proposal in a Letter of Commitment which must be on organizational letterhead and signed by an official who has the authority to commit organizational or institutional resources.

Respectfully Submitted,

Proposer: _____

By: _____
(Authorized Signature for Proposer)

Name: _____

Title: _____

Date: _____

APPENDIX ONE

PROPOSAL REQUIREMENTS

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SECTION 1

GENERAL INFORMATION

1.1 Purpose

University is soliciting competitive sealed proposals from Proposers having suitable qualifications and experience providing services in accordance with the terms, conditions and requirements set forth in this RFP. This RFP provides sufficient information for interested parties to prepare and submit proposals for consideration by University.

By submitting a proposal, Proposer certifies that it understands this RFP and has full knowledge of the scope, nature, quality, and quantity of the services to be performed, the detailed requirements of the services to be provided, and the conditions under which such services are to be performed. Proposer also certifies that it understands that all costs relating to preparing a response to this RFP will be the sole responsibility of the Proposer.

PROPOSER IS CAUTIONED TO READ THE INFORMATION CONTAINED IN THIS RFP CAREFULLY AND TO SUBMIT A COMPLETE RESPONSE TO ALL REQUIREMENTS AND QUESTIONS AS DIRECTED.

1.2 Inquiries and Interpretations

University may in its sole discretion respond in writing to written inquiries concerning this RFP and mail its response as an Addendum to all parties recorded by University as having received a copy of this RFP. Only University's responses that are made by formal written Addenda will be binding on University. Any verbal responses, written interpretations or clarifications other than Addenda to this RFP will be without legal effect. All Addenda issued by University prior to the Submittal Deadline will be and are hereby incorporated as a part of this RFP for all purposes.

Proposers are required to acknowledge receipt of each Addendum as specified in this Section. The Proposer must acknowledge all Addenda by completing, signing and returning the Addenda Checklist (ref. **Section 4** of **APPENDIX ONE**). The Addenda Checklist must be received by University prior to the Submittal Deadline and should accompany the Proposer's proposal.

Any interested party that receives this RFP by means other than directly from University is responsible for notifying University that it has received an RFP package, and should provide its name, address, telephone number, FAX number and email address to University, so that if University issues Addenda to this RFP or provides written answers to questions, that information can be provided to such party.

1.3 Public Information

Proposer is hereby notified that University strictly adheres to all statutes, court decisions and the opinions of the Texas Attorney General with respect to disclosure of public information.

University may seek to protect from disclosure all information submitted in response to this RFP until such time as a final agreement is executed.

Upon execution of a final agreement, University will consider all information, documentation, and other materials requested to be submitted in response to this RFP, to be of a non-confidential and non-proprietary nature and, therefore, subject to public disclosure under the *Texas Public Information Act* (ref. Chapter 552, *Government Code*). Proposer will be advised of a request for

public information that implicates their materials and will have the opportunity to raise any objections to disclosure to the Texas Attorney General. Certain information may be protected from release under Sections 552.101, 552.104, 552.110, 552.113, and 552.131, *Government Code*.

1.4 Type of Agreement

Contractor(s), if any, will be required to enter into a TMAC Subrecipient Agreement (the "**Agreement**").

1.5 Proposal Evaluation Process

University will select Contractor(s) by using the competitive sealed proposal process described in this Section. Any proposals that are not submitted by the Submittal Deadline or that are not accompanied by required number of completed and signed originals of the HSP will be rejected by University as non-responsive due to material failure to comply with this RFP (ref. **SECTION 2.5.4** of this RFP). Upon completion of the initial review and evaluation of proposals, University may invite one or more selected Proposers to participate in oral presentations. University will use commercially reasonable efforts to avoid public disclosure of the contents of a proposal prior to selection of Contractor(s).

University may make the selection of Contractor(s) on the basis of the proposals initially submitted, without discussion, clarification or modification. In the alternative, University may make the selection of Contractor(s) on the basis of negotiation with any of the Proposers. In conducting negotiations, University will use commercially reasonable efforts to avoid disclosing the contents of competing proposals.

University may discuss and negotiate all elements of proposals submitted by Proposers within a specified competitive range. For purposes of negotiation, University may establish, after an initial review of the proposals, a competitive range of acceptable or potentially acceptable proposals composed of the highest rated proposal(s). In that event, University may defer further action on proposals not included within the competitive range pending the selection of Contractor(s); provided, however, University reserves the right to include additional proposals in the competitive range if deemed to be in the best interest of University.

After the Submittal Deadline but before final selection of Contractor(s), University may permit Proposer to revise its proposal in order to obtain the Proposer's best and final offer. In that event, representations made by Proposer in its revised proposal, including price and fee quotes, will be binding on Proposer. University will provide each Proposer within the competitive range with an equal opportunity for discussion and revision of its proposal. University is not obligated to select the Proposer offering the most attractive economic terms if that Proposer is not the most advantageous to University overall, as determined by University.

University reserves the right to (a) enter into an agreement for all or any portion of the requirements and specifications set forth in this RFP with one (1) or more Proposers, (b) reject any and all proposals and re-solicit proposals, or (c) reject any and all proposals and temporarily or permanently abandon this selection process, if deemed to be in the best interests of University. Proposer is hereby notified that University will maintain in its files concerning this RFP a written record of the basis upon which a selection, if any, is made by University.

1.6 Proposer's Acceptance of Evaluation Methodology

Proposer (1) accepts [a] Proposal Evaluation Process (ref. **Section 1.5** of **APPENDIX ONE**), [b] Criteria for Selection (ref. **SECTION 2.3** of this RFP), [c] Specifications and Additional Questions (ref. **SECTION 4** of this RFP), and [d] all other requirements and specifications set forth in this RFP; and (2) acknowledges that some subjective judgments must be made by University during this RFP process.

1.7 Solicitation for Proposal and Proposal Preparation Costs

Proposer understands and agrees that (1) this RFP is a solicitation for proposals and University has made no representation written or oral that one (1) or more agreements with University will be awarded under this RFP; (2) University issues this RFP predicated on University's anticipated requirements for the Services, and University has made no representation, written or oral, that any particular scope of services will actually be required by University; and (3) Proposer will bear, as its sole risk and responsibility, any cost that arises from Proposer's preparation of a proposal in response to this RFP.

1.8 Proposal Requirements and General Instructions

1.8.1 Proposer should carefully read the information contained herein and submit a complete proposal in response to all requirements and questions as directed.

1.8.2 Proposals and any other information submitted by Proposer in response to this RFP will become the property of University.

1.8.3 University will not provide compensation to Proposer for any expenses incurred by the Proposer for proposal preparation or for demonstrations or oral presentations that may be made by Proposer. Proposer submits its proposal at its own risk and expense.

1.8.4 Proposals that (i) are qualified with conditional clauses; (ii) alter, modify, or revise this RFP in any way; or (iii) contain irregularities of any kind, are subject to disqualification by University, at University's sole discretion.

1.8.5 Proposals should be prepared simply and economically, providing a straightforward, concise description of Proposer's ability to meet the requirements and specifications of this RFP. Emphasis should be on completeness, clarity of content, and responsiveness to the requirements and specifications of this RFP.

1.8.6 University makes no warranty or guarantee that an award will be made as a result of this RFP. University reserves the right to accept or reject any or all proposals, waive any formalities, procedural requirements, or minor technical inconsistencies, and delete any requirement or specification from this RFP when deemed to be in University's best interest. University reserves the right to seek clarification from any Proposer concerning any item contained in its proposal prior to final selection. Such clarification may be provided by telephone conference or personal meeting with or writing to University, at University's sole discretion. Representations made by Proposer within its proposal will be binding on Proposer.

1.8.7 Any proposal that fails to comply with the requirements contained in this RFP may be rejected by University, in University's sole discretion.

1.9 Preparation and Submittal Instructions

1.9.1 Specifications and Additional Questions

Proposals must include responses to the questions in Specifications and Additional Questions (ref. **SECTION 4** of this RFP). Proposer should reference the item number and repeat the question in its response. In cases where a question does not apply or if unable to respond, Proposer should refer to the item number, repeat the question, and indicate N/A (Not Applicable) or N/R (No Response), as appropriate. Proposer should explain the reason when responding N/A or N/R.

1.9.2 Execution of Offer

Proposer must complete, sign and return the attached Execution of Offer (ref. **Section 2** of **APPENDIX ONE**) as part of its proposal. The Execution of Offer must be signed by a representative of Proposer duly authorized to bind the Proposer to its proposal. Any proposal received without a completed and signed Execution of Offer may be rejected by University, in its sole discretion.

1.9.3 Proposer's General Questionnaire

Proposals must include responses to the questions in Proposer's General Questionnaire (ref. **Section 3** of **APPENDIX ONE).** Proposer should reference the item number and repeat the question in its response. In cases where a question does not apply or if unable to respond, Proposer should refer to the item number, repeat the question, and indicate N/A (Not Applicable) or N/R (No Response), as appropriate. Proposer should explain the reason when responding N/A or N/R.

1.9.4 Addenda Checklist

Proposer should acknowledge all Addenda to this RFP (if any) by completing, signing and returning the Addenda Checklist (ref. **Section 4** of **APPENDIX ONE**) as part of its proposal. Any proposal received without a completed and signed Addenda Checklist may be rejected by University, in its sole discretion.

1.9.5 Submission

Proposer should submit all proposal materials as instructed in **SECTION 3** of this RFP. RFP No. (ref. **SECTION 1.3** of this RFP) and Submittal Deadline (ref. **SECTION 2.1** of this RFP) should be clearly shown in the lower left-hand corner on the top surface of any envelope or package containing the proposal. In addition, the name and the return address of the Proposer should be clearly visible on any envelope or package.

Proposer must also submit the HUB Subcontracting Plan (also called the HSP) as required by **SECTION 2.5** of this RFP.

University will not under any circumstances consider a proposal that is received after the Submittal Deadline or which is not accompanied by the HSP as req3uired by **SECTION 2.5** of this RFP. University will not accept proposals submitted by telephone, FAX or email transmission.

Except as otherwise provided in this RFP, no proposal may be changed, amended, or modified after it has been submitted to University. However, a proposal may be withdrawn and resubmitted at any time prior to the Submittal Deadline. No proposal may be withdrawn after the Submittal Deadline without University's consent, which will be based

on Proposer's written request explaining and documenting the reason for withdrawal, which is acceptable to University.

SECTION 2

EXECUTION OF OFFER

THIS EXECUTION OF OFFER MUST BE COMPLETED, SIGNED AND RETURNED WITH PROPOSER'S PROPOSAL. FAILURE TO COMPLETE, SIGN AND RETURN THIS EXECUTION OF OFFER WITH THE PROPOSER'S PROPOSAL MAY RESULT IN THE REJECTION OF THE PROPOSAL.

2.1 Representations and Warranties. Proposer represents, warrants, certifies, acknowledges, and agrees as follows:

2.1.1 Proposer will furnish the Services to University and comply with all terms, conditions, requirements and specifications set forth in this RFP and any resulting Agreement.

2.1.2 This RFP is a solicitation for a proposal and is not a contract or an offer to contract Submission of a proposal by Proposer in response to this RFP will not create a contract between University and Proposer. University has made no representation or warranty, written or oral, that one (1) or more contracts with University will be awarded under this RFP. Proposer will bear, as its sole risk and responsibility, any cost arising from Proposer's preparation of a response to this RFP.

2.1.3 Proposer is a reputable company that is lawfully and regularly engaged in providing the Services.

2.1.4 Proposer has the necessary experience, knowledge, abilities, skills, and resources to perform the Services.

2.1.5 Proposer is aware of, is fully informed about, and is in full compliance with all applicable federal, state and local laws, rules, regulations and ordinances relating to performance of the Services.

2.1.6 Proposer understands (i) the requirements and specifications set forth in this RFP and (ii) the terms and conditions set forth in the Agreement under which Proposer will be required to operate.

2.1.7 Proposer will not delegate any of its duties or responsibilities under this RFP or the Agreement to any sub-contractor, except as expressly provided in the Agreement.

2.1.8 Proposer will maintain any insurance coverage required by the Agreement during the entire term.

2.1.9 All statements, information and representations prepared and submitted in response to this RFP are current, complete, true and accurate. University will rely on such statements, information and representations in selecting Contractor(s). If selected by University, Proposer will notify University immediately of any material change in any matters with regard to which Proposer has made a statement or representation or provided information.

2.1.10 PROPOSER WILL DEFEND WITH COUNSEL APPROVED BY UNIVERSITY, INDEMNIFY, AND HOLD HARMLESS UNIVERSITY, UT SYSTEM, THE STATE OF TEXAS, AND ALL OF THEIR REGENTS, OFFICERS, AGENTS AND EMPLOYEES, FROM AND AGAINST ALL ACTIONS, SUITS, DEMANDS, COSTS, DAMAGES, LIABILITIES AND OTHER CLAIMS OF ANY NATURE, KIND OR DESCRIPTION, INCLUDING REASONABLE ATTORNEYS' FEES INCURRED IN INVESTIGATING, DEFENDING OR

SETTLING ANY OF THE FOREGOING, ARISING OUT OF, CONNECTED WITH, OR RESULTING FROM ANY NEGLIGENT ACTS OR OMISSIONS OR WILLFUL MISCONDUCT OF PROPOSER OR ANY AGENT, EMPLOYEE, SUBCONTRACTOR, OR SUPPLIER OF PROPOSER IN THE EXECUTION OR PERFORMANCE OF ANY CONTRACT OR AGREEMENT RESULTING FROM THIS RFP.

2.1.11 Pursuant to Sections 2107.008 and 2252.903, *Government Code*, any payments owing to Proposer under the Agreement may be applied directly to any debt or delinquency that Proposer owes the State of Texas or any agency of the State of Texas, regardless of when it arises, until such debt or delinquency is paid in full.

2.1.12 Any terms, conditions, or documents attached to or referenced in Proposer's proposal are applicable to this procurement only to the extent that they (a) do not conflict with the laws of the State of Texas or this RFP, and (b) do not place any requirements on University that are not set forth in this RFP. Submission of a proposal is Proposer's good faith intent to enter into the Agreement with University as specified in this RFP and that Proposer's intent is not contingent upon University's acceptance or execution of any terms, conditions, or other documents attached to or referenced in Proposer's proposal.

2.2 No Benefit to Public Servants. Proposer has not given or offered to give, nor does Proposer intend to give at any time hereafter, any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor or service to a public servant in connection with its proposal. Failure to sign this Execution of Offer, or signing with a false statement, may void the submitted proposal or any resulting Agreement, and Proposer may be removed from all proposer lists at University.

2.3 Tax Certification. Proposer is not currently delinquent in the payment of any taxes due under Chapter 171, *Tax Code*, or Proposer is exempt from the payment of those taxes, or Proposer is an out-of-state taxable entity that is not subject to those taxes, whichever is applicable. A false certification will be deemed a material breach of any resulting contract or agreement and, at University's option, may result in termination of any resulting Agreement.

2.4 Antitrust Certification. Neither Proposer nor any firm, corporation, partnership or institution represented by Proposer, nor anyone acting for such firm, corporation or institution, has violated the antitrust laws of the State of Texas, codified in Section 15.01, et seq., *Business and Commerce Code*, or the Federal antitrust laws, nor communicated directly or indirectly the proposal made to any competitor or any other person engaged in such line of business.

2.5 Authority Certification. The individual signing this document and the documents made a part of this RFP, is authorized to sign the documents on behalf of Proposer and to bind Proposer under any resulting Agreement.

2.6 Child Support Certification. Under Section 231.006, *Family Code*, relating to child support, the individual or business entity named in Proposer's proposal is not ineligible to receive award of the Agreement, and any Agreements resulting from this RFP may be terminated if this certification is inaccurate.

2.7 Relationship Certifications.

- No relationship, whether by blood, marriage, business association, capital funding agreement or by any other such kinship or connection exists between the owner of any Proposer that is a sole proprietorship, the officers or directors of any Proposer that is a corporation, the partners of any Proposer that is a partnership, the joint venturers of any Proposer that is a joint

venture, or the members or managers of any Proposer that is a limited liability company, on one hand, and an employee of any member institution of UT System, on the other hand, other than the relationships which have been previously disclosed to University in writing.

- Proposer has not been an employee of any member institution of UT System within the immediate twelve (12) months prior to the Submittal Deadline.
- No person who, in the past four (4) years served as an executive of a state agency was involved with or has any interest in Proposer's proposal or any contract resulting from this RFP (ref. Section 669.003, *Government Code*).
- All disclosures by Proposer in connection with this certification will be subject to administrative review and approval before University enters into any Agreement resulting from this RFP with Proposer.

2.8 Compliance with Equal Employment Opportunity Laws. Proposer is in compliance with all federal laws and regulations pertaining to Equal Employment Opportunities and Affirmative Action.

2.9 Compliance with Safety Standards. All products and services offered by Proposer to University in response to this RFP meet or exceed the safety standards established and promulgated under the Federal Occupational Safety and Health Law (Public Law 91-596) and the *Texas Hazard Communication Act*, Chapter 502, *Health and Safety Code*, and all related regulations in effect or proposed as of the date of this RFP.

2.10 Exceptions to Certifications. Proposer will and has disclosed, as part of its proposal, any exceptions to the information stated in this Execution of Offer. All information will be subject to administrative review and approval prior to the time University makes an award or enters into any Agreement with Proposer.

2.11 Conflict of Interest Certification.

- Proposer is not a debarred vendor or the principal of a debarred vendor (i.e. owner, proprietor, sole or majority shareholder, director, president, managing partner, etc.) either at the state or federal level.
- Proposer's provision of services or other performance under any Agreement resulting from this RFP will not constitute an actual or potential conflict of interest.
- Proposer has disclosed any personnel who are related to any current or former employees of University.
- Proposer has not given, nor does Proposer intend to give, at any time hereafter, any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor or service to an officer or employee of University in connection with this RFP.

2.12 Proposer should complete the following information:

If Proposer is a Corporation, then State of Incorporation: _____

If Proposer is a Corporation then Proposer's Corporate Charter Number: _____

RFP No.: 2017-007

NOTICE: WITH FEW EXCEPTIONS, INDIVIDUALS ARE ENTITLED ON REQUEST TO BE INFORMED ABOUT THE INFORMATION THAT GOVERNMENTAL BODIES OF THE STATE OF TEXAS COLLECT ABOUT SUCH INDIVIDUALS. UNDER SECTIONS 552.021 AND 552.023, *GOVERNMENT CODE*, INDIVIDUALS ARE ENTITLED TO RECEIVE AND REVIEW SUCH INFORMATION. UNDER SECTION 559.004, *GOVERNMENT CODE*, INDIVIDUALS ARE ENTITLED TO HAVE GOVERNMENTAL BODIES OF THE STATE OF TEXAS CORRECT INFORMATION ABOUT SUCH INDIVIDUALS THAT IS INCORRECT.

Submitted and Certified By:

(Proposer Institution's Name)

(Signature of Duly Authorized Representative)

(Printed Name/Title)

(Date Signed)

(Proposer's Street Address)

(City, State, Zip Code)

(Telephone Number)

(FAX Number)

SECTION 3

PROPOSER'S GENERAL QUESTIONNAIRE

NOTICE: WITH FEW EXCEPTIONS, INDIVIDUALS ARE ENTITLED ON REQUEST TO BE INFORMED ABOUT THE INFORMATION THAT GOVERNMENTAL BODIES OF THE STATE OF TEXAS COLLECT ABOUT SUCH INDIVIDUALS. UNDER SECTIONS 552.021 AND 552.023, *GOVERNMENT CODE*, INDIVIDUALS ARE ENTITLED TO RECEIVE AND REVIEW SUCH INFORMATION. UNDER SECTION 559.004, *GOVERNMENT CODE*, INDIVIDUALS ARE ENTITLED TO HAVE GOVERNMENTAL BODIES OF THE STATE OF TEXAS CORRECT INFORMATION ABOUT SUCH INDIVIDUALS THAT IS INCORRECT.

Proposals must include responses to the questions contained in this Proposer's General Questionnaire. Proposer should reference the item number and repeat the question in its response. In cases where a question does not apply or if unable to respond, Proposer should refer to the item number, repeat the question, and indicate N/A (Not Applicable) or N/R (No Response), as appropriate. Proposer will explain the reason when responding N/A or N/R.

3.1 Proposer Profile

3.1.1 Legal name of Proposer company:

_____

Address of principal place of business:

_____

_____

_____

Address of office that would be providing service under the Agreement:

_____

_____

_____

Number of years in Business: _____

State of incorporation: _____

Number of Employees: _____

Annual Revenues Volume: _____

Name of Parent Corporation, if any _____

NOTE: If Proposer is a subsidiary, University prefers to enter into a contract or agreement with the Parent Corporation or to receive assurances of performance from the Parent Corporation.

3.1.2 State whether Proposer will provide a copy of its financial statements for the past two (2) years, if requested by University.

3.1.3 Proposer will provide a financial rating of the Proposer entity and any related documentation (such as a Dunn and Bradstreet analysis) that indicates the financial stability of Proposer.

3.1.4 Is Proposer currently for sale or involved in any transaction to expand or to become acquired by another business entity? If yes, Proposer will explain the expected impact, both in organizational and directional terms.

3.1.5 Proposer will provide any details of all past or pending litigation or claims filed against Proposer that would affect its performance under the Agreement with University (if any).

3.1.6 Is Proposer currently in default on any loan agreement or financing agreement with any bank, financial institution, or other entity? If yes, Proposer will specify the pertinent date(s), details, circumstances, and describe the current prospects for resolution.

3.1.7 Proposer will provide a customer reference list of no less than three (3) organizations with which Proposer currently has contracts and/or to which Proposer has previously provided services (within the past five (5) years) of a type and scope similar to those required by University's RFP. Proposer will include in its customer reference list the customer's company name, contact person, telephone number, project description, length of business relationship, and background of services provided by Proposer.

3.1.8 Does any relationship exist (whether by family kinship, business association, capital funding agreement, or any other such relationship) between Proposer and any employee of University? If yes, Proposer will explain.

3.1.9 Proposer will provide the name and Social Security Number for each person having at least 25% ownership interest in Proposer. This disclosure is mandatory pursuant to Section 231.006, *Family Code*, and will be used for the purpose of determining whether an owner of Proposer with an ownership interest of at least 25% is more than 30 days delinquent in paying child support. Further disclosure of this information is governed by the *Texas Public Information Act* (ref. Chapter 552, *Government Code*), and other applicable law.

3.2 Approach to Project Services

3.2.1 Proposer will provide a statement of the Proposer's service approach and will describe any unique benefits to University from doing business with Proposer. Proposer will briefly describe its approach for each of the required services identified in **Section 4.4** Scope of Work of this RFP.

3.2.2 Proposer will provide an estimate of the earliest starting date for services following execution of the Agreement.

3.2.3 Proposer will submit a work plan with key dates and milestones. The work plan should include:

3.2.3.1 Identification of tasks to be performed;

3.2.3.2 Time frames to perform the identified tasks;

3.2.3.3 Project management methodology;

3.2.3.4 Implementation strategy; and

3.2.3.5 The expected time frame in which the services would be implemented.

3.2.4 Proposer will describe the types of reports or other written documents Proposer will provide (if any) and the frequency of reporting, if more frequent than required in this RFP. Proposer will include samples of reports and documents if appropriate.

3.3 General Requirements

3.3.1 Proposer will provide summary resumes for its proposed key personnel who will be providing services under the Agreement with University, including their specific experiences with similar service projects, and number of years of employment with Proposer.

3.3.2 Proposer will describe any difficulties it anticipates in performing its duties under the Agreement with University and how Proposer plans to manage these difficulties. Proposer will describe the assistance it will require from University.

3.4 Service Support

Proposer will describe its service support philosophy, how it is implemented, and how Proposer measures its success in maintaining this philosophy.

3.5 Quality Assurance

Proposer will describe its quality assurance program, its quality requirements, and how they are measured.

3.6 Miscellaneous

3.6.1 Proposer will provide a list of any additional services or benefits not otherwise identified in this RFP that Proposer would propose to provide to University. Additional services or benefits must be directly related to the services solicited under this RFP.

3.6.2 Proposer will provide details describing any unique or special services or benefits offered or advantages to be gained by University from doing business with Proposer. Additional services or benefits must be directly related to the goods and services solicited under this RFP.

3.6.3 Does Proposer have a contingency plan or disaster recovery plan in the event of a disaster? If so, then Proposer will provide a copy of the plan.

SECTION 4

ADDENDA CHECKLIST

Proposal of: _____
(Proposer Company Name)

To: The University of Texas at Arlington

Ref.: _____ Services related to the _____

RFP No.: 2017-007

Ladies and Gentlemen:

The undersigned Proposer hereby acknowledges receipt of the following Addenda to the captioned RFP (initial if applicable).

No. 1 _____ No. 2 _____ No. 3 _____ No. 4 _____ No. 5 _____

Respectfully submitted,

Proposer: _____

By: _____
(Authorized Signature for Proposer)

Name: _____

Title: _____

APPENDIX TWO

Rev. 10/16

HUB Subcontracting Plan (HSP)
QUICK CHECKLIST

While this HSP Quick Checklist is being provided to merely assist you in readily identifying the sections of the HSP form that you will need to complete, it is very important that you adhere to the instructions in the HSP form and instructions provided by the contracting agency.

➤ **If you will be awarding <u>all</u> of the subcontracting work you have to offer under the contract to <u>only</u> Texas certified HUB vendors, complete:**

- ☐ Section 1 - Respondent and Requisition Information
- ☐ Section 2 a. - Yes, I will be subcontracting portions of the contract.
- ☐ Section 2 b. - List all the portions of work you will subcontract, and indicate the percentage of the contract you expect to award to Texas certified HUB vendors.
- ☐ Section 2 c. - Yes
- ☐ Section 4 - Affirmation
- ☐ GFE Method A (Attachment A) - Complete an Attachment A for each of the subcontracting opportunities you listed in Section 2 b.

➤ **If you will be subcontracting any portion of the contract to Texas certified HUB vendors and Non-HUB vendors, and the aggregate percentage of all the subcontracting work you will be awarding to the Texas certified HUB vendors with which you <u>do not</u> have a *<u>continuous contract</u>** in place for more than five (5) years *<u>meets or exceeds</u>* the HUB Goal the contracting agency identified in the "Agency Special Instructions/Additional Requirements", complete:**

- ☐ Section 1 - Respondent and Requisition Information
- ☐ Section 2 a. - Yes, I will be subcontracting portions of the contract.
- ☐ Section 2 b. - List all the portions of work you will subcontract, and indicate the percentage of the contract you expect to award to Texas certified HUB vendors and Non-HUB vendors.
- ☐ Section 2 c. - No
- ☐ Section 2 d. - Yes
- ☐ Section 4 - Affirmation
- ☐ GFE Method A (Attachment A) - Complete an Attachment A for each of the subcontracting opportunities you listed in Section 2 b.

➤ **If you will be subcontracting any portion of the contract to Texas certified HUB vendors and Non-HUB vendors or only to Non-HUB vendors, and the aggregate percentage of all the subcontracting work you will be awarding to the Texas certified HUB vendors with which you <u>do not</u> have a *<u>continuous contract</u>** in place for more than five (5) years *<u>does not meet or exceed</u>* the HUB Goal the contracting agency identified in the "Agency Special Instructions/Additional Requirements", complete:**

- ☐ Section 1 - Respondent and Requisition Information
- ☐ Section 2 a. - Yes, I will be subcontracting portions of the contract.
- ☐ Section 2 b. - List all the portions of work you will subcontract, and indicate the percentage of the contract you expect to award to Texas certified HUB vendors and Non-HUB vendors.
- ☐ Section 2 c. - No
- ☐ Section 2 d. - No
- ☐ Section 4 - Affirmation
- ☐ GFE Method B (Attachment B) - Complete an Attachment B for each of the subcontracting opportunities you listed in Section 2 b.

➤ **If you will not be subcontracting any portion of the contract and will be fulfilling the entire contract with your own resources (i.e., employees, supplies, materials and/or equipment), complete:**

- ☐ Section 1 - Respondent and Requisition Information
- ☐ Section 2 a. - No, I will not be subcontracting any portion of the contract, and I will be fulfilling the entire contract with my own resources.
- ☐ Section 3 - Self Performing Justification
- ☐ Section 4 - Affirmation

<u>Continuous Contract</u>:** ***Any existing written agreement (including any renewals that are exercised) between a prime contractor and a HUB vendor, where the HUB vendor provides the prime contractor with goods or service, to include under the same contract for a specified period of time. The frequency the HUB vendor is utilized or paid during the term of the contract is not relevant to whether the contract is considered continuous. Two or more contracts that run concurrently or overlap one another for different periods of time are considered by CPA to be individual contracts rather than renewals or extensions to the original contract. In such situations the prime contractor and HUB vendor are entering (have entered) into "new" contracts.

Rev. 10/16

HUB Subcontracting Plan (HSP)

In accordance with Texas Gov't Code §2161.252, the contracting agency has determined that subcontracting opportunities are probable under this contract. Therefore, all respondents, including State of Texas certified Historically Underutilized Businesses (HUBs) must complete and submit this State of Texas HUB Subcontracting Plan (HSP) with their response to the bid requisition (solicitation).

NOTE: Responses that do not include a completed HSP shall be rejected pursuant to Texas Gov't Code §2161.252(b).

The HUB Program promotes equal business opportunities for economically disadvantaged persons to contract with the State of Texas in accordance with the goals specified in the 2009 State of Texas Disparity Study. The statewide HUB goals defined in 34 Texas Administrative Code (TAC) §20.13 are:

- ***11.2 percent for heavy construction other than building contracts,***
- ***21.1 percent for all building construction, including general contractors and operative builders' contracts,***
- ***32.9 percent for all special trade construction contracts,***
- ***23.7 percent for professional services contracts,***
- ***26.0 percent for all other services contracts, and***
- ***21.1 percent for commodities contracts.***

- - Agency Special Instructions/Additional Requirements - -

*In accordance with 34 TAC §20.14(d)(1)(D)(iii), a respondent (prime contractor) may demonstrate good faith effort to utilize Texas certified HUBs for its subcontracting opportunities if the total value of the respondent's subcontracts with Texas certified HUBs meets or exceeds the statewide HUB goal or the agency specific HUB goal, whichever is higher. When a respondent uses this method to demonstrate good faith effort, the respondent must identify the HUBs with which it will subcontract. If using existing contracts with Texas certified HUBs to satisfy this requirement, only the aggregate percentage of the contracts expected to be subcontracted to HUBs with which the respondent **does not** have a **continuous contract*** in place for **more than five (5) years** shall qualify for meeting the HUB goal. This limitation is designed to encourage vendor rotation as recommended by the 2009 Texas Disparity Study.*

FY2017 UT Arlington Agency Goals:

3.98% Heavy construction other than building contracts

21.19% Building construction, including general contractors and operative builders' contracts

37.74% Special trade construction contracts

18.48% Professional services contracts

11.50% Other services contracts

21.25% Commodities contracts

SECTION 1: RESPONDENT AND REQUISITION INFORMATION

a. Respondent (Company) Name: _____ State of Texas VID #: _____

Point of Contact: _____ Phone #: _____

E-mail Address: _____ Fax #: _____

b. Is your company a State of Texas certified HUB? ☐ **- Yes** ☐ **- No**

c. Requisition #: _____ Bid Open Date: _____ **(mm/dd/yyyy)**

Enter your company's name here: _____ Requisition #: _____

SECTION 2: RESPONDENT's SUBCONTRACTING INTENTIONS

After dividing the contract work into reasonable lots or portions to the extent consistent with prudent industry practices, and taking into consideration the scope of work to be performed under the proposed contract, including all potential subcontracting opportunities, the respondent must determine what portions of work, **including contracted staffing, goods and services will be subcontracted**. Note: In accordance with 34 TAC §20.11, a "Subcontractor" means a person who contracts with a prime contractor to work, to supply commodities, or to contribute toward completing work for a governmental entity.

a. Check the appropriate box (Yes or No) that identifies your subcontracting intentions:

☐ - ***Yes***, I will be subcontracting portions of the contract. (If ***Yes***, complete Item b of this SECTION and continue to Item c of this SECTION.)

☐ - ***No***, I will not be subcontracting any portion of the contract, and I will be fulfilling the entire contract with my own resources, including employees, goods and services. (If ***No***, continue to SECTION 3 and SECTION 4.)

b. List all the portions of work (subcontracting opportunities) you will subcontract. Also, based on the total value of the contract, identify the percentages of the contract you expect to award to Texas certified HUBs, and the percentage of the contract you expect to award to vendors that are not a Texas certified HUB (i.e., Non-HUB).

Item #	Subcontracting Opportunity Description	HUBs		Non-HUBs
		Percentage of the contract expected to be subcontracted to HUBs with which you do not have a continuous contract* in place for more than five (5) years.	Percentage of the contract expected to be subcontracted to HUBs with which you have a continuous contract* in place for more than five (5) years.	Percentage of the contract expected to be subcontracted to non-HUBs.
1		%	%	%
2		%	%	%
3		%	%	%
4		%	%	%
5		%	%	%
6		%	%	%
7		%	%	%
8		%	%	%
9		%	%	%
10		%	%	%
11		%	%	%
12		%	%	%
13		%	%	%
14		%	%	%
15		%	%	%
	Aggregate percentages of the contract expected to be subcontracted:	%	%	%

(Note: If you have more than fifteen subcontracting opportunities, a continuation sheet is available online at https://www.comptroller.texas.gov/purchasing/vendor/hub/forms.php).

c. Check the appropriate box (Yes or No) that indicates whether you will be using **only** Texas certified HUBs to perform **all** of the subcontracting opportunities you listed in SECTION 2, Item b.

☐ - ***Yes*** (If ***Yes***, continue to SECTION 4 and complete an "HSP Good Faith Effort - Method A (Attachment A)" for **each** of the subcontracting opportunities you listed.)

☐ - ***No*** (If ***No***, continue to Item d, of this SECTION.)

d. Check the appropriate box (Yes or No) that indicates whether the aggregate expected percentage of the contract you will subcontract **with Texas certified HUBs** with which you **do not** have a **continuous contract*** in place with for **more than five (5) years**, **meets or exceeds** the HUB goal the contracting agency identified on page 1 in the "**Agency Special Instructions/Additional Requirements**."

☐ - ***Yes*** (If ***Yes***, continue to SECTION 4 and complete an "HSP Good Faith Effort - Method A (Attachment A)" for **each** of the subcontracting opportunities you listed.)

☐ - ***No*** (If ***No***, continue to SECTION 4 and complete an "HSP Good Faith Effort - Method B (Attachment B)" for **each** of the subcontracting opportunities you listed.)

Continuous Contract: Any existing written agreement (including any renewals that are exercised) between a prime contractor and a HUB vendor, where the HUB vendor provides the prime contractor with goods or service under the same contract for a specified period of time. The frequency the HUB vendor is utilized or paid during the term of the contract is not relevant to whether the contract is considered continuous. Two or more contracts that run concurrently or overlap one another for different periods of time are considered by CPA to be individual contracts rather than renewals or extensions to the original contract. In such situations the prime contractor and HUB vendor are entering (have entered) into "new" contracts.

Enter your company's name here: _____ Requisition #: _____

SECTION 2: RESPONDENT'S SUBCONTRACTING INTENTIONS (CONTINUATION SHEET)

This page can be used as a continuation sheet to the HSP Form's page 2, Section 2, Item b. Continue listing the portions of work (subcontracting opportunities) you will subcontract. Also, based on the total value of the contract, identify the percentages of the contract you expect to award to Texas certified HUBs, and the percentage of the contract you expect to award to vendors that are not a Texas certified HUB (i.e., Non-HUB).

Item #	Subcontracting Opportunity Description	HUBs		Non-HUBs
		Percentage of the contract expected to be subcontracted to HUBs with which you do not have a continuous contract* in place for more than five (5) years.	Percentage of the contract expected to be subcontracted to HUBs with which you have a continuous contract* in place for more than five (5) years.	Percentage of the contract expected to be subcontracted to non-HUBs.
16		%	%	%
17		%	%	%
18		%	%	%
19		%	%	%
20		%	%	%
21		%	%	%
22		%	%	%
23		%	%	%
24		%	%	%
25		%	%	%
26		%	%	%
27		%	%	%
28		%	%	%
29		%	%	%
30		%	%	%
31		%	%	%
32		%	%	%
33		%	%	%
34		%	%	%
35		%	%	%
36		%	%	%
37		%	%	%
38		%	%	%
39		%	%	%
40		%	%	%
41		%	%	%
42		%	%	%
43		%	%	%
	Aggregate percentages of the contract expected to be subcontracted:	%	%	%

*Continuous Contract: *Any existing written agreement (including any renewals that are exercised) between a prime contractor and a HUB vendor, where the HUB vendor provides the prime contractor with goods or service under the same contract for a specified period of time. The frequency the HUB vendor is utilized or paid during the term of the contract is not relevant to whether the contract is considered continuous. Two or more contracts that run concurrently or overlap one another for different periods of time are considered by CPA to be individual contracts rather than renewals or extensions to the original contract. In such situations the prime contractor and HUB vendor are entering (have entered) into "new" contracts.*

Enter your company's name here: _____ Requisition #: _____

SECTION 3: SELF PERFORMING JUSTIFICATION (If you responded "No" to SECTION 2, item a, you must complete this SECTION and continue to SECTION 4.) If you responded "No" to SECTION 2, Item a, in the space provided below **explain how** your company will perform the entire contract with its own employees, supplies, materials and/or equipment.

SECTION 4: AFFIRMATION

As evidenced by my signature below, I affirm that I am an authorized representative of the respondent listed in SECTION 1, and that the information and supporting documentation submitted with the HSP is true and correct. Respondent understands and agrees that, if awarded any portion of the requisition:

- The respondent will provide notice as soon as practical to all the subcontractors (HUBs and Non-HUBs) of their selection as a subcontractor for the awarded contract. The notice must specify at a minimum the contracting agency's name and its point of contact for the contract, the contract award number, the subcontracting opportunity they (the subcontractor) will perform, the approximate dollar value of the subcontracting opportunity and the expected percentage of the total contract that the subcontracting opportunity represents. A copy of the notice required by this section must also be provided to the contracting agency's point of contact for the contract no later than ten (10) working days after the contract is awarded.
- The respondent must submit monthly compliance reports (Prime Contractor Progress Assessment Report – PAR) to the contracting agency, verifying its compliance with the HSP, including the use of and expenditures made to its subcontractors (HUBs and Non-HUBs). (The PAR is available at https://www.comptroller.texas.gov/purchasing/docs/hub-forms/ProgressAssessmentReportForm.xls).
- The respondent must seek approval from the contracting agency prior to making any modifications to its HSP, including the hiring of additional or different subcontractors and the termination of a subcontractor the respondent identified in its HSP. If the HSP is modified without the contracting agency's prior approval, respondent may be subject to any and all enforcement remedies available under the contract or otherwise available by law, up to and including debarment from all state contracting.
- The respondent must, upon request, allow the contracting agency to perform on-site reviews of the company's headquarters and/or work-site where services are being performed and must provide documentation regarding staffing and other resources.

Signature	Printed Name	Title	Date (mm/dd/yyyy)

Reminder:

- If you responded "**Yes**" to **SECTION 2, Items c or d**, you must complete an "HSP Good Faith Effort - Method A (Attachment A)" for **each** of the subcontracting opportunities you listed in SECTION 2, Item b.
- If you responded "**No**" **SECTION 2, Items c and d**, you must complete an "HSP Good Faith Effort - Method B (Attachment B)" for **each** of the subcontracting opportunities you listed in SECTION 2, Item b.

HSP Good Faith Effort - Method A (Attachment A)

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Enter your company's name here: ____________________ Requisition #: ____________

IMPORTANT: If you responded "***Yes***" to **SECTION 2, Items c or d** of the completed HSP form, you must submit a completed "HSP Good Faith Effort - Method A (Attachment A)" for **each** of the subcontracting opportunities you listed in **SECTION 2, Item b** of the completed HSP form. You may photo-copy this page or download the form at https://www.comptroller.texas.gov/purchasing/docs/hub-forms/hub-sbcont-plan-gfe-achm-a.pdf

SECTION A-1: SUBCONTRACTING OPPORTUNITY

Enter the item number and description of the subcontracting opportunity you listed in SECTION 2, Item b, of the completed HSP form for which you are completing the attachment.

Item Number: ______ **Description:** ______________________________

SECTION A-2: SUBCONTRACTOR SELECTION

List the subcontractor(s) you selected to perform the subcontracting opportunity you listed above in SECTION A-1. Also identify whether they are a Texas certified HUB and their Texas Vendor Identification (VID) Number or federal Employer Identification Number (EIN), the approximate dollar value of the work to be subcontracted, and the expected percentage of work to be subcontracted. When searching for Texas certified HUBs and verifying their HUB status, ensure that you use the State of Texas' Centralized Master Bidders List (CMBL) - Historically Underutilized Business (HUB) Directory Search located at http://mycpa.cpa.state.tx.us/tpasscmblsearch/index.jsp. HUB status code "A" signifies that the company is a Texas certified HUB.

Company Name	Texas certified HUB	Texas VID or federal EIN Do not enter Social Security Numbers. If you do not know their VID / EIN, leave their VID / EIN field blank.	Approximate Dollar Amount	Expected Percentage of Contract
	☐ - Yes ☐ - No		$	%
	☐ - Yes ☐ - No		$	%
	☐ - Yes ☐ - No		$	%
	☐ - Yes ☐ - No		$	%
	☐ - Yes ☐ - No		$	%
	☐ - Yes ☐ - No		$	%
	☐ - Yes ☐ - No		$	%
	☐ - Yes ☐ - No		$	%
	☐ - Yes ☐ - No		$	%
	☐ - Yes ☐ - No		$	%
	☐ - Yes ☐ - No		$	%
	☐ - Yes ☐ - No		$	%
	☐ - Yes ☐ - No		$	%
	☐ - Yes ☐ - No		$	%
	☐ - Yes ☐ - No		$	%
	☐ - Yes ☐ - No		$	%
	☐ - Yes ☐ - No		$	%
	☐ - Yes ☐ - No		$	%
	☐ - Yes ☐ - No		$	%
	☐ - Yes ☐ - No		$	%
	☐ - Yes ☐ - No		$	%
	☐ - Yes ☐ - No		$	%
	☐ - Yes ☐ - No		$	%

REMINDER: As specified in SECTION 4 of the completed HSP form, if you (respondent) are awarded any portion of the requisition, you are required to provide notice as soon as practical to all the subcontractors (HUBs and Non-HUBs) of their selection as a subcontractor. The notice must specify at a minimum the contracting agency's name and its point of contact for the contract, the contract award number, the subcontracting opportunity they (the subcontractor) will perform, the approximate dollar value of the subcontracting opportunity and the expected percentage of the total contract that the subcontracting opportunity represents. A copy of the notice required by this section must also be provided to the contracting agency's point of contact for the contract no later than ten (10) working days after the contract is awarded.

HSP Good Faith Effort - Method B (Attachment B)

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Enter your company's name here: _____ Requisition #: _____

IMPORTANT: If you responded "***No***" to **SECTION 2, Items c and d** of the completed HSP form, you must submit a completed "HSP Good Faith Effort - Method B (Attachment B)" for **each** of the subcontracting opportunities you listed in **SECTION 2, Item b** of the completed HSP form. You may photo-copy this page or download the form at https://www.comptroller.texas.gov/purchasing/docs/hub-forms/hub-sbcont-plan-gfe-achm-b.pdf..

SECTION B-1: SUBCONTRACTING OPPORTUNITY

Enter the item number and description of the subcontracting opportunity you listed in SECTION 2, Item b, of the completed HSP form for which you are completing the attachment.

Item Number: _____ **Description:** _____

SECTION B-2: MENTOR PROTÉGÉ PROGRAM

If respondent is participating as a Mentor in a State of Texas Mentor Protégé Program, submitting its Protégé (Protégé must be a State of Texas certified HUB) as a subcontractor to perform the subcontracting opportunity listed in **SECTION B-1**, constitutes a good faith effort to subcontract with a Texas certified HUB towards that specific portion of work.

Check the appropriate box (Yes or No) that indicates whether you will be subcontracting the portion of work you listed in SECTION B-1 to your Protégé.

☐ - **Yes** (If ***Yes***, continue to SECTION B-4.)

☐ - **No / Not Applicable** (If ***No*** or ***Not Applicable***, continue to SECTION B-3 and SECTION B-4.)

SECTION B-3: NOTIFICATION OF SUBCONTRACTING OPPORTUNITY

When completing this section you MUST comply with items **a, b, c and d**, thereby demonstrating your Good Faith Effort of having notified Texas certified HUBs and trade organizations or development centers about the subcontracting opportunity you listed in SECTION B-1. Your notice should include the scope of work, information regarding the location to review plans and specifications, bonding and insurance requirements, required qualifications, and identify a contact person. When sending notice of your subcontracting opportunity, you are encouraged to use the attached HUB Subcontracting Opportunity Notice form, which is also available online at https://www.comptroller.texas.gov/purchasing/docs/hub-forms/HUBSubcontractingOpportunityNotificationForm.pdf.

Retain supporting documentation (i.e., certified letter, fax, e-mail) demonstrating evidence of your good faith effort to notify the Texas certified HUBs and trade organizations or development centers. Also, be mindful that a working day is considered a normal business day of a state agency, not including weekends, federal or state holidays, or days the agency is declared closed by its executive officer. The initial day the subcontracting opportunity notice is sent/provided to the HUBs and to the trade organizations or development centers is considered to be "day zero" and does not count as one of the seven (7) working days.

a. Provide written notification of the subcontracting opportunity you listed in SECTION B-1, to three (3) or more Texas certified HUBs. Unless the contracting agency specified a different time period, you must allow the HUBs at least seven (7) working days to respond to the notice prior to you submitting your bid response to the contracting agency. When searching for Texas certified HUBs and verifying their HUB status, ensure that you use the State of Texas' Centralized Master Bidders List (CMBL) - Historically Underutilized Business (HUB) Directory Search located at http://mycpa.cpa.state.tx.us/tpasscmblsearch/index.jsp. HUB status code "**A**" signifies that the company is a Texas certified HUB.

b. List the **three (3) Texas certified HUBs** you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the company's Texas Vendor Identification (VID) Number, the date you sent notice to that company, and indicate whether it was responsive or non-responsive to your subcontracting opportunity notice.

Company Name	Texas VID (Do not enter Social Security Numbers.)	Date Notice Sent (mm/dd/yyyy)	Did the HUB Respond?
			☐ - Yes ☐ - No
			☐ - Yes ☐ - No
			☐ - Yes ☐ - No

c. Provide written notification of the subcontracting opportunity you listed in SECTION B-1 to two (2) or more trade organizations or development centers in Texas to assist in identifying potential HUBs by disseminating the subcontracting opportunity to their members/participants. Unless the contracting agency specified a different time period, you must provide your subcontracting opportunity notice to trade organizations or development centers at least seven (7) working days prior to submitting your bid response to the contracting agency. A list of trade organizations and development centers that have expressed an interest in receiving notices of subcontracting opportunities is available on the Statewide HUB Program's webpage at https://www.comptroller.texas.gov/purchasing/vendor/hub/resources.php.

d. List **two (2) trade organizations or development centers** you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the date when you sent notice to it and indicate if it accepted or rejected your notice.

Trade Organizations or Development Centers	Date Notice Sent (mm/dd/yyyy)	Was the Notice Accepted?
		☐ - Yes ☐ - No
		☐ - Yes ☐ - No

HSP Good Faith Effort - Method B (Attachment B) Cont.

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Enter your company's name here: _____ Requisition #: _____

SECTION B-4: SUBCONTRACTOR SELECTION

Enter the item number and description of the subcontracting opportunity you listed in **SECTION 2, Item b,** of the completed HSP form for which you are completing the attachment.

a. Enter the item number and description of the subcontracting opportunity for which you are completing this Attachment B continuation page.

Item Number: _____ **Description:** _____

b. List the subcontractor(s) you selected to perform the subcontracting opportunity you listed in **SECTION B-1**. Also identify whether they are a Texas certified HUB and their Texas Vendor Identification (VID) Number or federal Employer Identification Number (EIN), the approximate dollar value of the work to be subcontracted, and the expected percentage of work to be subcontracted. When searching for Texas certified HUBs and verifying their HUB status, ensure that you use the State of Texas' Centralized Master Bidders List (CMBL) - Historically Underutilized Business (HUB) Directory Search located at http://mycpa.cpa.state.tx.us/tpasscmblsearch/index.jsp. HUB status code "A" signifies that the company is a Texas certified HUB.

Company Name	Texas certified HUB	Texas VID or federal EIN Do not enter Social Security Numbers. If you do not know their VID / EIN, leave their VID / EIN field blank.	Approximate Dollar Amount	Expected Percentage of Contract
	☐ - Yes ☐ - No		$	%
	☐ - Yes ☐ - No		$	%
	☐ - Yes ☐ - No		$	%
	☐ - Yes ☐ - No		$	%
	☐ - Yes ☐ - No		$	%
	☐ - Yes ☐ - No		$	%
	☐ - Yes ☐ - No		$	%
	☐ - Yes ☐ - No		$	%
	☐ - Yes ☐ - No		$	%
	☐ - Yes ☐ - No		$	%

c. If any of the subcontractors you have selected to perform the subcontracting opportunity you listed in **SECTION B-1** is not a Texas certified HUB, provide written justification for your selection process (attach additional page if necessary):

REMINDER: As specified in SECTION 4 of the completed HSP form, if you (respondent) are awarded any portion of the requisition, you are required to provide notice as soon as practical to **all** the subcontractors (HUBs and Non-HUBs) of their selection as a subcontractor. The notice must specify at a minimum the contracting agency's name and its point of contact for the contract, the contract award number, the subcontracting opportunity it (the subcontractor) will perform, the approximate dollar value of the subcontracting opportunity and the expected percentage of the total contract that the subcontracting opportunity represents. A copy of the notice required by this section must also be provided to the contracting agency's point of contact for the contract no later than ten (10) working days after the contract is awarded.

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HUB Subcontracting Opportunity Notification Form

In accordance with Texas Gov't Code, Chapter 2161, each state agency that considers entering into a contract with an expected value of $100,000 or more shall, before the agency solicits bids, proposals, offers, or other applicable expressions of interest, determine whether subcontracting opportunities are probable under the contract. The state agency I have identified below in **Section B** has determined that subcontracting opportunities are probable under the requisition to which my company will be responding.

34 Texas Administrative Code, §20.14 requires all respondents (prime contractors) bidding on the contract to provide notice of each of their subcontracting opportunities to at least three (3) Texas certified HUBs (who work within the respective industry applicable to the subcontracting opportunity), and allow the HUBs at least seven (7) working days to respond to the notice prior to the respondent submitting its bid response to the contracting agency. In addition, at least seven (7) working days prior to submitting its bid response to the contracting agency, the respondent must provide notice of each of its subcontracting opportunities to two (2) or more trade organizations or development centers (in Texas) that serves members of groups (i.e., Asian Pacific American, Black American, Hispanic American, Native American, Woman, Service Disabled Veteran) identified in Texas Administrative Code, §20.11(19)(C).

We respectfully request that vendors interested in bidding on the subcontracting opportunity scope of work identified in **Section C, Item 2**, reply no later than the date and time identified in **Section C, Item 1**. Submit your response to the point-of-contact referenced in **Section A**.

SECTION A: PRIME CONTRACTOR'S INFORMATION

Company Name: _____ **State of Texas VID #:** _____

Point-of-Contact: _____ **Phone #:** _____

E-mail Address: _____ **Fax #:** _____

SECTION B: CONTRACTING STATE AGENCY AND REQUISITION INFORMATION

Agency Name: _____

Point-of-Contact: _____ **Phone #:** _____

Requisition #: _____ **Bid Open Date:** _____ (mm/dd/yyyy)

SECTION C: SUBCONTRACTING OPPORTUNITY RESPONSE DUE DATE, DESCRIPTION, REQUIREMENTS AND RELATED INFORMATION

1. Potential Subcontractor's Bid Response Due Date:

If you would like for our company to consider your company's bid for the subcontracting opportunity identified below in Item 2,

we must receive your bid response no later than _____ (Central Time) **on** _____ (Date (mm/dd/yyyy)).

In accordance with 34 TAC §20.14, each notice of subcontracting opportunity shall be provided to at least three (3) Texas certified HUBs, and allow the HUBs at least seven (7) working days to respond to the notice prior to submitting our bid response to the contracting agency. In addition, at least seven (7) working days prior to us submitting our bid response to the contracting agency, we must provide notice of each of our subcontracting opportunities to two (2) or more trade organizations or development centers (in Texas) that serves members of groups (i.e., Asian Pacific American, Black American, Hispanic American, Native American, Woman, Service Disabled Veteran) identified in Texas Administrative Code, §20.11(19)(C).

(A working day is considered a normal business day of a state agency, not including weekends, federal or state holidays, or days the agency is declared closed by its executive officer. The initial day the subcontracting opportunity notice is sent/provided to the HUBs and to the trade organizations or development centers is considered to be "day zero" and does not count as one of the seven (7) working days.)

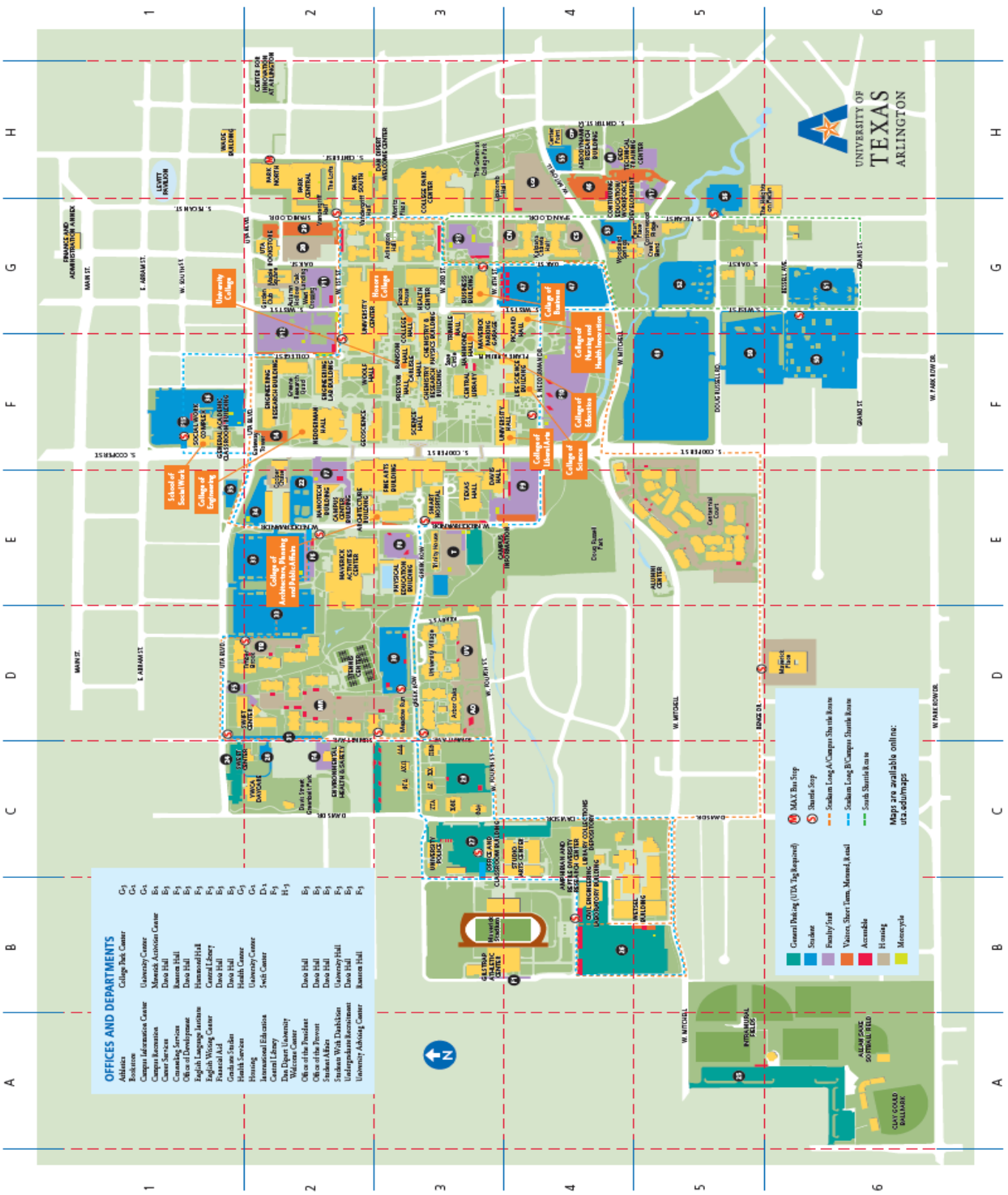
2. Subcontracting Opportunity Scope of Work:

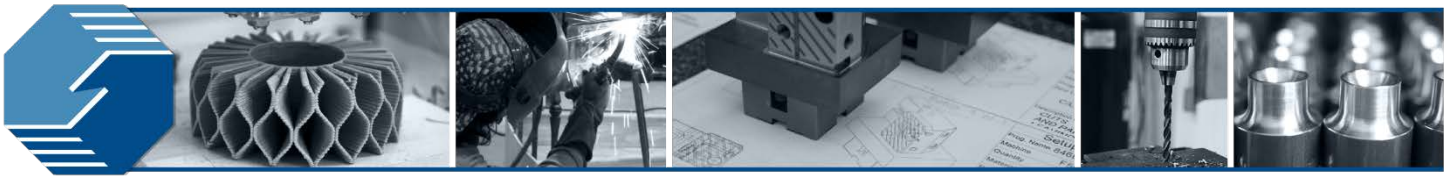
3. Required Qualifications: ☐ - Not Applicable

4. Bonding/Insurance Requirements: ☐ - Not Applicable

5. Location to review plans/specifications: ☐ - Not Applicable

APPENDIX THREE





MAKING AN IMPACT ON U.S. MANUFACTURING

MEP General Terms and Conditions

February 2016

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

MEP • MANUFACTURING EXTENSION PARTNERSHIP

TABLE OF CONTENTS

GENERAL TERMS AND CONDITIONS
HOLLINGS MANUFACTURING EXTENSION PARTNERSHIP

The General Terms and Conditions set forth below apply to all Recipients of cooperative agreement awards under the Hollings Manufacturing Extension Partnership (MEP) Program, 15 U.S.C. Section 278k, 15 C.F.R. Part 290, unless otherwise amended through a Special Award Condition. Failure to comply with any or all of the provisions of the MEP award may be considered grounds for appropriate enforcement action (See Term and Condition 20). Questions concerning the interpretation or application of these General Terms and Conditions should be addressed to your NIST Federal Program Officer and to the NIST Grants Officer.

1. AWARD INSTRUMENT

In accordance with 31 U.S.C. Section 6305 and 2 C.F.R. Section 200.24, financial assistance awards issued pursuant to the MEP Center Program are issued in the form of a cooperative agreement, unless otherwise noted on the Form CD-450 or Form CD-451. A cooperative agreement is a funding instrument that provides for substantial involvement by and between the National Institute of Standards and Technology's Hollings Manufacturing Extension Partnership Program (NIST MEP) and a Non-Federal Entity receiving federal funding to support the operation of an MEP Center (referred to as a Non-Federal Entity or as a Center).

NIST involvement in connection with MEP Center awards may include the types of substantial involvement activities described in Final Office of Management and Budget (OMB) Guidance Implementing the Federal Grant and Cooperative Agreement Act, 43 Fed. Reg. 36860-65 (Aug. 18, 1978). In addition, NIST involvement in an MEP Center cooperative agreement may include the following NIST activities:

- Guidelines and assistance in developing required plans;
- Linkages to the National Manufacturing Extension Partnership System (MEP System), which includes both the national NIST MEP Program Office and the national System of NIST MEP-funded Centers;
- Access to standard tools, training, and the experience developed to date by the MEP System;
- Guidance for evaluation of performance and collection of data and information from the Non-Federal Entity organization;
- Timely response to requests for mandatory approvals;
- Approval of key personnel;
- 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
- Assistance to the Non-Federal Entity to define, understand, and resolve issues pertaining to the successful implementation of the MEP project.

The Non-Federal Entity shall:

- Develop, submit, and follow required plans and budgets;

- Conduct the tasks necessary to provide the services or complete the objectives described in the Operating and other required plans in a timely and comprehensive manner;
- Prior to development of new tools, products or resources, investigate existing tools, products, or resources available commercially, through NIST MEP, or the MEP network of centers, as appropriate;
- Participate in activities of the MEP System;
- Submit detailed technical and financial reports;
- Participate in Program Reviews; and
- Conform to terms and conditions of this cooperative agreement, including but not limited to applicable laws and regulations.

The specific terms and conditions of an MEP Center award are detailed in the NIST MEP cooperative agreement.

2. APPLICABILITY OF AWARD PROVISIONS

Recipients of NIST MEP cooperative agreements are subject to all Federal laws, Federal and Department of Commerce regulations and policies applicable to Federal financial assistance awards, and terms and conditions of the NIST MEP cooperative agreement. In accordance with 2 C.F.R. Section 200.101(b), the terms and conditions of a NIST MEP cooperative agreement apply (i.e., flow down) to subawards made by an MEP Center to a subrecipient, unless a particular section of 2 C.F.R. part 200 or the terms and conditions of an MEP cooperative agreement specifically indicate otherwise. See 2 C.F.R. Section 200.331 for the due diligence requirements, flow down provisions and other information that are applicable to or that must be contained as part of a subaward.

3. ORDER OF PRECEDENCE OF TERMS AND CONDITIONS OF AWARD

Where the terms and conditions of the MEP cooperative agreement differ from the Center's required plans (see Section 5), the terms and conditions of the MEP Cooperative Agreement shall prevail. The terms and conditions of an MEP cooperative agreement shall be applied by NIST in the following order of precedence: Federal laws (e.g. 15 USC 278k) ; Federal regulations (e.g. 2 CFR part 200, 15 CFR part 290); Special Award Conditions (SACs); Hollings MEP General Terms and Conditions; Department of Commerce Financial Assistance Award Standard Terms and Conditions; *Federal Register* notice and Announcement of Federal Funding Opportunity pursuant to which the MEP cooperative agreement was originally issued by NIST; Federal and Department of Commerce policies applicable to Federal financial assistance awards, the Center's required plans; and lastly, the technical plan submitted by the Center with its request for NIST MEP funding. The Non-Federal Entity is obligated to bring to the attention of the NIST Grants Officer any perceived differences between the terms and conditions of the MEP Cooperative Agreement and the Center's required plans.

4. COOPERATIVE AGREEMENT AWARD PERIODS

In accordance with 15 C.F.R. Section 290.4 and 15 C.F.R. Section 290.8, each MEP Center will be funded by NIST under a one-year, annually renewable cooperative agreement (which may be structured

as a multi-year award for administrative convenience). Annual renewal funding for an existing MEP Center may be awarded without competition and may be increased or decreased from year-to-year of an award, contingent upon: successful annual and panel reviews of the MEP Center in accordance with 15 U.S.C. Section 278k(c)(5) and 15 C.F.R. Section 290.8; the Non-Federal Entity's compliance with the terms and conditions of the MEP Center award; applicable laws and policies; continued relevance of the MEP Center project to the mission and priorities of the MEP Center Program and the availability of funds.

5. REQUIRED PLANS

For MEP 1.0 Centers, the tasks to be performed by the Non-Federal Entity under this award are detailed in the approved Operating Plan. For MEP 2.0 Centers, the tasks to be performed by the Center under this award are detailed in the approved Funding Proposal and Detailed Operating Outcome Statements and budget(s) (Required Plans). The Required Plans shall incorporate strategic planning efforts, and must detail project progress on the previous year's plan and describe planned activities for the following years. The Required Plans must be consistent in form and substance with the current MEP guidelines, which may be amended from time to time.

If any modifications are required to the Required Plans or to other plans during the operating period, these modifications must be submitted to the MEP Federal Program Officer (FPO) and Regional Manager (RM) in writing and are not effective unless and until approved in writing by the NIST Grants Officer, if appropriate. These modifications will be incorporated as amendments to the cooperative agreement. Please contact your RM or FPO if you are unsure of which Required Plans apply to your Center.

6. OVERSIGHT BOARD AND/OR ADVISORY COMMITTEE AND GOVERNANCE

A. Oversight Board. Non-Federal entities will be required to establish and maintain an Oversight Board, which has fiduciary responsibility for the governance and operation of the recipient organization. The Oversight Board shall be broadly representative of State service area stakeholders with a majority of the Oversight Board members drawn from small and medium-sized manufacturing firms. Members of the Oversight Board may not concurrently serve on more than one MEP Center Oversight Board or serve as a vendor or provide contractual services to the Non-Federal Entity or to a Subrecipient. Additionally, non-Federal entities shall adopt bylaws or equivalent governance documents setting forth the roles, responsibilities, and procedures of their Oversight Boards, including a conflict of interest policy to ensure relevant relationships are disclosed and appropriate recusal procedures are in place.

B. Advisory Committee. A recipient of an MEP Center cooperative agreement that is an Institution of Higher Education, State, Tribal or local governmental entity, where state law or policy prohibits compliance with the Oversight Board requirement, may establish an Advisory Committee. The Advisory Committee shall be broadly representative of State service area stakeholders with a majority of its members drawn from small- and medium-sized manufacturing firms and provide regular strategic, policy, and programmatic input directly to the designated representative of the applicant. A Non-Federal Entity that is a nonprofit organization with multiple programs and MEP Center program activities are not a primary activity of the applicant may establish an Advisory Committee, instead of an Oversight Board, that conforms to membership requirements as set

forth above.

In determining whether the MEP Center is a primary activity of a Non-Federal Entity, MEP will consider unique factors and circumstances such as, but not limited to, (1) the proportion of MEP Center funding (both federal dollars and non-federal match) relative to the applicant's funding [or budget] for its other programs and activities, or (2) the duration of other funding sources over time.

Advisory Committee members may not concurrently serve on more than one MEP Center Advisory Committee or serve as a vendor or provide contractual services to the applicant or to a Subrecipient. Recipients shall have bylaws or equivalent governance documents setting forth the roles, responsibilities, and procedures of its Advisory Committee, including a conflict of interest policy to ensure relevant relationships are disclosed and appropriate recusal procedures are in place.

C. Compliance with Oversight Board and/or Advisory Committee Requirements. If an MEP Center's Oversight Board or Advisory Committee (as the case may be) does not meet the requirements of this section at any time during the term of an MEP Center award, the Center must promptly disclose the deficiencies to the MEP FPO and RM and must ensure that its Oversight Board or Advisory Committee conforms to the requirements of this term within 90 calendar days from the initial date of the noncompliance, unless such time period is otherwise extended by the NIST Grants Officer based on a written request from an MEP Center. An MEP Center not in compliance with the requirements of this section may be required to provide a detailed plan to the MEP FPO and the MEP RM for coming into compliance with this section. In addition to other appropriate enforcement actions pursuant to 2 C.F.R. Section 200.338, payments of federal award funds may be suspended unless and until the NIST Grants Officer, in consultation with the MEP Program Office, determines that an MEP Center's Oversight Board and/or Advisory Committee is in conformance with the requirements set forth in this section. Upon request, an MEP Center shall provide the MEP FFO and RM with copies of the organizational documents for its proposed Oversight or Advisory Committee and Governance, including articles of organization, ratified by-laws and conflict of interest policies.

7. SIGNATORY AUTHORITY FOR AWARD DOCUMENTS

For purposes of an MEP cooperative agreement, the Non-Federal Entity's signatory authority must be a duly authorized representative of the Non-Federal Entity and must possess the legal authority to bind the Non-Federal Entity to terms and conditions of an MEP Center award. Documents and award actions subject to this requirement include: 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; SF-425, Federal Financial Report; Certification Regarding Federal Felony and Federal Criminal Tax Convictions, Unpaid Federal Tax Assessments and Delinquent Federal Tax Returns (including any successor forms) and all other required forms, agreements, certifications and other documents related to an MEP Center award executed on behalf of the Non-Federal Entity. Access to an MEP Center's ASAP account must be limited to a duly authorized representative of the Non-Federal Entity. NIST will return to the Non-Federal Entity unprocessed any documents it receives that do not comply with this section. In addition, NIST may request appropriate documentation from a Non-

Federal Entity confirming that certain person(s) are authorized to act on behalf of the Non-Federal Entity as an authorized representative.

8. NOTIFICATIONS AND PRIOR APPROVALS

The Non-Federal Entity must obtain the prior written approval from the NIST Grants Officer for certain budget and programmatic changes as set forth in 2 C.F.R. Sections 200.308 and 200.407, and in the DOC Financial Assistance Standard Terms and Conditions (December 26, 2014). Failure to do so may result in material non-compliance and result in appropriate enforcement action under the award.

For program or budget changes requiring prior approval from the NIST Grants Officer, a Center is to work with the NIST FPO/RM to update, and amend, if necessary, the Required Plans. Changes will become effective via an amendment to the award (which may be in the form of a CD-451 or an official letter) issued by the NIST Grants Officer. Program or budget changes requiring prior NIST Grants Officer approval include, but are not limited to, the following items:

A. Scope Changes. Changes in the scope or objective of the project even if there is no associated budget revision requiring prior approval. A change in the scope or objective of the project may occur, for example, based on material changes to the activities to be performed, or contributions to be made, by the Non-Federal Entity, subrecipients, contractors, or third-party contributors, including but not limited to the development of tools, systems, or other resources not discussed in the Center's Required Plans and included in the currently approved project budget(s).

B. Key Personnel Changes. Additions or changes in Key Personnel or the absence for more than three (3) months or a 25 percent reduction in time devoted to the project in any year by the approved Center Director. Key Personnel include Center Directors and Chief Financial Officers (CFOs) and, as identified as part of a Non-Federal Entity's Required Plans or as identified in a special award condition, may also include Managers and Technical Staff whose work on the project directly and materially impact the Non-Federal Entity's performance under an MEP award.

C. Equipment Purchases. Acquisitions of equipment where prior approval is required under the Federal cost principles applicable to the award, unless the purchase of such equipment is specifically identified in the currently approved project budget.

D. Budget Changes, Revisions, Transfers. Identified in 2 C.F.R. Section 200.308, or in Section B.05 of the DOC Financial Assistance Standard Terms and Conditions (December 26, 2014).

E. Non-Federal Entity Changes. A Non-Federal Entity shall not transfer, pledge, mortgage, or otherwise assign the award, or any interest therein, or any claim arising thereunder, to any party or parties, banks, trust companies, or other financing or financial institutions without the prior written approval of the NIST Grants Officer. In addition, a Non-Federal Entity must immediately notify the NIST Grants Officer in writing concerning any name changes or changes to a Non-Federal Entity's EIN, DUNs number or unique entity identifier number. (See Section A.07. of the DOC Financial Assistance Standard Terms and Conditions (December 26, 2014.)

F. Subawards, Contracts, and Third Party Contributor Agreements. Subawards, contracts, and third party contributor agreements will be reviewed as part of NIST's overall approval of the Non-Federal Entity's Required Plans. An explanation of the Non-Federal Entity's valuation and allocation to the MEP award of cost share contributions in accordance with applicable Federal cost principles must be submitted to NIST as part of the Non-Federal Entity's Required Plans. NIST requires that copies of all fully executed subawards, contracts, and third party contributor agreements incorporated into a Non-Federal Entity's Required Plans, with budgeted amounts of $150,000 or more (combined Federal and non-Federal) during the Center's current operating year, including subawards, contracts, and third party contributor agreements to or by the same (or affiliated) entity with a total combined value of $150,000 or more, be submitted to the NIST Grants Officer and to the FPO and RM. This provision does not apply to the purchase of supplies, material, equipment, or general support services, unless prior approval is otherwise required under the Federal cost principles applicable to the award. See 2 C.F.R. Section 200.308(b)(6), (7).

The Center is responsible for ensuring that all costs charged against, and that all non-Federal contributions credited to, the MEP award adhere to the substantive and documentation requirements set forth in 2 C.F.R. part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and with the terms and conditions of this cooperative agreement, including the Department of Commerce Financial Assistance Standard Terms and Conditions (December 26, 2014). Recipients shall conduct all procurement transactions in accordance with the requirements set forth in 2 C.F.R. Sections 200.110(a) and 200.317-200.326.

G. MEP Core Management and Oversight Functions. An MEP Center, as a direct Non-Federal Entity of Federal financial assistance funds under an MEP cooperative agreement, must possess and maintain, at all times during an MEP award period, accountability to directly manage and execute all functions material and inherent to the successful operation of a Center, which include, but are not limited to, the following:

1. Budget execution, including the responsibility for determining and executing budget policy, guidance and strategy, and the determination of program priorities and associated budget or funding requests;
2. Policy implementation, including the responsibility for determining the content and implementation of financial and program policies and procedures impacting the Non-Federal Entity's MEP project;
3. Human resources management, including the responsibility for selecting individuals for Center employment and for selecting contractors and the direction, control, and performance management of Center employees and oversight of contractors; and
4. Strategic planning and project execution and management, including the responsibility for:
    a. Strategic planning functions such as the following: determination of project requirements, approval of a project implementation strategy, and the development and monitoring of agreements and statements of work with subrecipients, vendors, third-party contributors and other strategic partners; and
    b. Project execution and management functions such as submission of required financial and technical reports, maintenance of a functioning financial management

system that satisfies the requirements found in 2 C.F.R. Section 200.302, in order to ensure that costs charged against an MEP award are reasonable, allocable, and allowable under applicable Federal cost principles; and adherence to the terms and conditions of the MEP award.

In extraordinary situations, the NIST Grants Officer may allow a Non-Federal Entity to temporarily outsource its management and oversight responsibilities under an MEP award. If a Non-Federal Entity is proposing such a structure, it must provide the NIST FPO and the NIST RM with a detailed explanation and accompanying documentation (e.g., copies of draft contracts or other agreements) supporting its outsourcing request. The NIST Grants Officer, in consultation with the MEP Program Office, will inform the Non-Federal Entity in writing as to whether its temporary outsourcing request is approved.

H. Unexpended Program Income (UPI). Carryover of unexpended program income as described in MEP General Terms and Conditions, Section 12.

I. Unexpended Federal Funds (UFF). Carryover of unexpended Federal funds from prior funding period(s), as discussed in MEP General Terms and Conditions, Section 13.

J. Foreign Travel. The Non-Federal Entity shall comply with the provisions of the Fly America Act (49 U.S.C. Section 40118). The implementing regulations of the Fly America Act are found at 41 C.F.R. Sections 301-10.131 through 301-10.143. The Non-Federal Entity must receive prior approval of the NIST Grants Officer in accordance with 41 C.F.R. Section 301-10.142 if a foreign air carrier is anticipated to be used for any part of foreign travel under an MEP cooperative agreement. See also Section K.03.c. of the DOC Financial Assistance Standard Terms and Conditions (December 26, 2014).

9. INTERACTIONS WITH NIST AND MANUFACTURING EXTENSION PARTNERSHIP CENTERS

It is anticipated that a Center will enter into agreements with other entities such as private companies, 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. 15 U.S.C. 278k(c)(3)(C).

To facilitate a more rapid transfer of advanced manufacturing technology on a national scale and to avoid duplication of effort, the Non-Federal Entity shall cooperate with NIST and the other NIST MEP organizations by participating in coordinated joint program activities. Such activities may include, but are not limited to the following: participation in NIST MEP national and regional meetings, communities of practice, working groups, and sharing of expertise, products and resources within the MEP System.

The interactions of NIST MEP under this cooperative agreement include direct involvement in helping the Non-Federal Entity define, understand, and resolve problems in the organization's operations and promoting continuous improvement. MEP may recommend that a Center leverage the expertise or experience of outside consultants or MEP System peers 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 Required Plans (or other required plans), as soon as the need for such revisions are identified either by NIST or the Non-Federal Entity.

10. COST SHARING AND MATCHING

The minimum non-Federal cost-sharing ratio required by 15 C.F.R. Section 290.4(b) is at least 50 percent of the total project cost for the first through third years of operation, with an increasing minimum non-Federal cost share contribution beginning in the fourth year of the award as follows:

Year of Center Operation	Maximum NIST Share	Minimum Non-Federal Share
1-3	1/2	½
4	2/5	3/5
5 and beyond	1/3	2/3

The MEP statute requires that minimum cost share requirements must be met annually; there can be no carryover of excess cost share from one year to the next.

The Non-Federal Entity may establish, through its leveraged partnerships, a cost share ratio exceeding the required cost-sharing ratio. The Non-Federal Entity is responsible for the management of the overall program as defined in the Required Plans and will document and report on the entire activity of the project.

If a Non-Federal Entity will not be able to meet the non-Federal cost share amount identified in the award, it must submit a budget modification request to the NIST Grants Officer. The budget modification request must provide for at least the minimum amount of non-Federal cost share identified in the above chart and the Non-Federal Entity must also include a detailed explanation for the requested reduction to the original amount of non-Federal cost identified in the award. Prior written approval of the NIST Grants Officer is required for any reduction to the amount of non-Federal cost share and may result in a corresponding reduction (based on the Federal/non-Federal cost sharing ratio) to the amount of Federal funds under the award.

Any cost sharing must be in accordance with the Non-Federal Entity's approved project budget and must adhere to the "cost sharing or matching" provisions of 2 C.F.R. Section 200.306 and Section B.04 of the Department of Commerce Financial Assistance Standard Terms and Conditions (December 26, 2014). Costs included as cost share must be allocable to the project and allowable under the Federal cost principles set forth in 2 C.F.R. part 200, Subpart E and are subject to the audit requirements as set forth in 2 C.F.R. part 200, Subpart F. The disallowance of any contributed costs as a result of an audit could result in a Non-Federal Entity not meeting its required cost share under the cooperative agreement and a refund being due the Federal Government for the excess Federal share.

A. Types of Non-Federal Cost Share. Non-Federal cost share can be contributed by the Center,

subrecipients, and third parties. Contractors may not provide any form of cost share. Per 15 C.F.R. Section 290.4(c), the Non-Federal Entity may, to the extent expended for allowable project costs, count as part of its non-Federal cost share:

- Dollar contributions from State, county, city, industrial, or other sources;
- Revenue from licensing and royalties;
- Program Income (as discussed in Section 12 below);
- [Third party] in-kind contributions of full time personnel;
- [Third party] in-kind contributions 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 Non-Federal Entity's annual share.

Non-Federal cost share contributions must satisfy the criteria set forth in 2 C.F.R. Section 200.306, and in 15 C.F.R. Section 290.4 in order to be allowable under an MEP award.

B. Documenting Cash Contributions of Non-Federal Cost Share. For purposes of 15 C.F.R. Section 290.4(c)(1), Centers must have documented evidence of all non-Federal cost share contributions received from any contributor in the form of cash. This evidence may be in the form of a letter from the Center to the contributor acknowledging the contribution, a bank account statement displaying an electronic funds transfer from a cash contributor to the Center's bank account, or in any other format that would allow the NIST Grants Officer or an auditor to verify such cash contribution. *See* 2 C.F.R. Section 200.306(b).

C. Documenting Third Party In-kind Contributions. All third party non-cash contributions are considered "in-kind." Per 2 C.F.R. Section 200.96,
Third-party in-kind contributions means the value of non-cash contributions (i.e., property or services) that (a) Benefit a Federally assisted project or program; and (b) Are contributed by non-Federal third parties, without charge, to a non- Federal entity under a Federal award.

Third party in-kind contributions are counted towards a Non-Federal Entity's non-Federal share contribution in accordance with 2 C.F.R. Section 200.306 and to the extent that such third party contributions are reflected in the approved project budget. Third party contributions are not subject to Federal reimbursement or payment.

Third Party in-kind contributions must be evidenced by written documentation that is signed by the contributor and the Center that describes the contribution, its value, and when and for what purpose it was donated. For this purpose, a Center may 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.

Centers must have documented evidence of all third party in-kind contributions to an MEP project, which must be provided to the NIST Grants Officer upon request. In addition, as set forth below, certain information concerning the valuation of third party contributions must be submitted to NIST MEP as part of a Center's Required Plans.

- A comprehensive listing of all third party in-kind contributions to the MEP project;

- The value of each third party in-kind contribution established in accordance with 2 C.F.R. Section 200.306 and the Federal cost principles set forth in 2 C.F.R. part 200, Subpart E.;
- The allocation method(s) used by the Non-Federal Entity for purposes of allocating third party in-kind contributions to the MEP award. See 2 C.F.R. Section 200.405; and
- For in-kind contributions of personnel, the percentage of time that such personnel will be dedicated to 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 full time personnel under 15 C.F.R. Section 290.4(c)(4). Therefore, the 50% in-kind limitation under 15 C.F.R. Section 290.4(c)(5), would not apply.

D. Documenting Subrecipient Cost Contributions. Non-Federal cost share contributions by subrecipients must comply with the allowability and documentation requirements set forth in 2 C.F.R. Section 200.306 and with the record access and record retention requirements set forth in 2 C.F.R. Section 200.330(a)(6) and 200.333. At a minimum, the following documents should be maintained by the Center and made available upon request of the Grants Officer or in the event of an audit:

- Subaward Agreement with detailed budget;
- Documentation to support valuation of non-Federal cost share being contributed by the subrecipient; and
- Subrecipient Financial Reporting to the Non-Federal Entity.

11. MONITORING OF SUBRECIPIENTS

Recipients are required to adhere to the subrecipient monitoring and management standards set forth in 2 C.F.R. Sections 200.330 – 200.332. In particular, pursuant to 2 C.F.R. Section 200.331(d), Centers must monitor the activities of each subrecipient to ensure that the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the subaward; and that subaward performance goals are achieved.

12. PROGRAM INCOME

Program income is defined in 2 C.F.R. Section 200.80, and generally includes gross income earned by a Center or by a subrecipient that is directly generated by a NIST MEP supported activity or earned by the Non-Federal Entity or by a subrecipient as a result of a NIST MEP cooperative agreement.

A. Program Income Earned by Centers. In accordance with 2 C.F.R. Section 200.307(e), program income earned by a Center during the project period shall be retained by the Center and shall be used by the Center in the following order of priority:

1. First, to finance the non-Federal share of the project;
2. 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 Non-Federal Entity; and must be used for the purposes and under the conditions of the MEP

award (commonly referred to as the "additive approach"). Program income to be expended under the additive approach must be explained in detail in the Center's Required Plans or in a separate written communication to the FPO and RM and to the NIST Grants Officer, and is subject to the prior written approval of the NIST Grants Officer; and

3. Third, any remaining program income shall be deducted from the total allowable project costs to determine the net allowable program costs upon which the Federal share of project costs is based, in accordance with written instructions from the NIST Grants Officer (commonly referred to as the "deductive approach"). In lieu of the deductive method and in accordance with Section G below, an MEP Center may request that NIST approve a carry forward of program income not used by the MEP Center as non-federal share or expended under the additive method. .

B. Program Income Earned by Subrecipients. In accordance with 2 C.F.R. Section 200.307(e), program income earned by a Center during the project period shall be retained by the Center and shall be used by the Center in the following order of priority:

1. First, to finance the non-Federal share of the subaward;
2. Second, all program income earned in excess of that required to meet the minimum non-Federal share shall be added to the Federal and non-Federal funds committed to the subaward, and must be used for the purposes and under the conditions of the MEP award as set forth in the terms of the subaward (commonly referred to as the "additive approach"). Program income to be expended under the additive approach must be explained in detail in the Center's Required Plans or in a separate written communication to the FPO and RM and to the NIST Grants Officer, and is subject to the prior written approval of the NIST Grants Officer; and
3. Third, any remaining program income generated by a subrecipient must be remitted to the Center by the subrecipient and shall be deducted from the total allowable project costs to determine the net allowable program costs upon which the Federal share of project costs is based, in accordance with written instructions from the NIST Grants Officer (commonly referred to as the "deductive approach"). In lieu of the deductive method and in accordance with Section G below, an MEP Center may request that NIST approve a carry forward of program income not used by the MEP Center as non-federal share or expended under the additive method.

C. Recipients and subrecipients shall have no obligation to the Federal Government regarding program income earned after the end of the project period, unless otherwise provided in a special award condition.

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 set forth in 2 C.F.R. Sections 200.310 through 200.316, as applicable.

F. Recipients and subrecipients 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, unless otherwise provided in

a special award condition.

G. Unexpended Program Income (UPI)

1. Program income in excess of what is required annually to meet the non-Federal portion of the annual operating budget, and cannot be expended during the operating period using either the additive and/or deductive approaches during the operating period, may be carried over by the Center to the subsequent funding period in accordance with the requirements below.
2. Requests for carry forward of UPI to a subsequent operating year must be specifically identified and explained within the "revenue section" of the Center's Required Plans or in a separate written communication to the NIST FPO and RM and to the NIST Grants Officer, and approved in writing by the Grants Officer.
3. The NIST Grants Officer generally will only approve the carry forward of 50% or less of the annual Federal funding amount in UPI with the expectation that the Center will work with its assigned RM to ensure that it reinvests unexpended and future program income strategically into the project. Based on the explanation provided by a Center, the NIST Grants Officer may approve the carry forward of UPI in an amount greater than 50% of a Center's annual Federal funding amount, although such approvals will generally be limited to cases where large amounts of UPI was reasonably unforeseeable by the Center or in other extraordinary circumstances faced by a Center. The NIST Grants Officer will provide the Non-Federal Entity with written approval or denial of a request to carry forward UPI.
4. Additional NIST MEP funding may be withheld until a Non-Federal Entity's UPI level is acceptable to NIST.
5. Upon close-out of an MEP award, the NIST Grants Officer will provide the Non-Federal Entity with closeout instructions, including instructions regarding disposition of program income.

13. UNEXPENDED FEDERAL FUNDS (UFF)

NIST MEP does not anticipate Centers having Unexpended Federal Funds (UFF) at the end of an annual funding period; however, if a Center has UFF at the end of the current operating period, it may request that the NIST Grants Officer approve the carry forward of those funds into the next operating year. Requests should be included in the "revenue section" of a Center's Required Plans or in a separate written communication to the Federal Program Officer and to the NIST Grants Officer, and is subject to the prior written approval of the NIST Grants Officer. There are two options available for carrying UFF forward, as outlined below.

Option A – Carry Forward Towards Base: If a Center has UFF at the end of its current operating year that it wishes to carry forward towards the normal base funding in the new operating year, then the Center's new Federal funding will be reduced by the amount of UFF being carried forward towards base. This offset cannot be recovered later in the Operating Year or in a subsequent Operating Year.

Option B – Carry Forward Above Base: If a Center has UFF at the end of its operating year that it wishes to carry forward above its annual award amount, then the Center should include in its Required Plans a request that explains why the funds were not expended in the previous operating

year and detail how the UFF will be applied in the new Operating Year to expand the Center's normal scope of operation. A Center wishing to carry forward UFF above its base award amount must also provide the requisite non-Federal cost share attributable to the UFF during the operating year in which the UFF will be expended by the Center.

If the NIST Grants Officer, with NIST MEP's recommendation, approves the Center's request, the UFF from the previous operating year will be applied towards the NIST funding for the upcoming operating year, as specifically directed in writing by the NIST Grants Officer.

If there are remaining Federal funds at the end of a five-year award period, these remaining funds will be de-obligated.

14. REPORTING REQUIREMENTS

Unless otherwise required by a Special Award Condition, the following reporting requirements shall apply to MEP cooperative agreements:

A. Financial Reports. The Non-Federal Entity shall submit an SF-425, Federal Financial Report, into the MEP's Enterprise Information System (MEIS) on a semi-annual basis after the sixth and twelfth month of each operating year. Reports will be due within 30 days after the end of each semi-annual reporting period. The Non-Federal Entity shall submit a final SF-425 within 90 days after the expiration date of the award.

B. Technical Reports. The Non-Federal Entity shall submit a Technical Report (completing all required MEIS fields) on a semi-annual basis after the sixth and twelfth month of each operating year. Reports are due in MEIS no later than 30 days following the end of each reporting period. The Non-Federal Entity shall submit a final Technical/Quarterly report within 90 days after the expiration date of the award. Technical/Quarterly Report details are accessible on the MEIS website (https://meis.nist.gov/).

C. Other MEP Reporting. While the Financial and Technical reports are due on a semi-annual basis, the remaining MEP reporting requirements continue to be due on a calendar quarterly basis. These additional reporting requirements include: Center information (locations, contacts, staff, board members, partners, etc.), Success stories, and Client and Project information.

The due dates for semi-annual financial and technical reports set forth in this MEP General Term and Condition apply in lieu of the due dates for semi-annual financial and technical reports referenced in Sections A.01 and B.02 of the Department of Commerce Financial Assistance Standard Terms and Conditions (December 26, 2014).

15. PROGRAM PERFORMANCE REVIEWS

Renewal funding for MEP Centers is contingent, in part, upon successful annual evaluations and biennial merit reviews in accordance with 15 U.S.C. 278k(c)(5) and 15 C.F.R. Section 290.8 (collectively, a Program Review). NIST MEP also measures a Center's performance relative to client project follow-up conducted by NIST MEP pursuant to Section 17 of these General Terms and Conditions.

Within the 12-month operating year, NIST MEP will conduct the appropriate Program Review. This review will focus on the Center's strategic alignment to the NIST MEP overall program objectives, the Center's activities, progress and performance in implementing the NIST MEP award, lessons learned, monitoring of subrecipients, resource expenditures, activities planned for the next year, and any proposed changes to the project plan or budget. The Non-Federal Entity 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 communicated to the Non-Federal Entity and recommendations provided in the Program Review should be incorporated by the Non-Federal Entity into the Required Plans for the next year of the project and submitted to NIST MEP for approval prior to the end of the current project year. In accordance with 2 C.F.R. Sections 200.338-200.342, NIST may implement appropriate enforcement action, including but not limited to cost disallowances, suspension, termination, or other enforcement action, if the Non-Federal Entity does not receive a positive evaluation in any required Program Review, including reviews conducted following the obligation of funds for this award or amendment.

16. POST PROJECT CLIENT FOLLOW-UP

On a quarterly basis, Recipients are required to 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 (OMB Control Number 0693-0021). For further information regarding the NIST MEP Reporting Process, Recipients may download a copy of the NIST MEP Reporting Guidelines at http://www.nist.gov/mep/ffo_state-competitions.cfm.

17. REPORTS, SURVEYS, STUDIES, AND MANUALS

All reports, plans, surveys, studies, and manuals developed, produced, or distributed under this cooperative agreement shall be submitted to the FPO and RM. Each item shall consist of an electronic or paper copy, submitted in the format and within the timeframe specified within the cooperative agreement.

18. RECORD-KEEPING

The Non-Federal Entity shall keep complete and accessible detailed records on administrative and financial matters in accordance with the terms and conditions of the MEP cooperative agreement, including in accordance with the record retention and access requirements set forth in 2 C.F.R. Sections 200.333 through 200.337.

19. AUDITS

Audit requirements applicable to this award are set forth in 2 C.F.R. part 200, Subpart F, Audit Requirements, and in Section F. of the Department of Commerce Financial Assistance Standard Terms and Conditions (December 26, 2014).

20. ENFORCEMENT AND TERMINATION

Failure to perform the work in accordance with the terms of the award and to maintain at least a satisfactory performance rating or equivalent evaluation may result in appropriate enforcement action under an MEP award. Pursuant to 2 C.F.R. Sections 200.338 through 200.342 and Section A.06 of the DOC Financial Assistance Standard Terms and Conditions (December 26, 2014), a Non-Federal Entity's failure to materially comply with the provisions of an MEP cooperative agreement may be considered grounds for appropriate enforcement actions, including but not limited to:

- Imposition of additional award conditions to address the area(s) of noncompliance (*see* 2 C.F.R. Section 200.207);
- Changing the method of payment under the MEP award from advance to reimbursement only;
- Withholding payment of funds under the MEP award pending corrective action by the Non-Federal Entity;
- Disallowance of costs and establishment of an account receivable;
- Suspension of the MEP award; and
- Termination of the MEP award.

Depending on the nature and severity, a Non-Federal Entity's failure to materially comply with the provisions of the MEP cooperative agreement award may also result in appropriate enforcement actions under other DOC awards and may also have a negative impact on the receipt of future funding from the Department of Commerce.

21. AWARD CLOSEOUT

The NIST Grants Office will contact the Non-Federal Entity via email with closeout information 30 days prior to the end of the MEP award, per 2 C.F.R. Section 200.343. The Non-Federal Entity is required to comply with the award closeout procedures within 90 days of the award expiration date, unless an extension is requested and approved by the NIST Grants Officer in writing.

No costs shall be incurred or funds obligated for any purpose pertaining to the program scope of work after the program expiration date. The closeout related costs incurred during the 90-day closeout period following the expiration date can be claimed in the FINAL invoice. Closeout activities are limited to the preparation of final reports in accordance with the December 26, 2014, Department of Commerce, Standard Terms and Conditions, Number B.07, page 13, and include performing the activities listed below.

The following documents are required to be submitted as part of the closeout:

- Final Financial Status Report (SF425) to cover last quarter of the award period.
- Final Technical/Performance Progress Report to cover last quarter of the award period.
- Patent Report (to be provided) - To fulfill this requirement, please check the appropriate box on the form and sign your name.
- Tangible Personal Property Report (SF-428, SF-428B, SF-428S), where applicable – standard report used to report all equipment purchased with an acquisition cost of $5,000 or more and reportable residual unused supplied having a fair market value of $5,000 or more. Items with a current fair market value of $5,000.00 or more must be listed, along with unused supplies with a residual value of $5,000 or more.

NOTE: If there are no items of equipment or supplies to report; write a comment in Section 8 of form SF-428 stating that “no items of equipment meeting the $5,000 threshold and no unused supplies have a residual value of $5,000.00 or more to report”. Complete the top section of form SF-428 B and check 1.d. A fillable form can be downloaded at:

http://www.whitehouse.gov/omb/grants_forms