

Defense Manufacturing Communities Support Program (DMCSP)

Frequently Asked Questions (FAQs)

1. What is the Defense Manufacturing Communities Support Program (DMCSP)?

The Defense Manufacturing Community Support Program is in its fourth year and designed to support long-term community investments that strengthen national security innovation and expand the capabilities of the defense manufacturing industrial ecosystem.

The Defense Manufacturing Community Support Program was authorized under Section 846 of The John S. McCain National Defense Authorization Act for Fiscal Year 2019, enabling the Secretary of Defense to establish a program to designate and support consortiums as defense manufacturing communities to strengthen the national security industrial base. This program was developed in coordination with the Assistant Secretary of Defense (Industrial Base Policy), and the Under Secretary of Defense (Research and Engineering).

The Office of Local Defense Community Cooperation manages this program on behalf of the Department of Defense.

2. Who may apply for this program?

Proposals for designation as a Defense Manufacturing Community must be submitted by a “Lead Organization” on behalf of the region’s consortium.

“Lead Applicants” should be:

- an established entity with a defined management structure, and the authority to bind the regional manufacturing consortium to deliver the proposed strategy;
- an entity recognized as such by key partners and stakeholders through formal written documentation; and
- one of the following types of entities:
 - State, local or tribal government organization
 - Public or private non-profit consortium of defense industries, or
 - Institution of higher education or a consortium of higher education institution

Additionally, the consortium:

- may be composed of members from academia, defense industry, federal laboratories, commercial industry, and State and local government organizations;
- must demonstrate regional collaboration capabilities and technological or industrial base supply chains that are determined critical to national security, and;

- must demonstrate complementarity with DoD Manufacturing Innovation Institutes.

3. Are 501(c)(6) organizations eligible to apply for DMCSF assistance?

An eligible nonprofit organization must be an entity organized in accordance with applicable state law that is, in accordance with the definition of nonprofit organization at 2 CFR 200.1, “(1) operated primarily for scientific, educational, service, charitable, or similar purposes in the public interest; (2) not organized primarily for profit; and (3) uses its net proceeds to maintain, improve, or expand the operations of the organization.”

As a general matter, a 501(c)(6) nonprofit may be eligible for assistance so long as the organization:

- Is properly organized as a nonprofit in accordance with state law and the definition of 2 CFR 200.1.
- Is authorized to undertake activities eligible under the DMCSF NOFO.
- Does not use DMCSF funds for unauthorized purposes, such as lobbying. If an organization is authorized to undertake unauthorized activities, such as lobbying, OLDCC may require the applicant to certify that the applicant will not use DMCSF grant funds for such purposes

4. What are DoD Manufacturing Innovation Institutes?

Department of Defense Manufacturing Innovation Institutes help develop and manage manufacturing ecosystems established since 2012 with common manufacturing and design challenges revolving around specific technologies. To date, the Department of Defense has established nine (9) Manufacturing Innovation Institutes. To learn more about current Defense Manufacturing Innovation Institutes, visit <https://www.dodmantech.mil/Manufacturing-Innovation-Institutes/>.

5. How many organizations typically comprise a consortium? Should a consortium include both large and small industries?

A consortium is an association of institutions and stakeholders who have formed an agreement to combine resources and solve a common challenge. Consortium members do not need to be of a specific number or size. Consortium membership is not limited to a geographic service area; however, as a practical management matter, the majority of the consortia members are expected to be located in relatively close proximity to the geographic service area. Applicants should make the case that their consortium has the optimal number of diverse members, a reasonable scope of work, and a clear leadership structure.

6. Can memoranda of understanding demonstrate that the Lead Organization has the authority to bind the regional manufacturing consortium to deliver the proposed strategy?

Yes

7. **Can Manufacturing Extension Partners, or DoD Manufacturing Innovation Institutes be members and/or a Lead Organization of a proposed consortium?**

Yes

8. **Can an organization be a member and/or serve as a Lead Organization for more than one Defense Manufacturing Community consortium?**

Yes

9. **Can Defense Manufacturing Innovation Institutes support more than one Defense Manufacturing Community consortium?**

Yes

10. **How can applicants demonstrate complementarity with Department of Defense Manufacturing Innovation Institutes?**

Applicants should demonstrate that Defense Manufacturing Innovation Institutes have meaningful roles in one or more strategy or activity, demonstrated through letters of commitment/support or memoranda of understanding as applicable. The relationship does not need to be translated into a financial relationship through sub-award agreements.

11. **Can a national organization serve as a member and/or Lead Organization of a consortium?**

Yes

12. **Is there a special provision for supporting regional consortia, such as Investing Manufacturing Communities Partnership (IMCP) communities, established through various State/Federal initiatives?**

No. However, such established consortia are eligible to apply for Defense Manufacturing Community designation.

13. **Can a current Defense Manufacturing Community apply?**

Consortia that received a Defense Manufacturing Community designation and grant funding in Fiscal Years 2020-2022, and will have completed a funded scope of work by August 31, 2023, may compete for additional funding under this announcement. In addition, members of a current Defense Manufacturing Community can join a new consortium to apply and implement a new initiative. Lead organizations can also serve to lead multiple consortium initiatives provided they demonstrate the capacity to do so. The new initiative can overlap with the service area of a current Defense Manufacturing Community.

14. **What is an eligible area?**

Applicants may define the regional boundaries of their consortium based on the capabilities of the region as a whole in key technologies or industrial base supply chains that are determined to be critical to national security.

The proposed defense manufacturing community should provide evidence that their community ranks high in the nation for their key defense manufacturing technology or supply chain.

15. How may funds be used?

Eligible activities for financial or technical assistance include:

- equipment or facility upgrades;
- workforce training, retraining, or recruitment and retention, including that of women and underrepresented minorities;
- business incubators;
- advanced research and commercialization, including with Federal laboratories and depots;
- supply chain development (including the identification and correction of supply chain disruptions in order to further improve the supply chain); and
- small business assistance

16. What type of business assistance is an allowable activity?

Funds can be used to provide technical assistance to businesses to improve their capacity. However, funds provided may not be used to directly identify or assist a business, including a business expansion, in the relocation of a plant, facility, or operation from one Labor Market Area to another if the relocation is likely to result in the loss of jobs in the Labor Market Area from which the relocation occurs.

17. What is an eligible project period?

The period of performance for a proposed project may vary, but in no case exceed five (5) years, with a start date of September 1, 2023 and an end date of no later than June 30, 2028.

18. How does a community apply for funding under this program?

The application is a two-step process:

- First, your consortium needs to apply - and receive - designation as a Defense Manufacturing Community from the Office of Local Defense Community Cooperation.
- Second, upon receiving a designation, the Defense Manufacturing Communities will be invited to submit a grant application for funding. At this stage, applicants will need to provide a more detailed implementation strategy, work plan and budget for their proposed project that closely follows the substance of their ranked proposal.

19. Does the entire consortium receive the designation or just the Lead Organization?

The entire consortium receives the designation.

20. How much money is available per grant?

For Fiscal Year 2023, of the \$30 million available the maximum award for any one consortium is \$5 million.

21. Is there a cost sharing or match component for communities to the grant award?

Proposals must demonstrate a commitment to a matching share, in cash or in-kind (including calculated value of personnel, goods, and services, including direct and indirect costs), of at least twenty percent (20%) of the entire proposed project cost (federal and non-federal funds combined).

For each organization providing a portion of the matching share, including the Lead Organization if applicable, proposers must provide evidence of the source of non-Federal match by submitting a commitment letter or equivalent document signed by an authorized representative of that organization. The commitment letter should demonstrate that a specific-dollar matching share is available and will, at the time of a grant award, be committed to the project for the period of performance. Non-Federal cost share contributions to be used for the required matching share must be directly related to the proposed project, such as services, personnel, equipment, or space.

22. Can membership fees be used to meet cost sharing requirements?

Membership fees are allowable as stated at 2 CFR 200.454: Costs of the non-Federal entity's membership in business, technical, and professional organizations are allowable. Any costs incurred through fees paid by a non-Federal entity for membership in business, technical, and professional organizations deemed allocable to the successful completion of the scope of work can be considered as non-federal match.

23. How to get started?

To learn more and apply for Defense Manufacturing Community designation, please go to Grants.gov and search for the Notice of Federal Funding Opportunity OLDCC-23-F-0002.

For more information about Defense Manufacturing Community Support Program, visit: <https://oldcc.gov/defense-manufacturing-community-support-program>

For updates about the Defense Manufacturing Community Support Program, please sign up for our emails: <https://public.govdelivery.com/accounts/USDODOLDCC/signup/14050>.