

Description of Matching Fund Requirements for MTI's Business Innovation Program

Cash Match

Definition: A match in funding that results in the applicant disbursing dollars toward the completion of the proposed project. Cash match is weighted higher than other match in the application review process.

Examples of what is eligible for cash match:

- Actual dollars paid to consultants hired by applicant to complete the project
- Actual dollars paid to employee(s) of applicant to cover hours that employee(s) worked on project
- Applicant's purchase of capital equipment and/or supplies needed to complete project
- Applicant paying an external party a rental fee to use certain equipment
- Funding from a Federal SBIR/STTR Phase I or Phase II award, as long as the dollars received from the grant are going toward activities or the purchase of the equipment relevant to the technology being developed by the proposed project
- Third party investment in company from source other than an SBIR/STTR Phase I or Phase II award

Examples of what is NOT eligible for cash match:

- Outside trade association and/or vendor providing consultation on how to use trade association/vendor's products, equipment or services
- Funding from award of Federal SBIR/STTR Phase I or Phase if NOT going toward funding activities or purchasing equipment relevant to the technology being developed by the proposed project

Other Match in Services or Equipment

Definition: A match in funding where the applicant contributes or receives services or equipment that helps to complete the proposed project.

Examples of what is eligible for other match:

- Hours put in by sole proprietor or equity owner that does NOT currently receive payroll or salary (i.e., sweat equity), using MTI's pro-bono rates for hourly rates (see website for this document)
- Hours put into the project by consultants that receive NO dollar payment for work (i.e., working pro bono); the hourly rate for a consultant is \$50 unless consultant provides documentation proving average historical fees at a different rate
- Hours applicant-owned equipment is used for activities necessary to complete the project
- Hours that equipment owned by outside party is used for activities necessary for project completion if NO payment is made to outside party, provided applicant provides justification for hourly rate of equipment use

Examples of what is NOT eligible for other match:

- The difference between a consultant's market rate and the reduced rate being charged to applicant
- The difference between a third party manufacturer's market rate to rent use of equipment and what being charged to applicant

**MTI RETAINS SOLE DISCRETION TO DETERMINE MATCH
ACCEPTABILITY AND ADEQUACY AS PROPOSED IN THE APPLICATION**