NEMC PROPEL Grant Program Notice of Funding Opportunity (NOFO) Q&A

Last Updated: October 9, 2026

This document contains answers to questions submitted during the June 10, 2025, and June 17, 2026 Informational Webinars, as well as inquiries received via email. Please note that some responses have been updated over time to reflect the ongoing evolution of the PROPEL program.

For full program details, timeline updates, and the application portal, please visit the Program Website at https://nemicroelectronics.org/propel-program.

Program Eligibility & Membership

Q: Who is eligible to apply?

A: To be eligible, an applicant must be a company registered to do business in the United States. The company must have 100 or fewer employees. Additionally, applicants must be active members of the Northeast Microelectronics Coalition (NEMC) Hub, or have a pending membership application submitted, at the time of application submission. Please refer to the NEMC website for more information regarding membership https://nemicroelectronics.org/membership.

Q: Does our project need to fall into a specific technology area?

A: Yes, the project must align with one of the six Microelectronics Commons Technology Areas: https://www.cto.mil/ct/microelectronics/commons

- Commercial Leap-Ahead Technologies
- 5G/6G Communications
- Artificial Intelligence (AI) Hardware
- Electromagnetic Warfare
- Secure Edge/Internet of Things (IoT)
- Quantum Technology

Q: Are we still eligible if we are based in Connecticut?

A: Yes, you are absolutely eligible. While the Northeast Microelectronics Coalition (NEMC) has a regional focus in the Northeast, the PROPEL program utilizes a diverse funding source that allows it to be open to applicants across the entire United States.

Q: We are new and not a NEMC member yet. Can we still make the June window if we apply for membership tomorrow?

A: Yes. Your NEMC membership application must be submitted *before* you submit your PROPEL application, but the membership does not need to be fully reviewed or approved before the PROPEL deadline. Please visit the NEMC website to initiate the membership application process.

Q: If we have been awarded a PROPEL grant in the past, can we re-apply?

A: Yes, provided that NEMC has officially closed out your prior grant contract. However, please note that preference is given to new applicants who have not yet received funds under the current NOFO.

Q: Do we need letters of support from NEMC members to apply?

A: No, letters of support are entirely optional and not required for this application.

Q: Why is the NOFO number 2025-NEMC-03 if the presentation refers to 2026?
A: The NOFO number reflects the fiscal year the program was launched (2025). Because it is a rolling NOFO, it retains its original identifying number.

Q: Does a project integrating quantum-secure encryption, secure edge, and AI hardware (e.g., an autonomous drone platform) align with PROPEL priorities?
A: Yes, the PROPEL program focuses on a diverse range of microelectronics-related technology areas, explicitly including AI hardware, secure edge, and quantum technology. Your product may cover multiple of these categories. As long as you clearly articulate this alignment in your proposal and demonstrate how the project advances your technology's lab-to-fab transition, it fits the program's scope.

Funding Limits & Distribution

Q: Is there a cost-share or matching requirement?
A: Yes, there is a required cost share that depends on the size of the applicant company:

- Companies with 50 or fewer full-time equivalent (FTE) employees must provide a 25% match. The grant will reimburse up to 75% of eligible project costs.
- Companies with 51 to 100 the grant will reimburse up to 50% of eligible project costs.

Q: What can be counted toward the cost share?
A: The cost share must be a cash contribution from the applicant company toward the total eligible project costs. It is the portion of the third-party invoice that the applicant pays itself and is not reimbursed by the grant.

Q: Can funds be used for services paid for before the grant award?
A: Services are eligible for reimbursement as of the applicant's proposal submission date. Services that have been invoiced or paid for and completed prior to the applicant's proposal submission date are not eligible for reimbursement with PROPEL grant funds.

Applicants may, at their own risk, choose to pay for eligible services after the applicant's proposal submission date; applicant, however, assumes risk of all costs if they are not selected for an award. If a deposit on a service is a commitment to purchase, deposits made prior to the applicant's proposal submission date are not eligible for reimbursement. Grant funded expenses must be incurred after the applicant's proposal submission date and within 15 months from that date.

Q: If we submit a budget for a specific amount, could we be approved for a partial amount?
A: Applicants can be funded for any amount of their requested budget.

Q: How are the grant funds distributed?
A: PROPEL operates on a reimbursement model. You will pay your vendor directly for the full sum of the services. Once you submit your vendor invoices, NEMC will reimburse you for the approved percentage of the grant subsidy.

Q: Is there a $100k maximum for both the manufacturing and operations funding combined?
A: No, the total potential grant award is $200k. You can request a maximum of $100k for Manufacturing

Development Services and a maximum of $100k for Operation Development Services within the same application.

Company Size	Grant Subsidy Provided by NEMC
50 or fewer employees	75%
51 to 100 employees	50%

Q: Do we have to choose from a specific list of service or license providers to be eligible for this grant?
A: No, all services selected must be included in the eligible expense list, but applicants can select any third-party professional service or license provider to provide those services. Preference will be given to applicants working with service providers that are NEMC Hub members, but this is not a requirement.

Eligible & Ineligible Expenses

Q: How can the grant funding be used?
Grant funds must be used to pay for services from third-party vendors or providers. The funds cannot be used for the applicant's internal costs or self-performance (e.g., employee salaries, internal equipment). Eligible expenses include, but are not limited to, costs for prototype development at a foundry, characterization services, testing, or other specialized third-party services that advance the project.

Note: While PROPEL is a service-based grant, consumable physical materials directly tied to and required for a third-party manufacturing service (such as wafers) may be included as an allowable part of that vendor's expense.

Q: My project has long lead-time capital expenses requiring a down payment. Can we include equipment orders placed before the grant is awarded?
A: No. Capital expenses and equipment purchases are strictly ineligible. PROPEL is entirely a service-based grant program.

Q: Are materials like wafers for fabrication runs at facilities like MIT.nano eligible?
Yes, wafers are considered part of manufacturing expenses, provided they are directly connected to the design you are advancing and are utilized as part of a third-party fabrication service.

Q: Does cleanroom time or the use of external equipment count as an eligible service?
A: Yes. Paying an external organization to access their facilities, testing space, or cleanrooms is considered an eligible expense.

Q: Are general office expenses (rent, utilities, energy, internet) allowed in the budget?
A: No. Facility-based overhead items are not considered valid services under the NOFO and will not be covered.

Q: Is PCB manufacturing based on our design an eligible cost?
A: Yes, PCB manufacturing falls under eligible manufacturing operations.

Q: Are fees to file patents in foreign countries allowable?
A: Yes. Operations funding can cover patent drafting, filing, and applications to protect your intellectual property, both domestically and internationally.

Q: We are working with a fabrication house to help design a new facility. Do we need to separate the design service from the equipment/installation?
A: Yes, these must be explicitly separated. PROPEL will only pay for the services provided (like design consulting), not the facility installation or physical development.

Q: Will the grant cover 3rd-party efforts to create cybersecurity policy, SOP documentation, or C3PAO services for CMMC audits?
A: These require more detailed evaluation. You must provide specific information in your application about how these policies, SOPs, or audits directly support your project scope so the review team can determine their eligibility.

Vendors & Service Providers

Q: Do the third-party service providers have to be located within any specific geographic area?
A: No, there are no geographic restrictions on the location of third-party service providers. Applicants are encouraged to use Northeast-based vendors, when possible, but may use other vendors if the required capability is not available within the Northeast.

Q: Can our third-party service providers or subcontractors be out of state?
A: Yes, working with out-of-state vendors is perfectly fine. While there is a preference for utilizing NEMC members, you are free to choose the providers that best fit your technical needs.

Q: Can a service provider be located outside of the US (e.g., Canada or Europe)?
A: This depends on the specific technology and service required. Preference is given to US-based NEMC members. However, if the necessary capabilities are not available in the US, non-US providers can be considered as long as they are on the US Government's safe list.

Q: What if we already work with a manufacturer but are open to switching to an NEMC member manufacturer in the future?
A: Sticking with your existing vendor is a viable plan. Please do not compromise your project timeline or quality just to force a vendor change.

Q: Where can we find the current list of preferred 3rd-party service providers?
A: You can review the NEMC Membership List and the Technical Concierge section on the NEMC website to find participating network providers.

Application Process & Timelines

Q: Can we submit an application in one window and, if not funded, have it considered for a later window?
A: An application that is not selected for an award in one cycle will not be automatically carried over and reconsidered. You must formally resubmit the application in a subsequent cycle.

Q: Can we get feedback on our application before we officially submit it?
A: No, a formal preview of applications is not available. However, you may submit clarifying questions about the program requirements to proposals@masstech.org.

Q: Where should we send additional questions?
A: All inquiries must be sent to the official email address: proposals@masstech.org. with the following subject line: “Questions – NOFO No. 2025-NEMC-03“.

Q: When will the awards be announced for the submission round?
A: Notifications are generally issued within three months of the submission window closing (e.g., by the end of September for the June window).

Q: Are vendor quotes required at the time of application?
A: Yes. Quotes help establish that you are working with legitimate vendors and have a well-defined project scope. If you are struggling to obtain a quote, please reach out to the PROPEL team for guidance.

Q: Will prior purchase orders serve as evidence for future costs if we can't get a new quote?
A: Updated quotes are required. Prior purchase orders and quotes will not be accepted as proof of your proposed expense. If you are struggling to obtain a quote, please reach out to the PROPEL team for guidance.

Q: Can we apply now and decide on our exact services after the award?
A: No. You must outline a defined plan and scope of work in your application so it can be properly evaluated.

Q: Is there a page limit for the proposal?
A: Yes, it is designed to be a concise 1-to-2 page proposal. Please do not use overly small fonts to bypass the limit; focus on providing high-level, clear details.

Q: Does the funding award have to be used within a year?
A: Contracts are typically 12 months long. The timeline can stretch up to a maximum of 15 months to cover approved eligible expenses incurred between the time the submission window closes and your contract's official start date.

Q: If we submit to a later window, is there a risk that the funds will have run out?
A: Yes. Applications are reviewed in batches after each submission window deadline. Submission windows are subject to change depending on the funds awarded per round. The program may close once all available funds have been awarded.

Q: Can a proposal include multiple activities?
A: Yes, a single application can include requests for funding for multiple, distinct project activities (e.g., using two different third-party vendors for separate tasks), provided the total request does not exceed $200,000 (with a maximum of $100,000 for manufacturing services and a maximum of $100,000 for operations services) and all activities are clearly defined.

Q: Can a company submit more than one application?
A company is limited to one submitted or under review proposal at a time. Selected applicants are limited to one PROPEL award, so the proposal should include all relevant requests.

If the proposal is not selected for funding, it may be resubmitted in a subsequent window. If the applicant has been notified of deficiencies, all must be addressed in a revised proposal. Feedback may be given at NEMC's discretion.

Q: What is required after the grant is awarded?
A: Awardees must execute a grant agreement with MassTech and will be required to submit regular progress and financial reports throughout the 15-month grant period.

Draper Technical Advisory Services

Q: Can you explain what the Draper Technical Advisory Services entail?

A: NEMC in partnership with Draper provides frontend advisory services (like ASIC design, CAD tool requirements, and technology suitability) as well as backend advisory services (packaging, assembly, testing, validation, environmental testing, and demonstrating manufacturability). Read more about these services at https://nemicroelectronics.org/technical-advisory-services.

Q: What is the Draper MPW Readiness Service?

A: If you have a physical design (such as a GDS tape or layout), Draper will run backend checks on your database to ensure your design is acceptable and ready for your chosen foundry.

Q: How do I include Draper Technical Advisory Services in my PROPEL application?

A: If you are interested in Draper Technical Advisory services, please begin by submitting a Request form via the website with your project details. If you are interested in utilizing design services for ASICs or packaging, or MPW readiness support, put a line in Operations with an estimated dollar amount. If you are interested in utilizing the prototyping services, put a line in manufacturing with an estimated dollar amount. This dollar amount will be refined by NEMC after your project is reviewed and a quote is provided.

For both Manufacturing and Operations line items, The vendor will be "NEMC" and in the description, write in "Draper Services," the service areas you are interested in (i.e. ASIC design), and a high-level description of your project work.