SECTION III – TECHNICAL EVALUATION SUMMARY

A. For each cost category, the Project Officer and the Specialist will complete his/her Technical Evaluation of the Negotiated Costs to confirm that they are all reasonable, allowable, and allocable. Additional comments should be added as necessary and as indicated below.

1. Personnel:
Total Negotiated Personnel Costs: $Exemption 4 Not Applicable, the recipient did not propose personnel costs: ☐

Project Officer:
Original budget: Exemption 4
Revised budget: $
The labor hours proposed in the negotiated budget are reasonable for the scope of work: ☒
The types of labor and labor mix proposed in the negotiated budget is reasonable: ☒
The proposed labor rates are reasonable: ☒

The personnel budget has been substantially increased for BP1 under this modification to the award. Specifically, the personnel costs have increased from $Exemption 4 (approved in the 002 modification) to $Exemption 4. The increased funding is a result of the additional tasks being incorporated into BP1 for Task A.18 as well as changes to the originally approved tasks (A.1-A.11) and changes to the tasks that were approved to be brought into BP1 that did not require additional funds (A.12-A.17).

A summary of the changes to the budget that were made to the originally approved tasks is provided here (A.1-A.11): Based on the fact that BP1 is nearing completion, the changes associated with the personnel for these tasks are most likely due to actual costs being reflected in the current budget as opposed to the projected costs that were included in the previously approved budget. Some of these rates have changed slightly from the original budget; however, the rates for each personnel type have been included and are reasonable for the scope of work being performed.

- Task A.1 (Appoint Algenol/Dow Chemical Join Project Team) was originally budgeted to require $Exemption 4 in personnel costs and is now projected to require only Exemption 4. The only personnel required to complete this task include regulatory/legal personnel, the Principle Investigator, and an Engineering/Construction Manager.
- Task A.2 (Organism Development) was originally budgeted to required $Exemption 4 in personnel costs and is now projected to require only $Exemption 4. The reduced funding for this task is due to a decrease in the costs associated with the scientists working on the task.
- Task A.3 (Flexible Film Photobioreactor Material) was originally budgeted to required $Exemption 4 in personnel costs and is now projected to require Exemption 4. The increased funding for this task is due to the addition of a lab technician as well an increase in the number of hours that the senior engineer will spend on this task.
- Task A.4 (Process Engineering) was originally budgeted to require $Exemption 4 in personnel costs and is now projected to require only $Exemption 4. The decreased funding for this task is due to a significant decrease in the number of hours that the senior engineers will spend working on this task.
- Task A.5 (Architect Search and Site Selection, Design and Construction Planning) was originally budgeted to require $Exemption 4 in personnel costs and is now projected to require only $Exemption 4. The decreased funding for this task is due to a significant decrease in the number of hours that the lab technician and the principle scientist will spend on this task.
- Task A.6 (NEPA) was originally budgeted to require Exemption 4 in personnel costs and is now projected to require Exemption 4. The increased funding is due to additional hours required by regulatory and legal personnel to complete the task.
- Task A.7 (Regulatory Submission and Approval) was originally budgeted to require Exemption 4 in personnel costs and is now projected to require Exemption 4. The decreased funding is due to a reduction in the number of hours that both the regulatory/legal personnel and the project managers will be required to work to complete the task.
- Task A.8 (Life Cycle Analysis) was not included in the original budget but has been projected to require Exemption 4 in personnel costs in the revised budget. One principle scientist will be working on this task.
- Task A.9 (Program Management) was originally budgeted to require Exemption 4 in personnel costs and is now projected to require Exemption 4. The increased funding is due to an increase in the number of hours that the project managers, principle investigator, senior program manager, engineering construction manager, and project accountant will spend on this task.
- Task A.10 (Phase I Gate Review) was originally budgeted to require Exemption 4 in personnel costs and this is now expected to cost Exemption 4. The increased funding allocated for this task is due to the incorporation of an R&D liaison into this task.
- Task A.11 (Pre-Award Look-back 12/4-1/18) was originally budgeted at Exemption 4 in personnel costs. The

revised budget now reflects that there is $0 in personnel costs associated with the pre-award look-back. However, these costs still remain at the original Exemption 4 but the recipient, in this revised budget, has broken these costs down into the various tasks that they are relevant to. For example, one of the senior project manager's times was originally captured in the Exemption 4 total lookback costs. This time is now captured under the program management task instead.

A summary of the changes to the budget that resulted from additional tasks being incorporated into BP1 (Mod 004) is provided here (A.12-A.17): The additional tasks that were brought into BP1(A.12-A.17) that are described below occurred in modification 004 and did not require additional funding from what had been originally approved in modification 002. However, to ensure that these costs are reasonable, a thorough evaluation has been provided:

- Task A.12 (Demonstrate Growth in Salt Water) is projected to require Exemption 4 in personnel costs. These costs include a principle scientist, several scientists, several research associates, a lab technician, and a senior scientist that will be working on the task. Based on the basic research nature of this task, these costs and the associated rates for each personnel type are reasonable.
- Task A.13 (Architect/Engineering) is projected to require Exemption 4 in personnel costs. These costs include one senior engineer that will spend less than half of a week on this task. As this is an extension of an original task (A.5), these low costs are reasonable.
- Task A.14 (Final Design Specs) is projected to require Exemption 4 in personnel costs. These costs will include one engineer and one senior engineer that will be working on the task. The rates and number of hours these people will spend on this task is reasonable considering this task is also an extension of an original task (A.5).
- Task A.15 (Plant Personnel Search) does not have any projected personnel costs.
- Task A.16 (On-Going Flex Film Development) is projected to require Exemption 4 in personnel costs. These costs will include one principle scientist, one engineer, one scientist, several research associates and lab technicians, one senior engineer, and one senior scientist. The rates and number of hours these people will spend on this task is reasonable considering this task is also an extension of an original task (A.3).
- Task A.17 (Program Management) is projected to require Exemption 4 in personnel costs. These costs include one regulatory/legal staffer, one engineer, several project managers, one principle investigator, one senior program manager, one engineering/construction manager, and one vice president of engineering. The rates and number of hours these people will spend on this task is reasonable considering this task is also an extension of an original task (A.9).

A summary of the changes to the budget that resulted from additional tasks being incorporated into BP1 (Mod 005) is provided here (A.18):

- Task A.18 (Extension 2): As described in the table above where the changes to the SOPO have been outlined, there are several subtasks that have been added as part of Task A.18. These include tasks relating to A.18.1 Continued Growth in Salt Water, A.18.2 Ongoing Flexible Film Development, A.18.3 Biologic Process Improvement, A.18.4 Ongoing Program Management, and A.18.5 Final Design Deliverables. A total of Exemption 4 has been budgeted for personnel that will be necessary to work on these subtasks. These tasks will require regulatory/legal personnel, several principle scientists, engineers, project managers, scientists, and research associates. These tasks will also require a lab technician, the principle investigator, a senior program manager, an engineering/construction manager, several senior engineers and scientists, and one vice president of engineering. The rates that are associated with these personnel are reasonable for the tasks that they will be working on.

The recipient has calculated their personnel costs by an average per labor category, i.e. Lab Technicians, Project Managers, etc. The difference of Exemption 4 accounted for in the recipient's budget is an adjustment to the BP1 personnel costs based upon the actual personnel costs incurred in BP1 to date. The recipient wanted to reflect this in their budget justification. The budget justification is an estimate of costs incurred during that timeframe; therefore, it is reasonable that those costs would differ from the actual costs incurred.

Specialist:
Please fill out the following table with the negotiated costs:

Task	Task Title	Budget Period 1	
		Hours	Budget
Exemption 4			Exemption 4
Rounding due to actual by employee vs. average by category			
	Total:		

Negotiated labor rates are reasonable: ☒
The personnel rates were previously deemed reasonable, due to the nature of the activities, the stature of many of the positions within the company, and also the locality. The specialist feels that the additional personnel costs are reasonable to meet the objectives of the revised SOPO for Budget Period 1. The difference of $1 is attributable to rounding error and is immaterial. For a more detailed personnel cost breakdown, please reference the Budget Justification (AWD-007) for this modification. The Exemption 4 is an adjustment the recipient would like reflected in their budget and is due to the difference between the estimated budget in the recipient's budget justification and the actual costs they've incurred; this is reasonable and acceptable.

2. Fringe Benefits:
Total Negotiated Fringe Benefit Costs: Exemption 4 Not Applicable, the recipient did not propose fringe benefit costs: ☐

Specialist:
Original budget: Exemption 4
Revised budget: $
Does the Recipient have an approved rate agreement: ☒ Yes ☐ No
If Yes, List the Date of Rate Agreement: April 19, 2010 Cite Federal Cognizant Agency: Department of Energy

Please fill out the following table with the negotiated costs:

Personnel	Total Cost	Fringe Rate	Cost
Total Personnel	Exemption 4		

The fringe benefit costs in the negotiated budget were appropriately applied and are reasonable: ☒
The recipient calculated their fringe benefit costs correctly, according to their provisional rate agreement issued by DOE on April 19, 2010. The provisional rate agreement is included in the Mod 002 supporting documents.

3. Travel:
Total Negotiated Travel Costs: $Exemption 4 Not Applicable, the recipient did not propose travel costs: ☐

Project Officer:
Original budget: Exemption 4
Revised budget: $
The number and type of trips proposed in the negotiated budget are reasonable for the scope of work: ☒
The costs per trip proposed in the negotiated budget are reasonable: ☒
Is foreign travel included in the negotiated budget: ☐ Yes ☒ No

Travel has been included in the budget for trips that have occurred during BP1. No additional travel costs are expected due to the location site change from TX to FL. Thus, the travel that has been budgeted is for actual expenses incurred. The travel includes multiple trips to multiple destinations for multiple personnel. For example, the travel includes trips between Algenol's facilities in Florida; trips to Freeport, TX to meet with the Dow Chemical Team; trips to Golden, CO, and Washington, D.C. to meet with DOE; trips to GA Tech, a project subcontractor; various intra-Florida trips to meet with regulatory agencies and to perform interviews for potential staff; and various trips between Florida and Maryland research labs. Based on the work between sites, vendors, and subcontractors and staffing and regulatory requirements within the project, the number of trips and the number of personnel participating in each trip are reasonable and appropriate for the scope performed. As the basis for the expenditures is 'actual costs', the costs are comparable to the original estimates, current internet prices, and actual invoices received to date.

☒ Specialist concurs.

4. Equipment:

Total Negotiated Equipment Costs: Exemption 4 Not Applicable, the recipient did not propose equipment costs: ☐

Project Officer:
Original budget: Exemption 4
Revised budget: $
The type(s) of equipment proposed in the negotiated budget is/are reasonable for the scope of work: ☒
The cost of equipment proposed in the negotiated budget are reasonable: ☒
Is there any proposed equipment with a total cost exceeding $50,000: ☒ Yes ☐ No (If yes, please fill out the following table with the negotiated costs and basis of cost, i.e. historical price or vendor quote)

Equipment	Total Cost	Purpose of Equipment	Basis of Cost
Exemption 4			

Equipment that has been budgeted for BP1 includes a Exemption 4
Exemption 4

☒ Specialist concurs.

5. Supplies:

Total Negotiated Supplies Costs: $0 Not Applicable, the recipient did not propose supplies costs: ☐

Project Officer:
No supply costs are proposed.

☒ Specialist concurs.

6. Contractual:

Total Negotiated Contractual Costs: Exemption 4 Not Applicable, the recipient did not propose contractual costs: ☐

Project Officer:
Original budget: Exemption 4
Revised budget: $
The subrecipients proposed in the negotiated budget are appropriate for the scope of work: ☒
The contractual costs proposed in the negotiated budget are reasonable: ☒ Yes

The total BP1 contractual costs have been reduced to Exemption 4 from the original approved budget of Exemption 4 in Mod 002. The BP1 costs associated with the subrecipients Georgia Tech, Membrane Technology and Research, and he Dow Chemical Company were previously evaluated and approved in Mod 002. The overall BP1 budgets for both Georgia Tech and the Dow Chemical Company have been reduced compared to what was previously approved in Mod 002. Because the originally approved amount in Mod 002 is greater than the amount that is currently budgeted for these subrecipients, another evaluation of these costs has not been provided.

Within the total contractual costs, the vendor costs for BP1 have been reduced from Exemption 4 in Mod 002 to $Exemption 4 because the actual budgets needed for these vendors in BP1 proved to be less than the originally estimated amount. The recipient has revised their budget to account for this difference in the estimated costs. These changes resulted from a number of revisions to the budgets for the various vendors that have been or will be utilized in BP1. For example, the costs associated with the architectural firm and survey have been removed from the BP1 budget. A summary of these changes is presented in the table below.

Vendor Name	Purpose	Originally Approved BP1 Budget (002)	Final Approved BP1 Budget (005)
Exemption 4			
	Total:	Exemption 4	

* GA Tech costs are included in both the subrecipient and vendor section. The recipient has provided the following explanation regarding the classification of these costs:
Algenol has contracted with GA Tech to provide support on the following items related to the DOE contract:

a.) Advanced separation systems for ethanol production from algae.
b.) Life cycle assessment of ethanol production from algae.

Prior to having a "Sub-award" in place, GA Tech began working on the assigned tasks and incurred expenses. Due to the internal reporting segregation at Georgia Tech, (i.e. Business grants vs. Government grants) these grants are handled by 2 different departments. Thus, the expenses incurred during this period were in the Business not Government Grant department. Due to this internal issue at Georgia Tech, Algenol recorded the expenses as "vendor" expenses vs. "sub-recipient" expenses during that time to avoid a disconnect between the reporting required under ARRA from Algenol and GA Tech.

The NEPA consultant and regulatory attorney costs were combined and the increased costs are due to the change in site as well as moving some BP2 NEPA and regulatory work into BP1. The increase is reasonable for the additional activities underway in these areas.

The new 'various – construction costs' represent the following:
The costs moved from BP2 to A.18.5 only include expenses to be incurred for the final design specifications related to the construction. The three separate designations were presented this way for Algenol's recordkeeping purposes. The estimates are based on historical experience and quotes. The costs include the completion of blueprint drawings, permitting, architectural fees, engineering fees and design costs. These items are related to tasks begun within the original

BP1 scope. Based on the previous work performed and the additional work to be completed under this extended BP1 timeframe, the estimates are reasonable and appropriate.
Entrix will be working on the final specifications and permitting for the well. The cost estimate for this work is comparable to well work on similar projects and is reasonable.

No changes were made to the budget or the work performed by NREL (Exemption 4).

The contractual costs are recommended acceptable as proposed.

☒ Specialist concurs.

7. Construction:

Total Negotiated Construction Costs: $0 Not Applicable, the recipient did not propose construction costs: ☒

Project Officer:
No Contractual costs are proposed.

☒ Specialist concurs.

8. Other Direct Costs:

Total Negotiated Other Direct Costs: Exemption 4 Not Applicable, the recipient did not propose other direct costs: ☐

Project Officer:
Original budget: $Exemption 4
Revised budget: $
The types of other direct costs proposed in the negotiated budget are reasonable for the scope of work: ☒
The costs proposed in the negotiated budget for other direct costs are reasonable for the scope of work: ☒

Exemption 4

☒ Specialist concurs.

9. Indirect Charges:

Total Negotiated Indirect Costs: Exemption 4 Not Applicable, the recipient did not propose indirect costs: ☐

Specialist:
Original budget: $Exemption 4
Revised budget: $
Does the Recipient have an approved rate agreement: ☒ Yes ☐ No
If Yes, List the Date of Rate Agreement: April 19, 2010 Cite Federal Cognizant Agency: Department of Energy

Please fill out the following tables with the negotiated costs:

Base Item	Base Cost	Rate	Indirect Cost
Moditified Total Direct Costs	Exemption 4		
Total Indirect:			

The indirect costs proposed in the original budget are reasonable: ☒
The recipient calculated their indirect costs correctly, according to their provisional rate agreement issued by DOE on April 19, 2010. The difference of $2 is due to rounding and is considered immaterial. MDTC includes all direct and vendor costs, and excludes subrecipient costs. The provisional rate agreement is included in the Mod 002 supporting documents.

10. Cost Share:

Project Officer: Project is a: ☒ Research ☒ Development ☐ Demonstration ☐ Other: (Explain) The minimum recipient's cost share required for this award is: Exemption 4 The recipient proposed cost share for this award is: Exemption 4 Does the proposed cost share meet the minimum requirement: ☒ Yes ☐ No
Specialist: Is the proposed cost share: ☒ Cash ☐ In-kind All proposed cost share for BP1 is proposed as cash contributions from Algenol (Exemption 4), DOW (Exemption 4), and Membrane Technology and Research, Inc. (Exemption 4). Third Party cost share commitment letters were obtained previously for the entire project.

B. The following Project Officer and Specialist evaluation and negotiation commentary and recommendations address their agreement on all additional considerations for this award.

1. Please list any other special provisions agreed upon for inclusion in this award and describe the rationale for their inclusion below.

The revised SOPO will replace the existing SOPO. The recipient had one finding in their audit; the recipient responded and addressed the finding (summary and audit correspondence included in AWD-014).

2. If a negotiation strategy, or strategies, is/are specified in the selection statement, provide a discussion below of how this was addressed and resolved.

Exemption 4 of Total Project Costs must be kept aside from the project budget as contingency for the project. This contingency is applicable to total project costs (BP2 forward) and will be verified by the Project Officer as requested and discussed in the Contingency Appendix previously incorporated and attached to the award (Mod 001). Contingency will be reported and tracked as well to address the Exemption 4 requirement per the Selection Statement.

3. Any other comments or concerns of the Project Officer and/or Specialist for this award, and the recommended approach to mitigating them, will be explained and addressed below.

N/A

4. Is this a Recovery Act award? ☒ Yes ☐ No
   - If Yes, does the Buy American Act apply (see applicability below)? ☐ Yes ☒ No
   - If Yes, does Davis Bacon Act apply (see applicability below)? ☒ Yes ☐ No

   If the answer to either the Buy American Act or Davis Bacon Act questions is Yes, provide a short discussion below on: 1) the type of entity; 2) what applies; Davis Bacon, Buy American, or both; 3) whether it applies to the prime, subrecipient, or both; and 4) work to be performed that requires applicability of Buy American and/or Davis Bacon.

Algenol Biofuels Inc. includes construction activities, and therefore is subject to the Davis Bacon Act (DBA). DBA will apply to both the Recipient and their subrecipients, throughout the entirety of the project (Budget Periods 1 & 2).

SECTION IV – RECOMMENDATIONS/APPROVAL

Signatures of the Project Officer and Specialist, indicating their recommendations, as indicated below, will occur after their mutual agreement on the contents of this document, and before the review and approval process for the action. The signatures below indicate that the costs in the negotiated budget are reasonable, allowable, and allocable.

1. Technical Recommendation

The project costs are acceptable and should be considered for a financial assistance award. The resources have been reviewed relative to the Statement of Project Objectives and are found to be reasonable, except as previously noted herein.

Christy Sterner — Signature
5/26/11 — Date

Christy Sterner
Project Officer

2. Specialist Recommendation

In view of the above analysis, the technical evaluation, and considering all known factors, this Award is recommended.

Molly Hames — Signature
05/26/2011 — Date

Molly Hames
Grants and Agreements Specialist

3. Contracting Officer Approval

☒ I concur with the above recommendation and have determined that the Recipient is responsible. I consider this Award to be in the best interest of the Government, and approve the award documents.

☐ In view of the analysis, the technical evaluation, and considering all known factors, I have determined that the Recipient is responsible. This Award is considered to be in the best interest of the Government and approved.

Jon S. Olsen — Signature
5/26/2011 — Date

Jon Olsen
Contracting Officer

ALGENOL BIOFUELS INC.
HARNESSING THE SUN TO FUEL THE WORLD

February 17, 2011

Department of Energy
ATTN: Molly Hames, Grants & Agreements Specialist
Golden Field Office
1617 Cole Boulevard
Golden, Colorado 80401-3393

RE: AWARED NO. DE-EE0002867 "RECOVERY ACT: INTEGRATED PILOT-SCALE BIOREFINERY FOR PRODUCING ETHANOL FROM HYBRID ALGAE", POST-AWARD ACCOUNTING SYSTEM AUDIT

Dear Ms. Hames:

On August 6, 2010, KPMG conducted a post-award accounting system audit of Algenol Biofuels Inc. The resulting Audit Report, dated September 3, 2010, identified the following finding that was considered substantially non-compliant with 10 CFR 600: Supervisors are not documenting their review of timesheets.

As a result of the recommendation from the auditors, effective September 30, 2010, Algenol Biofuels Inc. implemented a procedural change. Instead of an e-mail indicating approval of their department's timesheets, supervisors are required to sign each individual time sheet for any staff member in their department who charge time to the above referenced Department of Energy Award.

Please consider the corrective action and the immediate attention taken by Algenol Biofuels Inc. to rectify this situation.

If you should have any questions or need further assistance, please contact me.

Best Regards,

Katie McFadden

Katie McFadden, CFO

28100 BONITA GRANDE DRIVE
STE 200
BONITA SPRINGS, FL 34135
239-498-2000
239-948-4996

Department of Energy
Golden Field Office
1617 Cole Boulevard
Golden, Colorado 80401-3393

February 15, 2011

Mr. Craig Smith
Algenol Biofuels, Inc.
28100 Bonita Grande Drive, Suite 200
Bonita Springs, FL 34135-3220

Dear Mr. Smith:

SUBJECT: Award No. DE-EE0002867; "Recovery Act: Integrated Pilot-Scale Biorefinery for Producing Ethanol from Hybrid Algae", Post-Award Accounting System Audit

On August 6, 2010, the Department of Energy (DOE) requested that KPMG conduct a post-award accounting system audit of your company in order to assist DOE in determining that Algenol Biofuels, Inc.'s accounting system is in compliance with 10 CFR 600 and other applicable Regulations, and ensure capability to perform on Government awards.

The resulting Audit Report, dated September 3, 2010, identified the following finding that is not considered substantially compliant with 10 CFR 600:

- Supervisors are not documenting their review of timesheets.

The purpose of this letter is to request that Algenol Biofuels, Inc. submit a corrective action plan to DOE no later than March 9, 2011. The corrective action plan should address all listed findings and appropriate corrective actions that will be taken to move toward compliance with 10 CFR 600.311. Please submit this information to the attention of Molly Hames, Grants and Agreements Specialist, Department of Energy, 1617 Cole Blvd., Golden, CO 80401. Should you have any questions regarding this matter, please contact Molly Hames, the DOE Award Administrator, at 303-275-4864 or molly.hames@go.doe.gov, or the undersigned, at 303-275-4825 or via e-mail at jon.olsen@go.doe.gov.

Sincerely,

Jon F. Olsen
Contracting Officer

Federal Recycling Program Printed on Recycled Paper

Performance Audit

Post-Award Accounting System Audit

For the U.S. Department of Energy

Auditee: Algenol Biofuels, Inc.

As of Date: September 3, 2010

KPMG LLP
111 North Orange Ave, Suite 1600
Orlando, FL 32801

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EXECUTIVE SUMMARY

September 3, 2010

Ms. Lisa Artz, Senior Cost Price Analyst
U.S. Department of Energy, Golden Field Office
1617 Cole Boulevard
Golden, CO 80401

Dear Ms. Artz:

This report presents the results of our Post Award Accounting System Audit conducted to address the performance audit objectives relative to Algenol Biofuels, Inc. (hereinafter referred to as Auditee). Our work was performed during the period August 31, 2010 to September 3, 2010, and our results, reported herein, are as of September 3, 2010.

We conducted this performance audit in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

The U.S. Department of Energy (DOE) awarded a financial assistance grant under the American Recovery and Reinvestment Act of 2009 to Algenol Biofuels, Inc. on December 4, 2009 (hereinafter referred to as the Award). The audit objectives of our work related to the Auditee were to:

(1) determine whether the Auditee's accounting systems and practices, which support the Auditee's accumulating and billing of costs under the Award, are in substantial compliance with 10 Code of Federal Regulations (CFR) 600, *Federal Financial Assistance Requirements* and the Federal Acquisition Regulations relating to accounting for, billing, and reporting costs under financial assistance awards from the Government, and

(2) perform a high level review of the Auditee's actual costs incurred to date under the Award, to assess the Auditee's ability to submit billings that are allowable, allocable, and reasonable (including direct and indirect costs).

As our audit report further describes, we identified the following finding as a result of the work performed to meet the above-stated audit objectives:

- Supervisors are not documenting their review of timesheets.

Based upon the performance audit procedures performed and the results obtained, we have met our audit objectives. We conclude that, except as indicated above and noted in detail in this report, Algenol

KPMG LLP is a Delaware limited liability partnership, the U.S. member firm of KPMG International Cooperative ("KPMG International"), a Swiss entity.

KPMG

Biofuels, Inc.'s accounting system and practices, which support accumulation and billing (reimbursement requests) of costs under the Award, are in substantial compliance with 10 CFR 600 or FAR, as they relate to maintaining accounting systems and practices that support accounting for, billing, and reporting costs under financial assistance awards from the Government and that Algenol Biofuels, Inc. is able to submit billings (reimbursement requests) that are allowable, allocable, and reasonable (including direct and indirect costs).

We have also issued a performance audit report entitled *Financial Capability Audit*, related to Algenol Biofuels, Inc. dated September 3, 2010. That report provides additional information on our assessment of the Auditee's existing financial conditions and financial capability to adequately perform on Government financial assistance awards currently and in the near-term (up to one year) and the Auditee's ability to meet Award cost share requirements.

This performance audit did not constitute an audit of financial statements in accordance with *Government Auditing Standards* or *U.S. generally accepted auditing standards.* KPMG was not engaged to, and did not render an opinion on the Auditee's internal controls over financial reporting or over financial management systems. KPMG cautions that projecting the results of our evaluation to future periods is subject to the risks that controls may become inadequate because of changes in conditions or because compliance with controls may deteriorate.

This report is intended solely for the information and use of the U.S. Department of Energy and management of the Auditee, and is not intended to be, and should not be, used by anyone other than these specified parties.

Sincerely,

KPMG LLP

BACKGROUND

Program Overview

The U.S. Department of Energy (DOE), Office of Energy Efficiency has awarded financial assistance grants to various entities for specific approved projects. Pursuant to DOE's Work Order No. 2010-6-EE-RA, dated August 6, 2010, KPMG was engaged to conduct a post-award accounting system audit of Algenol Biofuels, Inc., for purposes of assisting the DOE in determining whether the Auditee's accounting system is acceptable to perform under the Award in accordance with the Federal Acquisition Regulation.

Auditee Overview

Algenol Biofuels, Inc. (Auditee) is a wholly owned subsidiary of Algenol LLC. Algenol LLC also owns directly or indirectly Algenol Biofuels Switzerland GmbH (Algenol Switzerland). Algenol Switzerland was set up to permit the Auditee to conduct research and development that it could not perform in the United States.

On December 4, 2009, DOE awarded a financial assistance grant to the Algenol Biofuels, Inc., a for-profit corporation based in Bonita Springs, Florida, for the period December 4, 2009 to January 15, 2015. The Award was for the completion of a "Pilot-Scale Integrated Biorefinery for Producing Ethanol from Hybrid Algae" project. The total Federal Award amount was $24,331,431. In addition to the Federal Award amount, DOE is paying budgeted Federally Funded Research and Development Center (FFRDC) costs of $668,569 under an existing DOE contract (Federal Award plus FFRDC costs total $25,000,000).

The Auditee is required to contribute a cost share from other sources, to complete the project. The original DOE assistance agreement shows a cost share amount of $ A modified DOE assistance agreement, signed August 17, 2010, shows a revised cost share amount of $ The table below reflects the allocation of project funding, per the August 17, 2010 agreement:

Government Share (line 12)	$24,331,431
Cost Share (line 12)	$ REDACTED
Total (line 12)	$ EXEMPTION 4
Funds Obligated (line 13)	$24,331,431

Phase I of the award was for the period from December 4, 2009 to September 30, 2010, and totaled $ with the Auditee being required to contribute a % cost share (or $) from other sources. The cost share requirements for Phase II are "To Be Determined", based on the terms and conditions of the August 17, 2010 agreement.

OBJECTIVES, SCOPE, AND METHODOLOGY

Objectives

The audit objectives of our work related to the Auditee were to:

(1) determine whether the Auditee's accounting systems and practices, which support the Auditee's accumulating and billing of costs under the Award, are in substantial compliance with *10 Code of Federal Regulations (CFR) 600, Federal Financial Assistance Requirements*, and the Federal Acquisition Regulations relating to accounting for, billing, and reporting costs under financial assistance awards from the Government, and

(2) perform a high level review the Auditee's actual costs incurred to date under the Award, to assess the Auditee's ability to submit billings that are allowable, allocable, and reasonable (including direct and indirect costs).

Scope

The scope of this performance audit was to review the Auditee's accounting systems and practices that support the Auditee's accumulating and billing of costs under the Award, to determine if they are in substantial compliance with Federal Acquisition Regulations. We did not perform a comprehensive audit of the Auditee's overall accounting system. In performing our procedures, we considered internal controls related to our audit objectives, but we did not perform an audit of internal controls.

We conducted our performance audit in accordance with *Government Auditing Standards*. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

The Auditee is responsible for establishing and maintaining an acceptable accounting system for accumulating costs under Government financial assistance grants. Our responsibility is to provide findings and conclusions based on the results of our audit.

This report is focused on aspects of the Auditee's accounting system. We have also issued a performance audit report entitled *Financial Capability Audit*, related to Algenol Biofuels, Inc. dated September 3, 2010. That report provides additional information on our assessment of the Auditee's existing financial conditions and financial capability to adequately perform on Government financial assistance awards currently and in the near-term (up to one year) and the Auditee's financial ability to meet Award cost share requirements.

Methodology

As part of the performance audit of the Auditee's post-award accounting system, we:

- reviewed past audit results;
- gained an understanding of Award terms and conditions;
- determined if indirect cost rates were pre-approved;
- obtained an understanding of the overall system environment;

- obtained an understanding of the general ledger system;
- obtained an understanding of the controls associated with the timekeeping and payroll systems;
- obtained an understanding of the procurement, disbursing, expense, and cost accounting systems;
- evaluated the Auditee's policies and procedures for excluding unallowable costs to determine compliance with Award requirements;
- obtained an understanding of the billing system; and
- performed a review of billings to DOE related to the Award.

RESULTS

Overview of the Auditee's Accounting System

As a start-up company, Algenol Biofuels, Inc. used commercial off-the-shelf accounting software from Quickbooks to process most of its limited accounting functions. In 2008, Algenol Biofuels, Inc. procured Epicor's accounting software and hosting server capabilities for most of its accounting services needs. This includes A/P, general ledger, billing, and financial reporting. Accounting and bookkeeping functions are recorded in the Epicor software system and are performed by Algenol Biofuels, Inc. staff who report to the CFO. Algenol Biofuels, Inc. utilizes a third-party service organization, ADP, to process payroll.

The Auditee uses Work Breakdown Structures (WBS) account codes in Epicor to separately track the DOE Award. Time sheets are utilized by employees to track work effort by DOE WBS/account code and non-DOE project work. Direct costs supporting DOE WBS are identified and charged to appropriate DOE account codes. Indirect expenses are calculated by applying the DOE approved indirect rate of 73.9% to calculated DOE direct costs. Algenol Biofuels, Inc. tracks actual indirect costs incurred on a quarterly basis, which appear to be higher than the DOE approved indirect rate of 73.9%, as of July 31, 2010.

Project Costs to Date

REDACTED
EXEMPTION 4

The amounts agree to the cumulative July 31, 2010 billing.

Finding, Recommendation, and Auditee Response

Our performance audit resulted in one finding, presented below. We discussed the results of the audit with Algenol Biofuels, Inc. in an exit conference held on September 3, 2010.

Finding No. 2010-06-EE-ASALGN-01

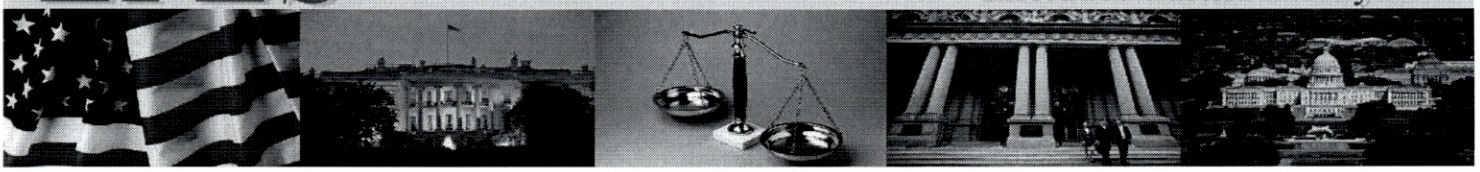
Criteria:	Auditee supervisors should review and document review of employee time sheets.
Condition:	There is no documentation or evidence of Auditee supervisory timesheet review.
Cause:	Auditee supervisors do not document review of employee time sheets.
Effect:	The absence of documented supervisory review and approval of Auditee effort reporting on timesheets could result in questioned costs in an audit.
Recommendation:	The Auditee should document supervisory review of each timesheet.
Auditee Response:	*"The Supervisors do review the timesheets and after review, have the sole responsibility for submitting them to finance i.e. finance only accepts timesheets from the supervisors, employees do not directly submit their timesheets to finance. In addition, at the end of each month supervisors receive budget vs. actual reports for their respective areas of responsibility.* *However, based on the above finding, effective with the September 15th timesheets, supervisors will sign each timesheet as evidence of approval prior to submitting them to finance."*

Conclusion

Based upon the performance audit procedures performed and the results obtained, we conclude that, except as indicated above and noted in detail in this report, Algenol Biofuels, Inc.'s accounting system and practices, which support accumulation and billing (reimbursement requests) of costs under the Award, are in substantial compliance with 10 CFR 600 or FAR, as they relate to maintaining accounting systems and practices that support accounting for, billing, and reporting costs under financial assistance awards from the Government and that Algenol Biofuels, Inc. is able to submit billings (reimbursement requests) that are allowable, allocable, and reasonable (including direct and indirect costs).

EPLS

Excluded Parties List System



Search - Current Exclusions

> Advanced Search
> Multiple Names
> Exact Name and SSN/TIN
> MyEPLS
> Recent Updates
> Browse All Records

View Cause and Treatment Code Descriptions

> Reciprocal Codes
> Procurement Codes
> Nonprocurement Codes

Agency & Acronym Information

> Agency Contacts
> Agency Descriptions
> State/Country Code Descriptions

OFFICIAL GOVERNMENT USE ONLY

> Debar Maintenance
> Administration
> Upload Login

EPLS Search Results

Search Results for Parties Excluded by

Firm, Entity, or Vessel : Algenol Biofuels, Inc.
Firm, Entity, or Vessel : The Dow Chemical Company
Firm, Entity, or Vessel : Georgia Institute of Technology
Firm, Entity, or Vessel : Membrane Technology and Research, Inc.
Individual : Craig R. Smith
Individual : Katie McFadden

As of 28-Apr-2011 11:52 AM EDT

Save to MyEPLS

Your search returned no results.

Back New Search Printer-Friendly

Resources

> Search Help
> Advanced Search Tips
> Public User's Manual
> FAQ
> Acronyms
> Privacy Act Provisions
> News

Reports

> Advanced Reports
> Recent Updates
> Dashboard

Archive Search - Past Exclusions

> Advanced Archive Search
> Multiple Names
> Recent Updates
> Browse All Records

Contact Information

> For Help: Federal Service Desk

Hames, Molly

From: Olsen, Jon
Sent: Thursday, May 26, 2011 2:35 PM
To: Sterner, Christy
Cc: Hames, Molly
Subject: RE: Algenol CO Review Comments/Questions

REDACTED
EXEMPTION 5
- deliberative process

Jon F. Olsen
Grants & Agreements Specialist
U.S. Department of Energy
Golden Field Office
(303)275-4825
Fax: (303) 275-4754

jon.olsen@go.doe.gov

-----Original Message-----
From: Sterner, Christy
Sent: Thursday, May 26, 2011 2:32 PM
To: Olsen, Jon
Subject: RE: Algenol CO Review Comments/Questions

Hi Jon,

REDACTED
EXEMPTION 5 - deliberative process

Thanks and best regards,

Christy

-----Original Message-----
From: Olsen, Jon
Sent: Thursday, May 26, 2011 2:28 PM
To: Sterner, Christy; Hames, Molly
Subject: RE: Algenol CO Review Comments/Questions

REDACTED
EXEMPTION 5

- deliberative process

Jon F. Olsen
Grants & Agreements Specialist
U.S. Department of Energy
Golden Field Office
(303)275-4825
Fax: (303) 275-4754

jon.olsen@go.doe.gov

-----Original Message-----
From: Sterner, Christy
Sent: Thursday, May 26, 2011 11:12 AM
To: Hames, Molly
Cc: Olsen, Jon
Subject: RE: Algenol CO Review Comments/Questions
Importance: High

Hi Molly,

REDACTED
EXEMPTION 5 -
deliberative process

Best regards,

Christy

-----Original Message-----
From: Hames, Molly
Sent: Thursday, May 26, 2011 10:38 AM
To: Sterner, Christy
Cc: Olsen, Jon
Subject: Algenol CO Review Comments/Questions

Hello Christy,

REDACTED
EXEMPTION 5
- deliberative process

REDACTED
EXEMPTION 5
- deliberative process

Please let me know if you have questions or concerns.
Thanks,

Molly Hames
Grants & Agreements Specialist
U.S. Department of Energy
Golden Field Office
1617 Cole Blvd. Golden, CO 80401
Phone: 303-275-4864
Fax: 303-275-4754

Hames, Molly

From: Olsen, Jon
Sent: Thursday, May 26, 2011 2:34 PM
To: Hames, Molly; Sterner, Christy
Subject: RE: Algenol CO Review Comments/Questions

REDACTED
EXEMPTION 5
- deliberative process

Jon F. Olsen
Grants & Agreements Specialist
U.S. Department of Energy
Golden Field Office
(303)275-4825
Fax: (303) 275-4754

jon.olsen@go.doe.gov

-----Original Message-----
From: Hames, Molly
Sent: Thursday, May 26, 2011 2:28 PM
To: Sterner, Christy; Olsen, Jon
Subject: RE: Algenol CO Review Comments/Questions

REDACTED
EXEMPTION 5
- deliberative process

Hello,

Thanks,

Molly

REDACTED
EXEMPTION 5
- deliberative process

-----Original Message-----
From: Sterner, Christy
Sent: Thursday, May 26, 2011 11:34 AM
To: Olsen, Jon
Cc: Hames, Molly
Subject: RE: Algenol CO Review Comments/Questions

REDACTED
EXEMPTION 5
- deliberative process

-----Original Message-----
From: Olsen, Jon
Sent: Thursday, May 26, 2011 11:17 AM
To: Sterner, Christy; Hames, Molly
Subject: RE: Algenol CO Review Comments/Questions

REDACTED
EXEMPTION 5
- deliberative process

Jon F. Olsen
Grants & Agreements Specialist
U.S. Department of Energy

Golden Field Office
(303)275-4825
Fax: (303) 275-4754

jon.olsen@go.doe.gov

-----Original Message-----
From: Sterner, Christy
Sent: Thursday, May 26, 2011 11:12 AM
To: Hames, Molly
Cc: Olsen, Jon
Subject: RE: Algenol CO Review Comments/Questions
Importance: High

Hi Molly,

REDACTED
EXEMPTION 5

- deliberative process

Best regards,

Christy

-----Original Message-----
From: Hames, Molly
Sent: Thursday, May 26, 2011 10:38 AM

To: Sterner, Christy
Cc: Olsen, Jon
Subject: Algenol CO Review Comments/Questions

REDACTED
EXEMPTION 5
- deliberative process

Molly Hames
Grants & Agreements Specialist
U.S. Department of Energy
Golden Field Office
1617 Cole Blvd. Golden, CO 80401
Phone: 303-275-4864
Fax: 303-275-4754

ALGENOL BIOFUELS INC.
HARNESSING THE SUN TO FUEL THE WORLD

March 2, 2011

Ms. Christy Sterner
Project Officer
US Department of Energy

Re: Phase I Extension of Algenol's Integrated Biorefinery Direct to Ethanol® Pilot Project

Dear Christy:

Further to our recent conversation, please accept this letter as Algenol Biofuels' official request for an extension of Phase I for our project. This request for a Phase I extension is necessitated by the fact that Algenol cannot currently meet the financial contingency requirements of the DOE for the remaining phases of the project.

We are requesting that DOE allow us to move certain Phase II WBS elements into Phase I and allow us to continue to work on certain existing Phase I elements. If our proposal is approved, we will need additional funds authorized for Phase I. We have included with our proposal a new budget that, if approved, would provide the necessary funding for the project.

As you know, Algenol is continuing its efforts to meet the DOE's financial contingency requirements for Phase II. We remain optimistic about our ability to successfully complete the required financing but the timing of completion is beyond our control. Since we have continued to make excellent operational progress, we will need the requested Phase I extension in order to avoid interrupting the project.

As detailed comprehensively in the attached budget, SOPO, and project management plan, in addition to establishing compliance with the project's contingency requirement, the extension will also be utilized to solicit additional bids for goods and services, develop better cost estimates, optimize certain technical elements of the project and further vet final design specifications and construction plans. As a result of these expanded front end loading (FEL) activities, we believe the Phase I extension will significantly reduce risk and increase the likelihood we will be able to successfully complete the project on budget.

We will not be able to begin construction of the pilot plant until we complete our financing and move into Phase II. We currently project all Phase II requirements will

28100 BONITA GRANDE DRIVE
STE 200
BONITA SPRINGS, FL 34135
239-498-2000
239-948-4996

be met by July 2011. Thus, we are shifting all of the subsequent project elements forward by four months. For example, we now propose inoculating our pilot plant photobioreactors in February of 2012. Such a shift in timing will either necessitate truncating Phase III by four months or extending Phase III by the same time. We look for guidance from DOE as to which alternative is preferable. Algenol is prepared to support either plan but prefers to extend Phase III by four months. Although this plan will delay the start of construction by four months, the value added by the aforementioned action items will augment an already well developed project plan and contribute to the project's ongoing success.

I look forward to continuing to collaborate with the Department of Energy to advance this exciting project. Please do not hesitate to contact me with any questions at either (239) 498-2000 or craig.smith@algenol.com

Sincerely,

Craig R. Smith, MD.

Craig R. Smith, M.D.
Principal Investigator &
Chief Operating Officer
Algenol Biofuels Inc.

Hames, Molly

From: Sterner, Christy
Sent: Tuesday, May 10, 2011 10:17 AM
To: Hames, Molly
Subject: Re: Algenol

Hi Molly,

REDACTED
EXEMPTION 5
- deliberative process

Best regards,

Christy

This message was sent from
a Blackberry Handheld Device
****
Golden Field Office

----- Original Message -----
From: Hames, Molly
Sent: Tuesday, May 10, 2011 10:03 AM
To: Sterner, Christy
Subject: RE: Algenol

REDACTED
EXEMPTION 5
- deliberative process

-----Original Message-----
From: Sterner, Christy
Sent: Tuesday, May 10, 2011 10:02 AM
To: Hames, Molly
Subject: Re: Algenol

REDACTED
EXEMPTION 5
- deliberative process

This message was sent from
a Blackberry Handheld Device
****
Golden Field Office

----- Original Message -----
From: Hames, Molly
Sent: Tuesday, May 10, 2011 09:58 AM
To: Sterner, Christy
Subject: RE: Algenol

REDACTED
EXEMPTION 5 - deliberative process

Molly Hames
Grants & Agreements Specialist
U.S. Department of Energy
Golden Field Office
1617 Cole Blvd. Golden, CO 80401
Phone: 303-275-4864
Fax: 303-275-4754

-----Original Message-----
From: Sterner, Christy
Sent: Tuesday, May 10, 2011 9:52 AM
To: Hames, Molly
Subject: Re: Algenol

REDACTED
EXEMPTION 5
- deliberative process

Best regards,

Christy

This message was sent from
a Blackberry Handheld Device
****
Golden Field Office

----- Original Message -----
From: Hames, Molly
Sent: Tuesday, May 10, 2011 09:42 AM
To: Sterner, Christy
Subject: Algenol

Hello Christy,

REDACTED
EXEMPTION 5
- deliberative process

Molly Hames
Grants & Agreements Specialist
U.S. Department of Energy
Golden Field Office
1617 Cole Blvd. Golden, CO 80401
Phone: 303-275-4864
Fax: 303-275-4754

PMC 112.2
(01/2011)

U.S. DEPARTMENT OF ENERGY
PROJECT MANAGEMENT CENTER

REQUEST FOR REVIEW

☒ Normal Review ☐ Expedited Review Date: 04/28/2011

Justification for Expedited Review _____

Award Number: DE-EE0002867 FOA Number, if new award:

Item(s) For Review:
- ☐ New Award
- ☒ Mod: Move BP2 tasks to BP1
- ☐ Novation/Name Change
- ☐ Other Action, include short explanation:

Total Project: $ REDACTED EXEMPTION 4
Federal Funds: $ 24,331,431

Specialist Listed on Award: Molly Hames Phone: 303-275-4864

Specialist Who Prepared Award: _____ Phone: _____

☒ PEER REVIEW

Comments:

REDACTED
EXEMPTION 5
- deliberative process

Signature: _____ Date: 05/05/2011

☒ CONTRACTING OFFICER REVIEW

☐ Approved ☑ Approved subject to comments below/attached ☐ Not Approved; Comments below/attached

Comments: See attached Sheet.

Signature: Jon F. Oba Date: 5/26/2011

☐ INDEPENDENT REVIEW

Comments:

Signature: _____ Date: _____

☐ OAFA BRANCH CHIEF REVIEW

☐ Approved ☐ Approved subject to comments below/attached ☐ Not Approved; Comments below/attached

Comments:

Signature: _____ Date: _____

CO Review May 18, 2011

DE-EE0002867, Mod 005; Algenol Biofuels, Inc.

Comments Follow:

☑

☑

REDACTED
EXEMPTION 5
- deliberative process

☑

☑

☑

☐

ASSISTANCE AGREEMENT

1. Award No.	2. Modification No.	3. Effective Date	4. CFDA No.
DE-EE0002867	005	01/29/2010	81.087

5. Awarded To	6. Sponsoring Office	7. Period of Performance
ALGENOL BIOFUELS INC. Attn: GREGORY SCHLICHT 28100 BONITA GRANDE DR STE 200 BONITA SPRINGS FL 341356220	Golden Field Office U.S. Department of Energy Golden Field Office 1617 Cole Blvd. Golden CO 80401	01/29/2010 through 09/30/2011

8. Type of Agreement	9. Authority	10. Purchase Request or Funding Document No.
☐ Grant ☒ Cooperative Agreement ☐ Other	109-58, Energy Policy Act 2005 111-5, Recovery Act (2009)	11EE003480

11. Remittance Address	12. Total Amount	13. Funds Obligated
ALGENOL BIOFUELS INC. Attn: GREGORY SCHLICHT 28100 BONITA GRANDE DR STE 200 BONITA SPRINGS FL 341356220	Govt. Share: $24,331,431.00 Cost Share : $ REDACTED EXEMPTION 4 Total : $	This action: $0.00 Total : $24,331,431.00

14. Principal Investigator	15. Program Manager	16. Administrator
Craig Smith Phone: 239-498-2000	Carol Christine Sterner Phone: 303-275-4720	Golden Field Office U.S. Department of Energy Golden Field Office 1617 Cole Blvd. Golden CO 80401-3393

17. Submit Payment Requests To	18. Paying Office	19. Submit Reports To
OR for Golden U.S. Department of Energy Oak Ridge Financial Service Center P.O. Box 4517 Oak Ridge TN 37831	OR for Golden U.S. Department of Energy Oak Ridge Financial Service Center P.O. Box 4517 Oak Ridge TN 37831	

20. Accounting and Appropriation Data

IBR

21. Research Title and/or Description of Project

RECOVERY ACT: INTEGRATED PILOT - SCALE BIOREFINERY FOR PRODUCING ETHANOL FROM HYBRID ALGAE

For the Recipient		For the United States of America	
22. Signature of Person Authorized to Sign		25. Signature of Grants/Agreements Officer	
23. Name and Title	24. Date Signed	26. Name of Officer	27. Date Signed
		Jon F. Olsen	04/28/2011

Working Copy

Olsen, Jon

From: Olsen, Jon
Sent: Wednesday, May 18, 2011 4:06 PM
To: Hames, Molly; Sterner, Christy
Subject: Algenol partial review

Tracking:

Recipient	Read
Hames, Molly	Read: 5/18/2011 4:09 PM
Sterner, Christy	

REDACTED
EXEMPTION 5
- deliberative process

Jon F. Olsen
Grants & Agreements Specialist
U.S. Department of Energy
Golden Field Office
(303)275-4825
Fax: (303) 275-4754

jon.olsen@go.doe.gov

DE-EE0002867/005

Peer Review

REDACTED
EXEMPTION 5
- deliberative process

Exemption 5 (deliberative process)

Exemption 5 (deliberative process)

Exemption 5 (deliberative process)

Exemption 5 (deliberative process)

Exemption 5 (deliberative process)

PMC123.1 - Budget Justification for SF 424A Budget

Instructions and Summary

Award Number: DE-FOA-0000096
Award Recipient: Algenol Biofuels Inc.

Date of Submission: Mar-11
Form submitted by: Algenol Biofuels Inc.
(May be award recipient or sub-recipient)

Please read the instructions on each page before starting.
If you have any questions, please ask your DOE contact. It will save you time!

On this form, provide detailed support for the estimated project costs identified on the SF-424A form (Budget).

- **The dollar amounts on this page must match the amounts on the associated SF-424A.**
- The award recipient and each sub-recipient with estimated costs of $100,000 or more must complete this form and a SF-424A form.
- The total budget presented on this form and on the SF424A must include both Federal (DOE), and Non-Federal (cost share) portions, thereby reflecting TOTAL PROJECT COSTS proposed.
- **For costs in each Object Class Category on the SF-424A, complete the corresponding worksheet on this form (tab at the bottom of the page).**
- **All costs incurred by the preparer's sub-recipients, vendors, contractors, consultants and Federal Research and Development Centers (FFRDCs), should be entered only in section f. Contractual. All other sections are for the costs of the preparer only.**

SUMMARY OF BUDGET CATEGORY COSTS PROPOSED
(Note: The values in this summary table are from entries made in each budget category sheet.)

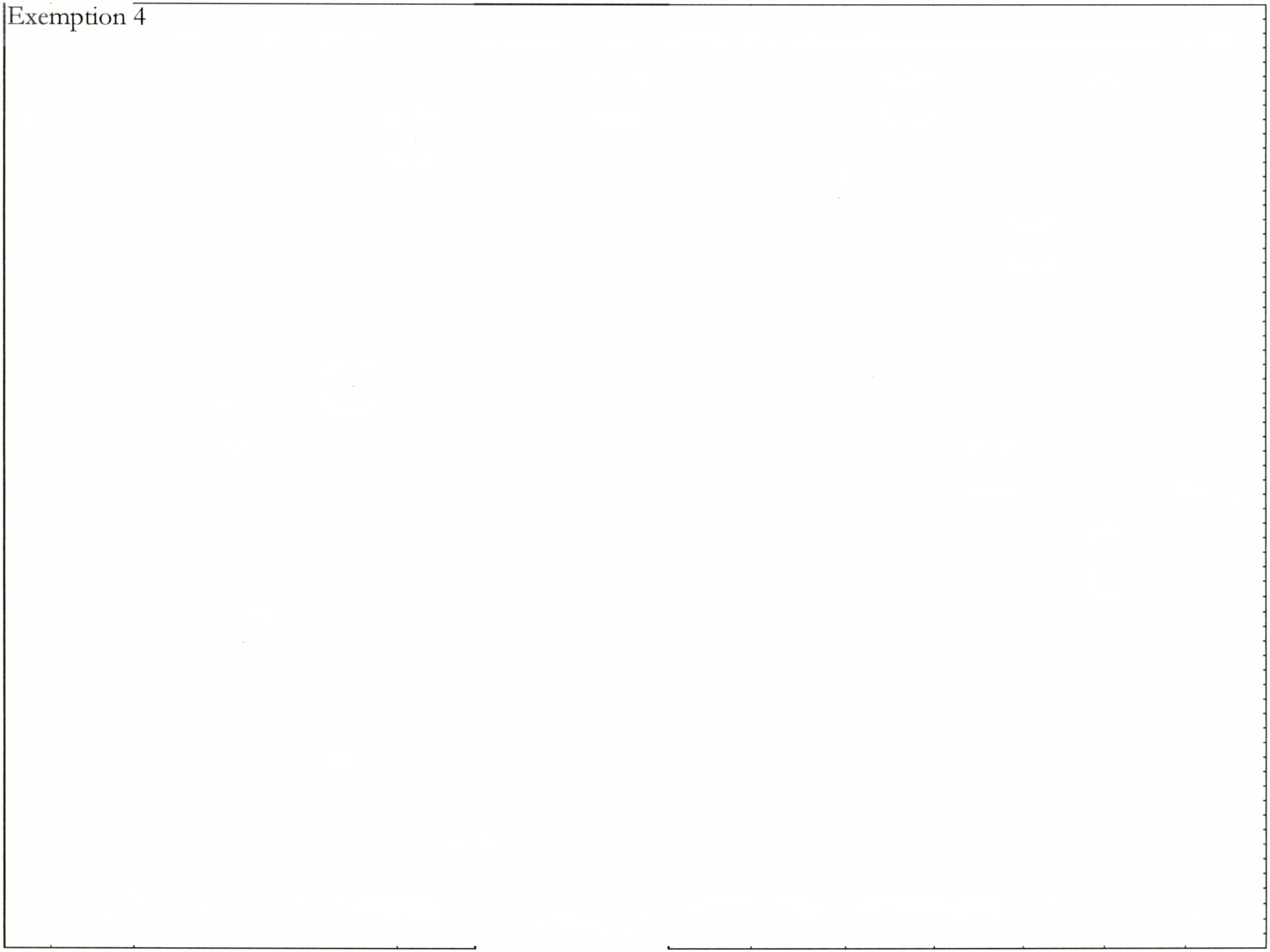
CATEGORY	Budget Period 1 Costs	Budget Period 2 Costs	Budget Period 3 Costs	Total Costs	Project Costs %	Comments (Add comments as needed)
a. Personnel	Exemption 4					
b. Fringe Benefits						
c. Travel						
d. Equipment						
e. Supplies						
f. Contractual						
Sub-recipient						
FFRDC						
Vendor						
Total Contractual						
g. Construction						
h. Other Direct Costs						
i. Indirect Charges						
Total Project Costs						

Additional Explanations/Comments (as necessary)

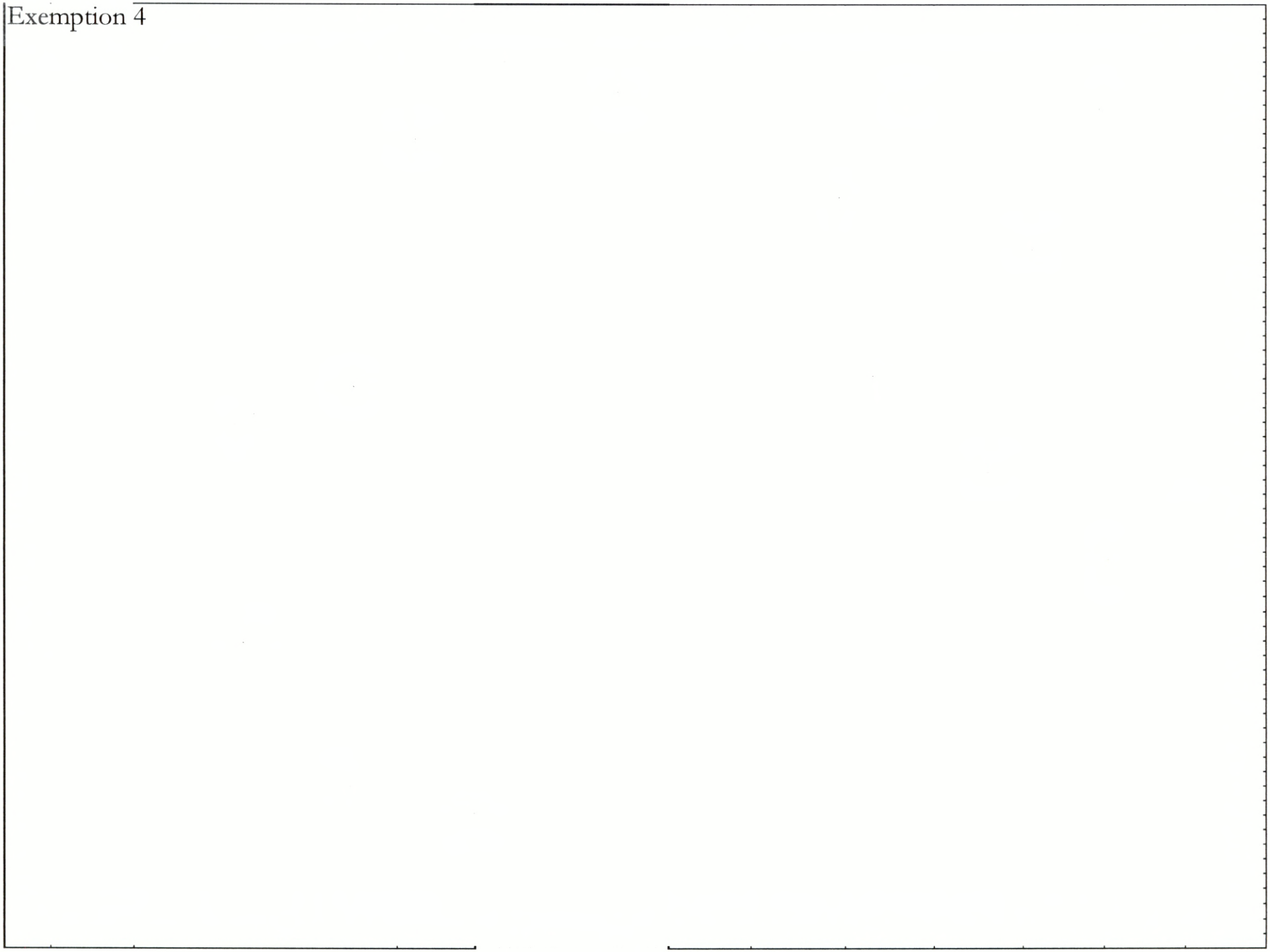
Task #	Title	Position Title	Budget Period 1			Budget Period 2			Budget Period 3			Project Total Hours
			Time (Hours)	Pay Rate ($/Hr)	Total Budget Period 1	Time (Hours)	Pay Rate ($/Hr)	Total Budget Period 2	Time (Hours)	Pay Rate ($/Hr)	Total Budget Period 3	

Exemption 4

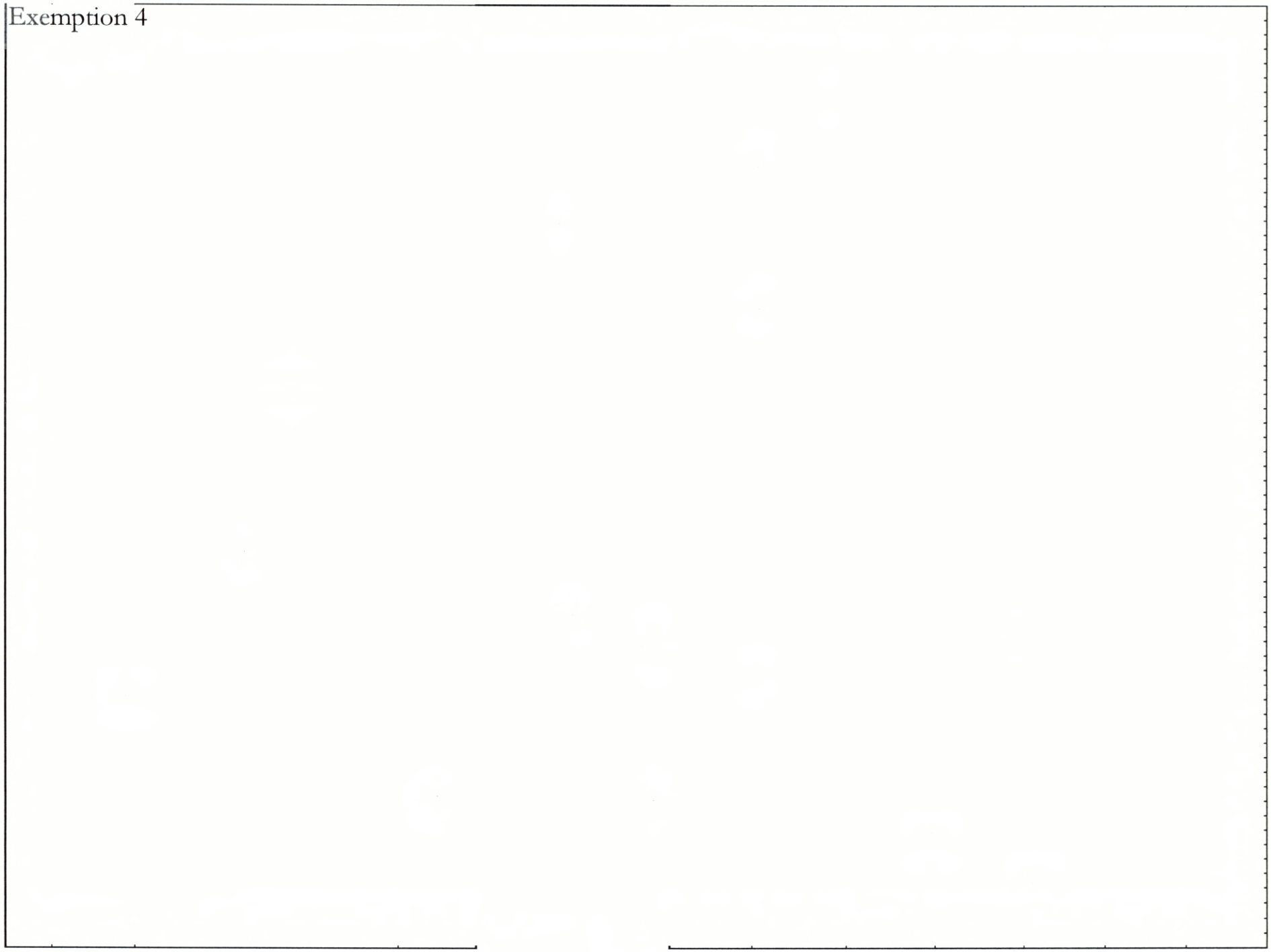
Exemption 4



Exemption 4

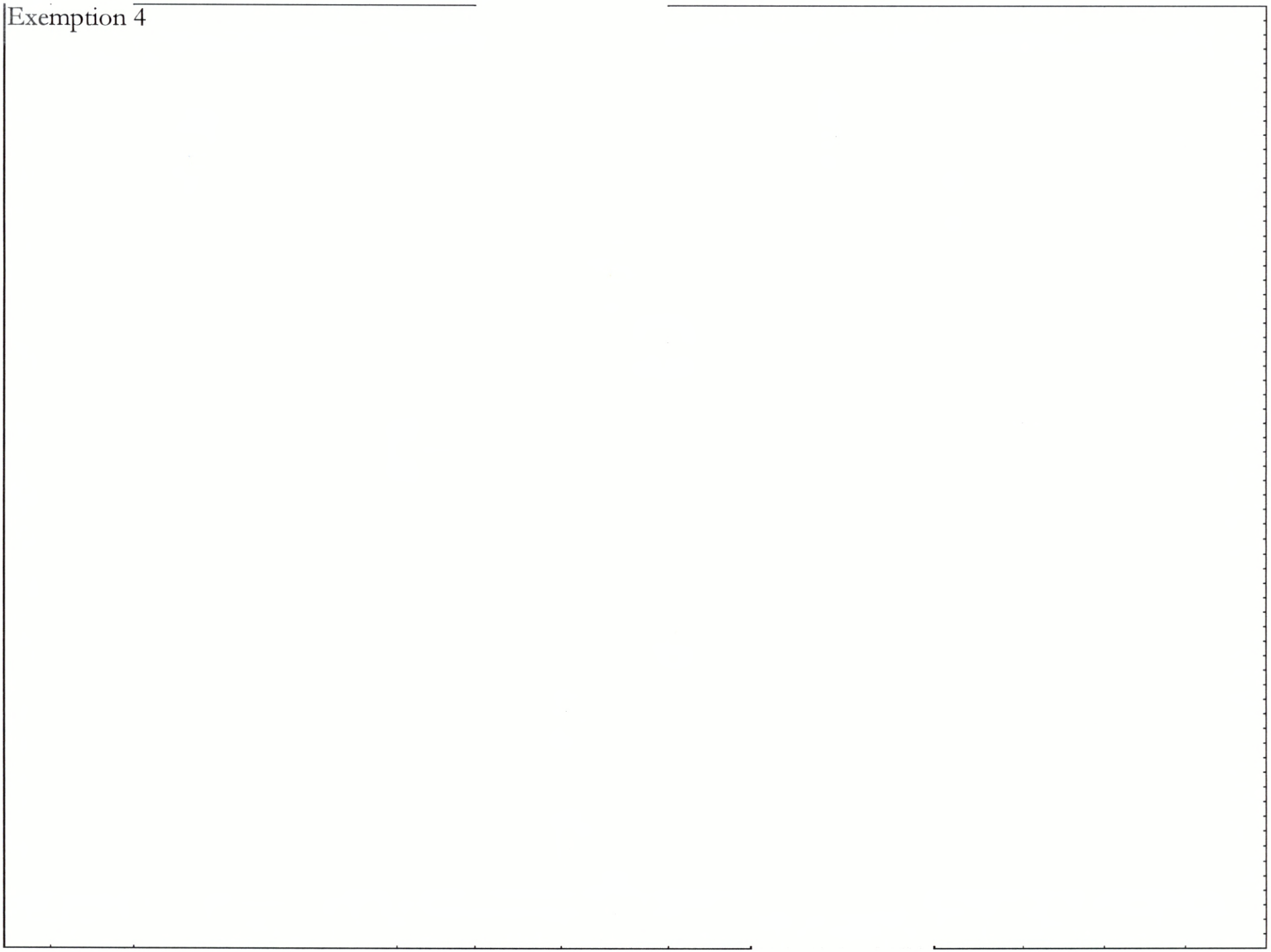


Exemption 4



Exemption 4

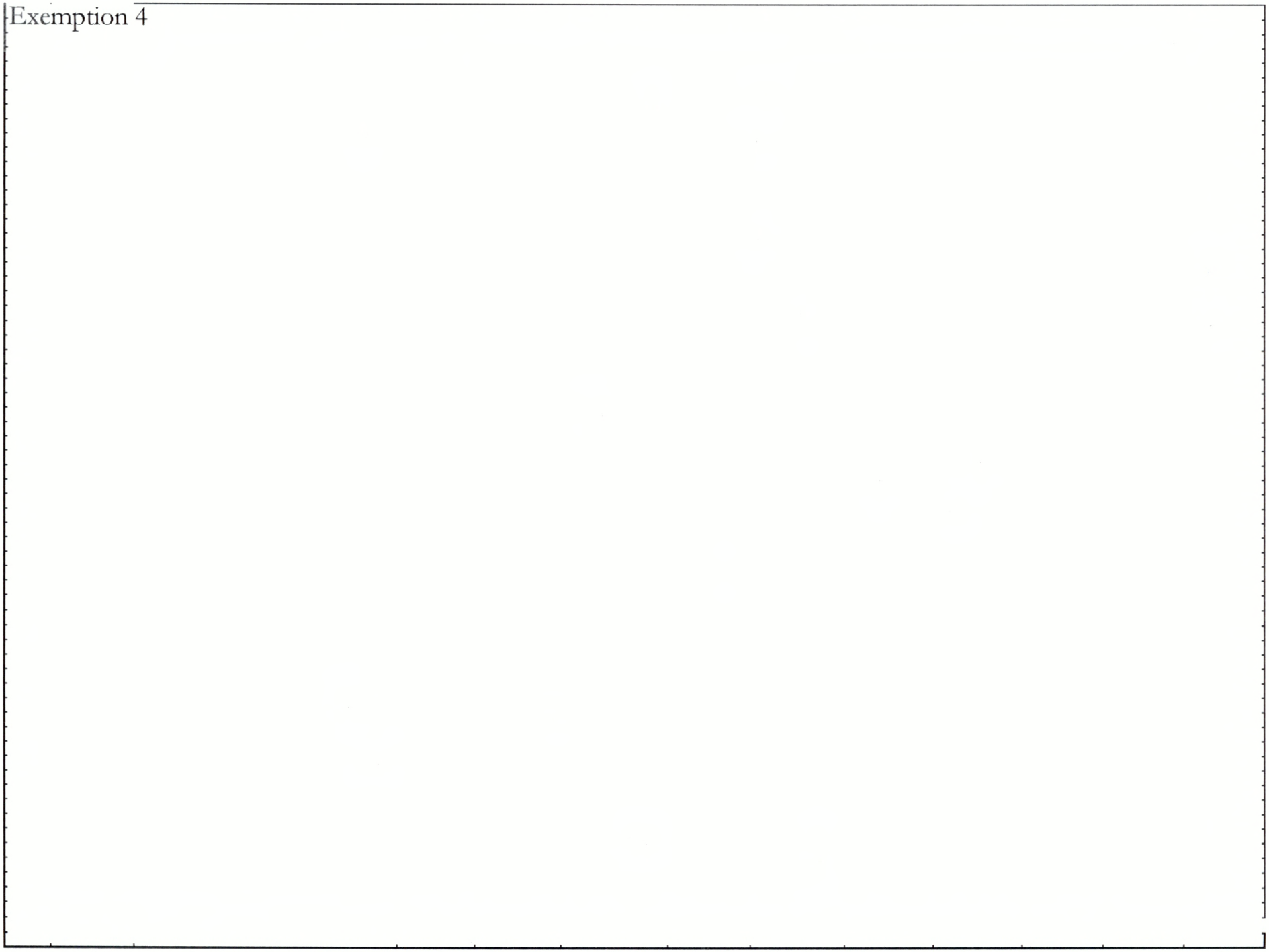
Exemption 4



Exemption 4

Exemption 4

Exemption 4



b. Fringe Benefits

	Budget Period 1	Budget Period 2	Budget Period 3	Total
Rate applied:	Exemption 4			
Total fringe requested:				-

A federally approved fringe benefit rate agreement, or a proposed rate supported and agreed upon by DOE for estimating purposes is required if reimbursement for fringe benefits is requested. Please check (X) one of the options below and provide the requested information, if it has not already been provided to the Contracting Officer, OR if it has changed since it was. Calculate the fringe rate and enter the total amount in Section B, line 6.b. ("Fringe Benefits") of form SF-424A.

____ **A fringe benefit rate has been negotiated with, or approved by, a federal government agency. A copy of the latest rate agreement is included with this application, and will be provided electronically to the Contracting Officer for this project.**
(When this option is selected, a presentation of the budget that demonstrates the appliction of the approved rate, to arrive at the proposed fringes benefits dollars should also be provided.)

XXX **There is not a current, federally approved rate agreement negotiated and available.**
(When this option is checked, the entity preparing this form shall submit a rate proposal in the format provided at the following website, or a format that provides the same level of information and which will support the rates being proposed for use in performance of the proposed project. Go to https://www.eere-pmc.energy.gov/forms.aspx and select PMC 400.2 Sample Rate Proposal.)

Additional explanation/comments (as necessary)

The Fringe Benefits rate is based on current actual and adjusted in the future periods for projected hiring salary levels.Currently a larger portion of our employess are senior level and as we expend they will represent a smaller portion of our staff. Since the majority of our fringe benefits is for healthcare insurance, the effect of this demographic change is that fringe benefits will be a higher percent of compensation. Please see the Indirect tab at the end of this file for the Fringe calculation. Fringe Benefits includes medical, dental, childcare reimbursement and payroll taxes.

c. Travel

PLEASE READ!!!

Provide travel detail as requested below, identifying total Foreign and Domestic Travel as separate items. Purpose of travel are items such as professional conference, DOE sponsored meeting, project management meeting, etc. The Basis for Estimating Costs are items such as past trips, current quotations, Federal Travel Regulations, etc.

All listed travel must be necessary for performance of the Statement of Projecct Objectives.

Add rows as needed. If rows are added, formulas/calculations may need to be adjusted by the preparer.

Purpose of travel	No. of Travelers	Depart From (not required for domestic travel)	Destination (not required for domestic travel)	No. of Days	Cost per Traveler	Cost per Trip	Basis for Estimating Costs
Budget Period 1							
Domestic Travel							
EXAMPLE ONLY!!! Visit to PV cell mfr. to set up vendor agreement	2			2	$650	$1,300	Internet prices
Exemption 4		Exemption 4					
Domestic Travel subtotal							
International Travel							
International Travel subtotal							
Budget Period 1 Total							
Budget Period 2							
Domestic Travel							
						$0	
						$0	
						$0	
						$0	
						$0	
						$0	
						$0	

Purpose of travel	No. of Travelers	Depart From (not required for domestic travel)	Destination (not required for domestic travel)	No. of Days	Cost per Traveler	Cost per Trip	Basis for Estimating Costs
						$0	
						$0	
						$0	
Domestic Travel subtotal	0					$0	
International Travel							
						$0	
						$0	
						$0	
						$0	
International Travel subtotal						$0	
Budget Period 2 Total						**$0**	
Budget Period 3							
Domestic Travel							
Domestic Travel subtotal	0					$0	
International Travel							
						$0	
						$0	
						$0	
						$0	
International Travel subtotal							
Budget Period 3 Total							
PROJECT TOTAL							

Exemption 4

Additional Explanations/Comments (as necessary)

d. Equipment

PLEASE READ!!!

Equipment is generally defined as an item with an acquisition cost greater than $5,000 and a useful life expectancy of more than one year. Further definitions can be found at 10 CFR 600 found on the PMC Recipient Resources Forms page at https://www.eere-pmc.energy.gov/Forms.aspx#regs .

List all proposed equipment below, providing a basis of cost such as vendor quotes, catalog prices, prior invoices, etc., and briefly justifying its need as it applies to the Statement of Project Objectives. If it is existing equipment, and the value of its contribution to the project budget is being shown as cost share, provide logical support for the estimated value shown. If it is new equipment which will retain a useful life upon completion of the project, provide logical support for the estimated value shown.

For equipment over $50,000 in price, also include a copy of the associated vendor quote or catalog price list.

Add rows as needed. If rows are added, formulas/calculations may need to be adjusted by the preparer.

Equipment Item	Qty	Unit Cost	Total Cost	Basis of Cost	Justification of need
Budget Period 1					
EXAMPLE ONLY!!! Thermal shock chamber	2	$20,000	$40,000	Vendor Quote	Reliability testing of PV modules- Task 4.3
Exemption 4			Exemption 4		
Budget Period 1 Total					
Budget Period 2					
Exemption 4			Exemption 4		
Budget Period 2 Total					
Budget Period 3					
Exemption 4			Exemption 4		
Budget Period 3 Total					
PROJECT TOTAL					

Additional Explanations/Comments (as necessary)

e. Supplies

PLEASE READ!!!

Supplies are generally defined as an item with an acquisition cost of $5,000 or less and a useful life expectancy of less than one year. Supplies are generally consumed during the project performance. Further definitions can be found at 10 CFR 600 found on the PMC Recipient Resources Forms page at https://www.eere-pmc.energy.gov/Forms.aspx#regs.

List all proposed supplies below, providing a bases of cost such as vendor quotes, catalog prices, prior invoices, etc., and briefly justifying the need for the Supplies as they apply to the Statement of Project Objectives. Note that Supply items must be direct costs to the project at this budget category, and not duplicative of supply costs included in the indirect pool that is the basis of the indirect rate applied for this project.

Add rows as needed. If rows are added, formulas/calculations may need to be adjusted by the preparer.

General Category of Supplies	Qty	Unit Cost	Total Cost	Basis of Cost	Justification of need
Budget Period 1					
EXAMPLE ONLY!!! Wireless DAS components	10	$360.00	$3,600	Catalog price	For Alpha prototype - Task 2.4
	0		$0		
	0		$0		
	0		$0		
Budget Period 1 Total			**$0**		
Budget Period 2					
	0		$0		
	0		$0		
	0		$0		
	0		$0		
Budget Period 2 Total			$0		
Budget Period 3					
Analytical supplies	Exemption 4				
Chemicals, solvents, polymers					
Disposable lab supplies (e.g. gloves)					
Safety supplies					
Minor engineering equipment					
Budget Period 3 Total					
PROJECT TOTAL					

Additional Explanations/Comments (as necessary)

For Phase I and II, lab supplies are part of the overhead allocation. In Phase III, the costs are only for those at the pilot scale biorefinery. Estimates are based on our experience.

f. Contractual

Sub-Recipient Name/Organization	Purpose/Tasks in SOPO	Budget Period 1 Costs	Budget Period 2 Costs	Budget Period 3 Costs	Project Total
EXAMPLE ONLY!!! XYZ Corp.	Partner to develop optimal fresnel lens for Gen 2 product - Task 2.4	$48,000	$32,000	$16,000	**$96,000**
Georgia Tech	Exemption 4				
MTR - Membrane Technology and Research, Inc.					
The Dow Chemical Company					

Vendor Name/Organization	Product or Service, Purpose/Need and Basis of Cost (Provide additional support at bottom of page as needed)	Budget Period 1 Costs	Budget Period 2 Costs	Budget Period 3 Costs	Project Total
EXAMPLE ONLY!!! ABC Corp.	Vendor for developing custom robotics to perform lens inspection, alignment, and placement (Task 4.) Required for expanding CPV	$32,900	$86,500		**$119,400**
Exemption 4					

Sub-Recipient Name/Organization	Purpose/Tasks in SOPO	Budget Period 1 Costs	Budget Period 2 Costs	Budget Period 3 Costs	Project Total
Exemption 4					

FFRDC Name/Organization	Purpose	Budget Period 1 Costs	Budget Period 2 Costs	Budget Period 3 Costs	Project Total
NREL- National Renewable Energy Laboratory	Exemption 4				
Total Contractual					

g. Construction

PLEASE READ!!!

Construction, for the purpose of budgeting, is defined as all types of work done on a particular building, including erecting, altering, or remodeling. Construction conducted by the award recipient is entered on this page. Any construction work that is performed by a vendor or subrecipient to the award recipient should be entered under f. Contractual.

List all proposed construction below, providing a basis of cost such as engineering estimates, prior construction, etc., and briefly justify its need as it applies to the Statement of Project Objectives.

Add rows as needed. If rows are added, formulas/calculations may need to be adjusted by the preparer.

Overall description of construction actiivities:

Example Only!!! - Build wind turbine platform

General Description	Cost	Basis of Cost	Justification of need
Budget Period 1			
Three days of excavation for platform site EXAMPLE ONLY!!!	$28,000	Engineering estimate	Site must be prepared for construction of platform.
Budget Period 1 Total	**$0**		
Budget Period 2			
Budget Period 2 Total	$0		

General Description	Cost	Basis of Cost	Justification of need
Budget Period 3			
Budget Period 3 Total	$0		
PROJECT TOTAL	**$0**		

Additional Explanations/Comments (as necessary)

Construction will be sub-contracted, one of our sub-recipient partners, The Dow Chemical Company, will provide ground clearing/ land prep work while the actual construction contractor is TBD. These amounts have been included on the Contractual tab. At the end of the this file there is a tab, Construct Recon, which summarizes the the capitalized costs.

h. Other Direct Costs

PLEASE READ!!!

Other direct costs are direct cost items required for the project which do not fit clearly into other categories, and are not included in the indirect pool for which the indirect rate is being applied to this project. Examples are meeting costs, postage, couriers or express mail, telephone/fax costs, printing costs, etc.

Basis of cost are items such as vendor quotes, prior purchases of similar or like items, published price list, etc.

Add rows as needed. If rows are added, formulas/calculations may need to be adjusted by the preparer.

General description	Cost	Basis of Cost	Justification of need
Budget Period 1			
EXAMPLE ONLY!!! Grad student tuition	$16,000	Established UCD costs	Support of graduate students working on project
Exemption 4	Exemption 4		
Budget Period 1 Total			
Budget Period 2			
Exemption 4	Exemption 4		
Budget Period 2 Total			
Budget Period 3			
	$0		

General description	Cost	Basis of Cost	Justification of need
Exemption 4			

i. Indirect Costs

	Budget Period 1	Budget Period 2	Budget Period 3	Total
Rate applied:	Exemption 4			
Total indirect costs requested:				

A federally approved indirect rate agreement, or rate proposed supported and agreed upon by DOE for estimating purposes is required if reimbursement of fringe benfits is requested. Please check (X) one of the options below and provide the requested information if it has not already been provided as requested, or has changed. Calculate the indirect rate dollars and enter the total in the Section B., line 6.j. (Indirect Charges) of form SF 424A.

____ **There is a federally approved indirect rate agreement. A copy is provided with this application and will be provided electronically to the Contracting Officer for this project.**
(When this option is selected, a presentation of the budget that demonstrates the application of the approved rate, to arrive at the proposed indirect charges proposed should also be provided.)

X **There is no current, federally-approved indirect rate agreement.**
(When this option is checked, the entity preparing this form shall submit an indirect cost rate proposal in the format provided at the following website, or in a format that provides the same level of information and which supports the rate(s) being proposed for use in estimating the project. Go to https://www.eere-pmc.energy.gov/forms.aspx and select PMC 400.2 Sample Rate Proposal.)

Additional Explanations/Comments (as necessary)

Cost Share

PLEASE READ!!!

A detailed presentation of the cash or cash value of all cost share proposed for the project must be provided in the table below. Identify the source & amount of each item of cost share proposed by the award recipient and each sub-recipient or vendor. Letters of committment must be submitted for all third party cost share (other than award recipient).

Note that "cost-share" is not limited to cash investment. Other items that may be assigned value in a budget as incurred as part of the project budget and necessary to performance of the project, may be considered as cost share, such as: contribution of services or property; donated, purchased or existing equipment; buildings or land; donated, purchased or existing supplies; and/or unrecovered personnel, fringe benefits and indirect costs, etc. For each cost share contribution identified as other than cash, identify the item and describe how the value of the cost share contribution was calculated.

Funds from other Federal sources MAY NOT be counted as cost share. **This prohibition includes FFRDC sub-recipients. Non-Federal sources include private, state or local Government, or any source not originally derived from Federal funds. Documentation of cost sharing commitments must be provided, if not already provided with the original application and they have not changed since its submission.**

Fee or profit will not be paid to the award recipients or subrecipients of financial assistance awards. Additionally, foregone fee or profit by the applicant shall not be considered cost sharing under any resulting award. Reimbursement of actual costs will only include those costs that are allowable and allocable to the project as determined in accordance with the applicable cost principles prescribed in 10 CFR 600.127, 10 CFR 600.222 or 10 CFR 600.317. Also see 10 CFR 600.318 relative to profit or fee.

Add rows as needed. If rows are added, formulas/calculations may need to be adjusted by the preparer.

Organization/Source	Type (cash or other)	Cost Share Item	Budget Period 1 Cost Share	Budget Period 2 Cost Share	Budget Period 3 Cost Share	Total Project Cost Share
ABC Company EXAMPLE ONLY!!!	Cash	Project partner ABC Company will provide 40 PV modules for product development at 50% off the of the retail price of $680	$13,600			$13,600
Algenol Biofuels Inc	Exemption 4					
The Dow Chemical Company						
Membrabe Technology and Research, Inc.						

Organization/Source	Type (cash or other)	Cost Share Item	Budget Period 1 Cost Share	Budget Period 2 Cost Share	Budget Period 3 Cost Share	Total Project Cost Share
						$0
						$0
						$0
		Totals	Exemption 4			

Total Project Cost: $Exemption 4

Cost Share Percent of Award: Exemption 4%

Additional Explanations/Comments (as necessary)

PMC123.1 - Budget Justification for SF 424A Budget

Instructions and Summary

Award Number: DE-FOA-0000096
Award Recipient: Algenol Biofuels Inc.

Date of Submission: Mar-11
Form submitted by: Algenol Biofuels Inc.
(May be award recipient or sub-recipient)

Please read the instructions on each page before starting.
If you have any questions, please ask your DOE contact. It will save you time!

On this form, provide detailed support for the estimated project costs identified on the SF-424A form (Budget).

- **The dollar amounts on this page must match the amounts on the associated SF-424A.**
- **The award recipient and each sub-recipient with estimated costs of $100,000 or more must complete this form and a SF-424A form.**
- **The total budget presented on this form and on the SF424A must include both Federal (DOE), and Non-Federal (cost share) portions, thereby reflecting TOTAL PROJECT COSTS proposed.**
- **For costs in each Object Class Category on the SF-424A, complete the corresponding worksheet on this form (tab at the bottom of the page).**
- **All costs incurred by the preparer's sub-recipients, vendors, contractors, consultants and Federal Research and Development Centers (FFRDCs), should be entered only in section f. Contractual. All other sections are for the costs of the preparer only.**

SUMMARY OF BUDGET CATEGORY COSTS PROPOSED
(Note: The values in this summary table are from entries made in each budget category sheet.)

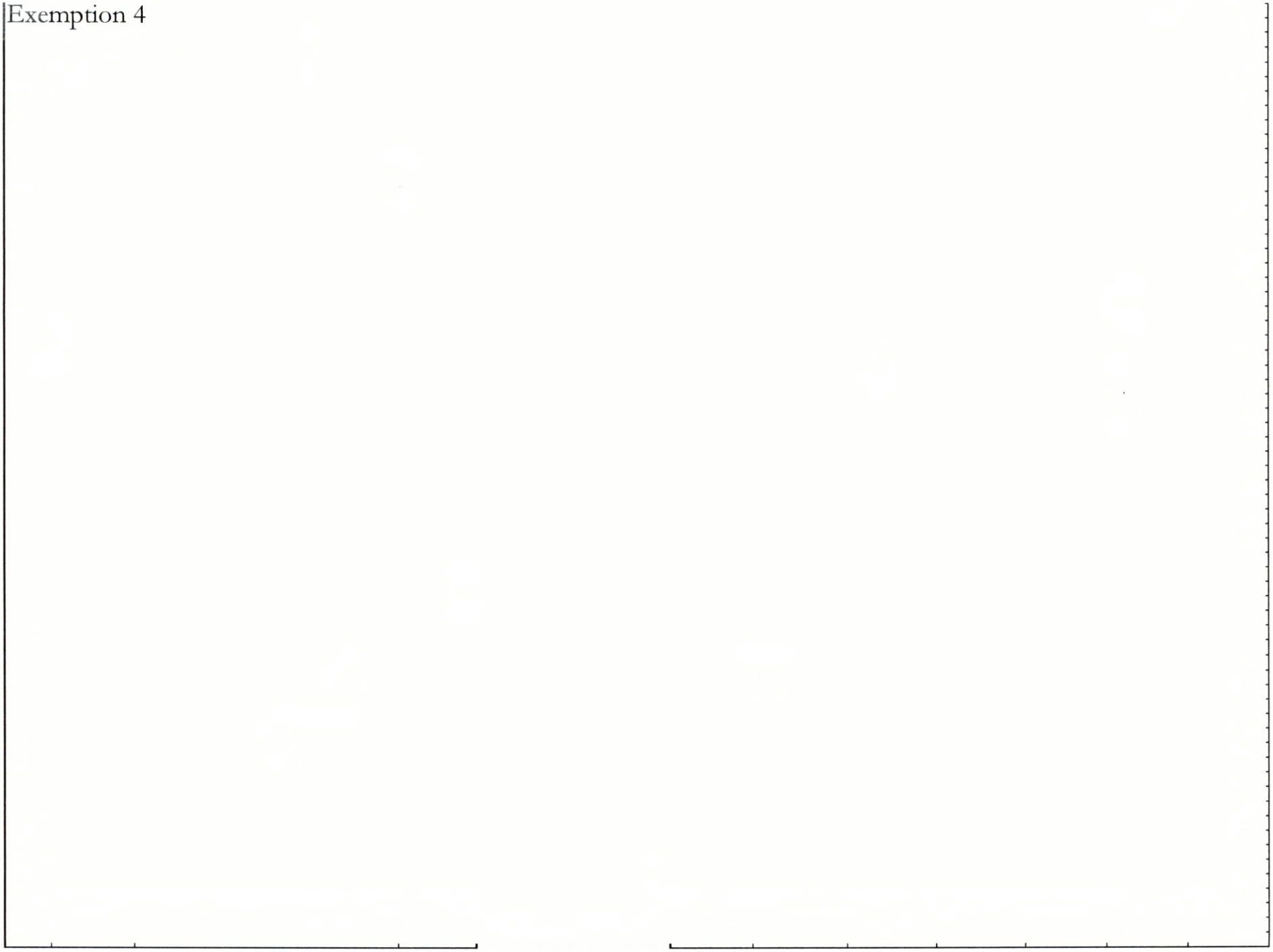
CATEGORY	Budget Period 1 Costs	Budget Period 2 Costs	Budget Period 3 Costs	Total Costs	Project Costs %	Comments (Add comments as needed)
a. Personnel	Exemption 4					
b. Fringe Benefits						
c. Travel						
d. Equipment						
e. Supplies						
f. Contractual Sub-recipient FFRDC Vendor Total Contractual						
g. Construction						
h. Other Direct Costs						
i. Indirect Charges						
Total Project Costs						

Additional Explanations/Comments (as necessary)

Task #	Title	Position Title	Budget Period 1			Budget Period 2			Budget Period 3			Project Total Hours
			Time (Hours)	Pay Rate ($/Hr)	Total Budget Period 1	Time (Hours)	Pay Rate ($/Hr)	Total Budget Period 2	Time (Hours)	Pay Rate ($/Hr)	Total Budget Period 3	

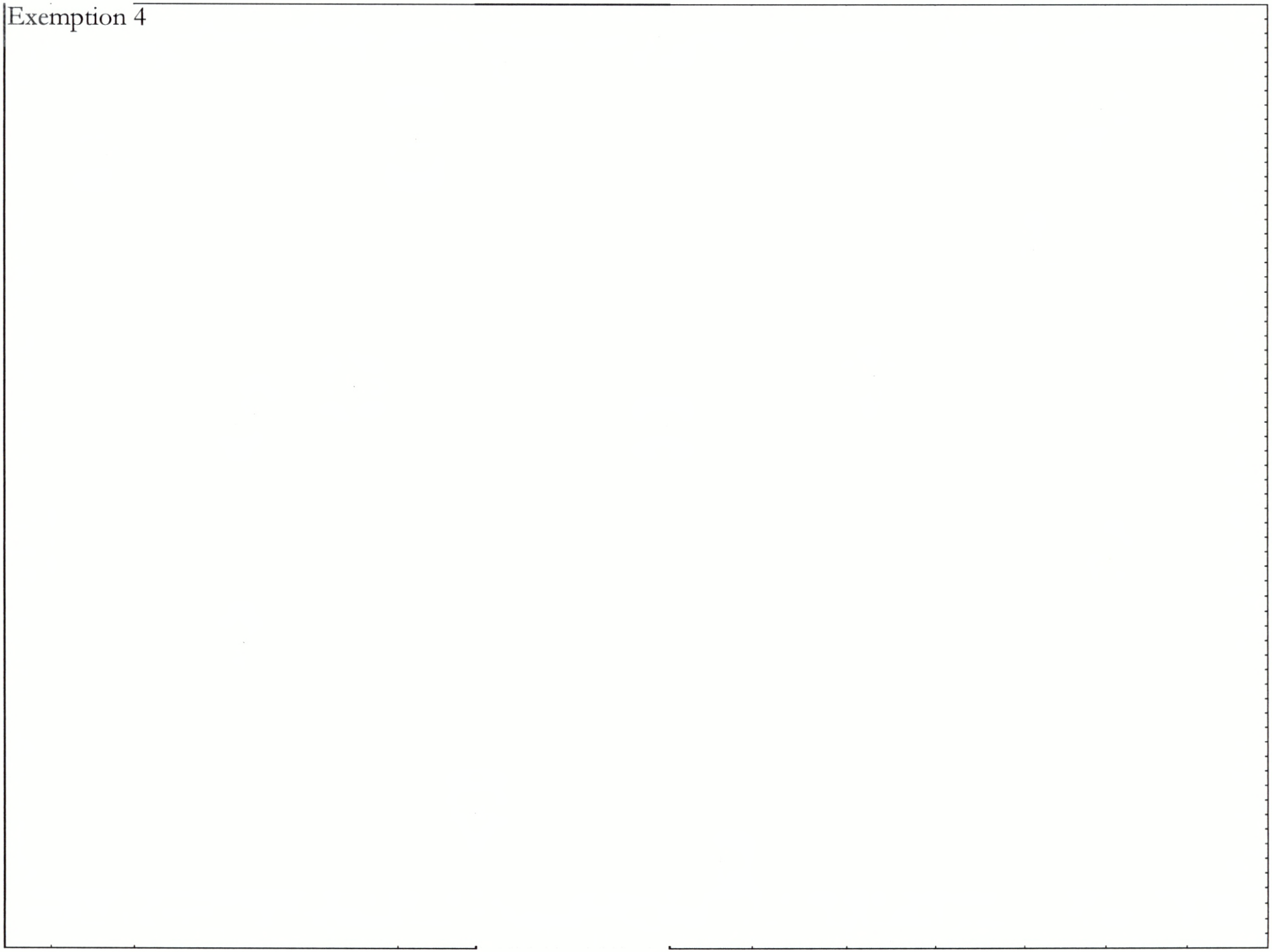
Exemption 4

Exemption 4



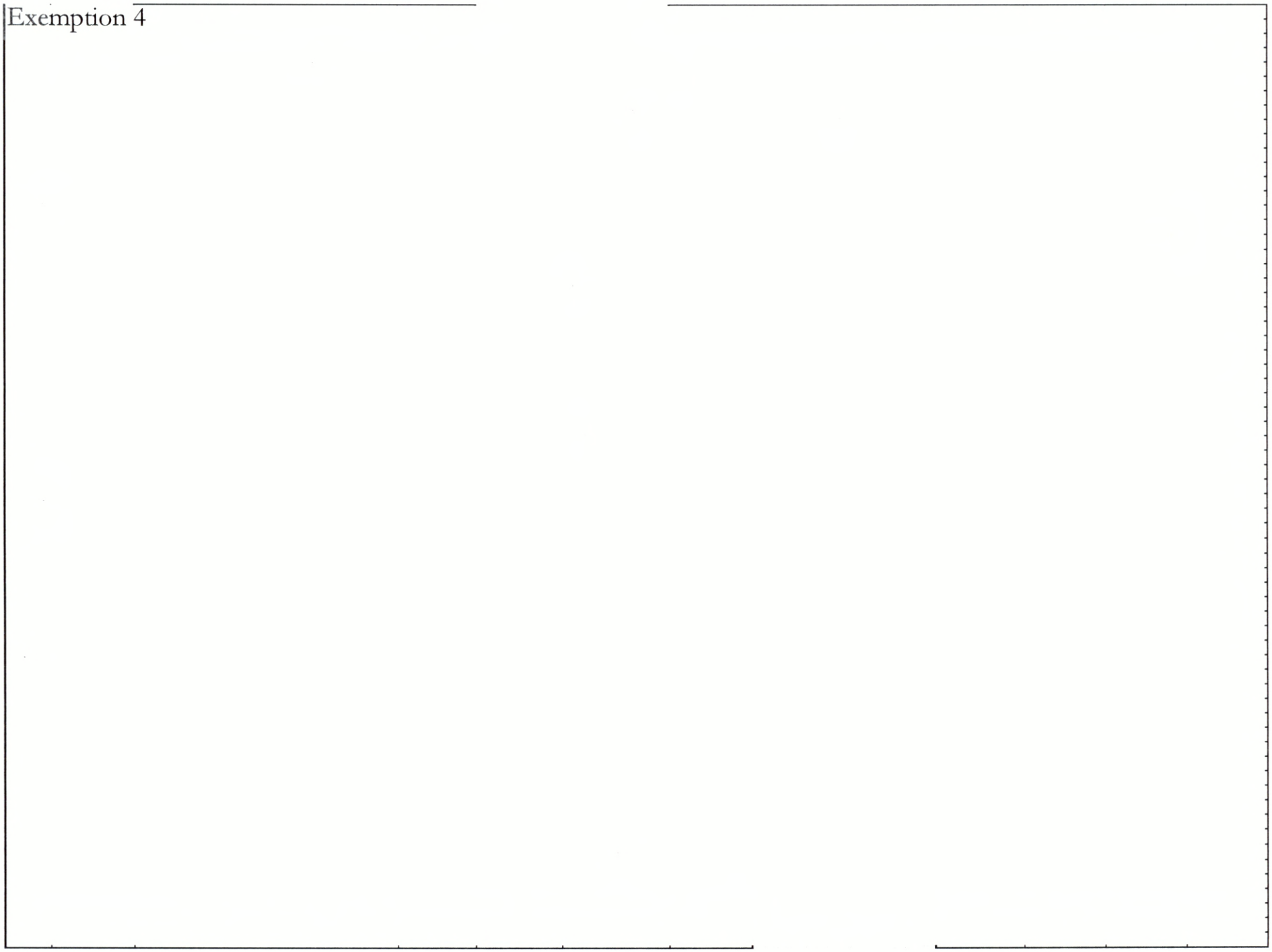
Exemption 4

Exemption 4



Exemption 4

Exemption 4



Exemption 4

Exemption 4

Exemption 4

b. Fringe Benefits

	Budget Period 1	Budget Period 2	Budget Period 3	Total
Rate applied:	Exemption 4			
Total fringe requested:				

A federally approved fringe benefit rate agreement, or a proposed rate supported and agreed upon by DOE for estimating purposes is required if reimbursement for fringe benefits is requested. Please check (X) one of the options below and provide the requested information, if it has not already been provided to the Contracting Officer, OR if it has changed since it was. Calculate the fringe rate and enter the total amount in Section B, line 6.b. ("Fringe Benefits") of form SF-424A.

____ **A fringe benefit rate has been negotiated with, or approved by, a federal government agency. A copy of the latest rate agreement is included with this application, and will be provided electronically to the Contracting Officer for this project.**
(When this option is selected, a presentation of the budget that demonstrates the appliction of the approved rate, to arrive at the proposed fringes benefits dollars should also be provided.)

XXX **There is not a current, federally approved rate agreement negotiated and available.**
(When this option is checked, the entity preparing this form shall submit a rate proposal in the format provided at the following website, or a format that provides the same level of information and which will support the rates being proposed for use in performance of the proposed project. Go to https://www.eere-pmc.energy.gov/forms.aspx and select PMC 400.2 Sample Rate Proposal.)

Additional explanation/comments (as necessary)

The Fringe Benefits rate is based on current actual and adjusted in the future periods for projected hiring salary levels.Currently a larger portion of our employess are senior level and as we expend they will represent a smaller portion of our staff. Since the majority of our fringe benefits is for healthcare insurance, the effect of this demographic change is that fringe benefits will be a higher percent of compensation. Please see the Indirect tab at the end of this file for the Fringe calculation. Fringe Benefits includes medical, dental, childcare reimbursement and payroll taxes.

c. Travel

PLEASE READ!!!

Provide travel detail as requested below, identifying total Foreign and Domestic Travel as separate items. Purpose of travel are items such as professional conference, DOE sponsored meeting, project management meeting, etc. The Basis for Estimating Costs are items such as past trips, current quotations, Federal Travel Regulations, etc.

All listed travel must be necessary for performance of the Statement of Projecct Objectives.

Add rows as needed. If rows are added, formulas/calculations may need to be adjusted by the preparer.

Purpose of travel	No. of Travelers	Depart From (not required for domestic travel)	Destination (not required for domestic travel)	No. of Days	Cost per Traveler	Cost per Trip	Basis for Estimating Costs
Budget Period 1							
Domestic Travel							
EXAMPLE ONLY!!! Visit to PV cell mfr. to set up vendor agreement	2			2	$650	$1,300	Internet prices
Exemption 4		Exemption 4					
Domestic Travel subtotal							
International Travel							
International Travel subtotal							
Budget Period 1 Total							
Budget Period 2							
Domestic Travel							
						$0	
						$0	
						$0	
						$0	
						$0	
						$0	
						$0	

Purpose of travel	No. of Travelers	Depart From (not required for domestic travel)	Destination (not required for domestic travel)	No. of Days	per Traveler	Cost per Trip	Basis for Estimating Costs
						$0	
						$0	
						$0	
Domestic Travel subtotal	0					$0	
International Travel							
						$0	
						$0	
						$0	
						$0	
International Travel subtotal						$0	
Budget Period 2 Total						**$0**	
Budget Period 3							
Domestic Travel							
Domestic Travel subtotal	0					$0	
International Travel							
						$0	
						$0	
						$0	
						$0	
International Travel subtotal							
Budget Period 3 Total							
PROJECT TOTAL							

Exemption 4

Additional Explanations/Comments (as necessary)

d. Equipment

PLEASE READ!!!

Equipment is generally defined as an item with an acquisition cost greater than $5,000 and a useful life expectancy of more than one year. Further definitions can be found at 10 CFR 600 found on the PMC Recipient Resources Forms page at https://www.eere-pmc.energy.gov/Forms.aspx#regs .

List all proposed equipment below, providing a basis of cost such as vendor quotes, catalog prices, prior invoices, etc., and briefly justifying its need as it applies to the Statement of Project Objectives. If it is existing equipment, and the value of its contribution to the project budget is being shown as cost share, provide logical support for the estimated value shown. If it is new equipment which will retain a useful life upon completion of the project, provide logical support for the estimated value shown.

For equipment over $50,000 in price, also include a copy of the associated vendor quote or catalog price list.

Add rows as needed. If rows are added, formulas/calculations may need to be adjusted by the preparer.

Equipment Item	Qty	Unit Cost	Total Cost	Basis of Cost	Justification of need
Budget Period 1					
EXAMPLE ONLY!!! Thermal shock chamber	2	$20,000	$40,000	Vendor Quote	Reliability testing of PV modules- Task 4.3
Exemption 4			Exemption 4		
Budget Period 1 Total					
Budget Period 2					
Exemption 4			Exemption 4		
Budget Period 2 Total					
Budget Period 3					
Exemption 4			Exemption 4		
Budget Period 3 Total					
PROJECT TOTAL					

Additional Explanations/Comments (as necessary)

e. Supplies

PLEASE READ!!!

Supplies are generally defined as an item with an acquisition cost of $5,000 or less and a useful life expectancy of less than one year. Supplies are generally consumed during the project performance. Further definitions can be found at 10 CFR 600 found on the PMC Recipient Resources Forms page at https://www.eere-pmc.energy.gov/Forms.aspx#regs.

List all proposed supplies below, providing a bases of cost such as vendor quotes, catalog prices, prior invoices, etc., and briefly justifying the need for the Supplies as they apply to the Statement of Project Objectives. Note that Supply items must be direct costs to the project at this budget category, and not duplicative of supply costs included in the indirect pool that is the basis of the indirect rate applied for this project.

Add rows as needed. If rows are added, formulas/calculations may need to be adjusted by the preparer.

General Category of Supplies	Qty	Unit Cost	Total Cost	Basis of Cost	Justification of need
Budget Period 1					
EXAMPLE ONLY!!! Wireless DAS components	10	$360.00	$3,600	Catalog price	For Alpha prototype - Task 2.4
	0		$0		
	0		$0		
	0		$0		
Budget Period 1 Total			**$0**		
Budget Period 2					
	0		$0		
	0		$0		
	0		$0		
	0		$0		
Budget Period 2 Total			$0		
Budget Period 3					
Analytical supplies	Exemption 4				
Chemicals, solvents, polymers					
Disposable lab supplies (e.g. gloves)					
Safety supplies					
Minor engineering equipment					
Budget Period 3 Total					
PROJECT TOTAL					

Additional Explanations/Comments (as necessary)

For Phase I and II, lab supplies are part of the overhead allocation. In Phase III, the costs are only for those at the pilot scale biorefinery. Estimates are based on our experience.

f. Contractual

Sub-Recipient Name/Organization	Purpose/Tasks in SOPO	Budget Period 1 Costs	Budget Period 2 Costs	Budget Period 3 Costs	Project Total
EXAMPLE ONLY!!! XYZ Corp.	Partner to develop optimal fresnel lens for Gen 2 product - Task 2.4	$48,000	$32,000	$16,000	**$96,000**
Georgia Tech	Exemption 4				
MTR - Membrane Technology and Research, Inc.					
The Dow Chemical Company					

Vendor Name/Organization	Product or Service, Purpose/Need and Basis of Cost (Provide additional support at bottom of page as needed)	Budget Period 1 Costs	Budget Period 2 Costs	Budget Period 3 Costs	Project Total
EXAMPLE ONLY!!! ABC Corp.	Vendor for developing custom robotics to perform lens inspection, alignment, and placement (Task 4.) Required for expanding CPV	$32,900	$86,500		**$119,400**
Exemption 4					

Sub-Recipient Name/Organization	Purpose/Tasks in SOPO	Budget Period 1 Costs	Budget Period 2 Costs	Budget Period 3 Costs	Project Total
Exemption 4					

FFRDC Name/Organization	Purpose	Budget Period 1 Costs	Budget Period 2 Costs	Budget Period 3 Costs	Project Total
NREL- National Renewable Energy Laboratory	Exemption 4				
Total Contractual					