

# Commonwealth Research Commercialization Fund (CRCF) FY2020 Solicitation

---



## **FREQUENTLY ASKED QUESTIONS** *for CRCF FY2020 Solicitation Preview*

**Q-1. What is the Commonwealth Research Commercialization Fund (CRCF)?**

A. The CRCF is a state fund designed to drive economic growth in Virginia through investments in the development and commercialization of targeted, high-potential technologies. The Center for Innovative Technology (CIT) administers the CRCF.

**Q-2. Where can I find information on the FY2020 solicitation and its programs?**

A. Until the RFP is released in late September, high-level information can be found via [www.cit.org/initiatives/crcf/fy2020/preview/](http://www.cit.org/initiatives/crcf/fy2020/preview/); key program criteria is outlined below in Q-9. Once the RFP is issued, information will be available from [www.cit.org/initiatives/crcf/](http://www.cit.org/initiatives/crcf/).

**Q-3. What can I do if I still have questions?**

A. The CRCF team will be available for questions via [crf@cit.org](mailto:crf@cit.org) beginning in late August, once more information on the Letter of Intent (LOI) process is issued. Once the RFP is announced in late September, additional resources will be available, such as webinars, complete FAQs, regional briefings, and more.

**Q-4. What is the total amount of available CRCF funds?**

A. Approximately \$2.5M is available to award in FY2020.

**Q-5. What is the CRCF win rate?**

A. Since its inception in 2011, the CRCF program overall has awarded approximately 34% of applications received.

**Q-6. Is the CRCF award a grant, contract, or loan?**

A. All awards are grants.

**Q-7. How many awards will there be, and what can we expect as an average award amount?**

A. The number and average value of awards is not predetermined. There also is not a predetermined number or value of awards by industry, program, or any other criteria.

**Q-8. What are the eligible industries projects may focus on this round?**

A. For all programs offered during the FY2020 solicitation, projects/work proposed must be directly related one or more of the following industry sectors.

- **Clean energy:** includes solar, wind, geothermal, bioenergy, nuclear, clean coal, and energy efficiency technologies
- **Cyber security:** includes technologies designed to protect networks, devices, programs, and data from attack, damage, or unauthorized access
- **Data analytics:** technologies envisioned are specialized systems or software. Data analytics is the process of examining large data sets in order to draw conclusions about the information they contain, increasingly with the aid of specialized systems or software. The insights from data are used to recommend action or to guide decision-making rooted in business context.

- **Life sciences:** includes diagnostics, therapeutics, medical devices, health IT, and biotechnology
- **Unmanned systems:** unmanned or autonomous vehicles or systems for air, space, land, or maritime use. Eligible technologies include vehicles or other mobile solutions and their subsystems, components, and software, as well as the data derived from their use.

**Q-9. Can you give me a quick snapshot of the CRCF FY2020 programs?**

**A.** See the table below for high-level criteria for the five CRCF programs offered in FY2020. Three programs are available to the private sector: Commercialization, SBIR Matching Funds, and STTR Matching Funds, and two programs are available to higher education, federal research facilities, university research consortia, and other nonprofit research organizations: Matching Funds and Eminent Researcher Recruitment. Refer to the forthcoming Guidelines for each program for complete information. Each project may be submitted under only one program.

Program	Eligible Applicants/Key Criteria	Maximum # of LOIs / Applications per Organization	Maximum Request Amount per Project
<b>PRIVATE SECTOR PROGRAMS</b> Technology companies in Virginia may submit one application under the Commercialization, SBIR Matching Funds, or STTR Matching Funds Programs			
Commercialization Program	<ul style="list-style-type: none"> <li>• For-profit technology companies headquartered in and with an express desire to grow the business in VA</li> <li>• VA is the primary place of business also for the company's senior executives</li> <li>• Received no more than 2 prior CRCF awards</li> <li>• Received up to \$5M in combined outside private investment and cumulative sales revenue since January 1, 2015</li> <li>• Received no more than 8 SBIR and/or STTR awards, combined</li> <li>• Work at the proof-of-concept, prototype, or MVP development stages</li> <li>• 1:1 match required</li> </ul>	1	\$75,000
SBIR/STTR Matching Funds Programs	<ul style="list-style-type: none"> <li>• VA-based technology companies with an express desire to grow the business in VA and that:               <ul style="list-style-type: none"> <li>○ Have received an SBIR or STTR Phase I or II award from a federal agency:                   <ul style="list-style-type: none"> <li>▪ Phase I applicants may have received no more than 5 SBIR and/or STTR awards</li> <li>▪ Phase II applicants may have received no more than 8 SBIR and/or STTR awards</li> <li>▪ PoP of matching federal award began January 1, 2018 or later</li> </ul> </li> </ul> </li> </ul>		

	<ul style="list-style-type: none"> <li>○ <b>OR</b> submitted and are awaiting an award decision or plan to submit an SBIR or STTR application for a federal deadline on or before March 31, 2020</li> <li>• May have received no more than 2 prior CRCF awards</li> <li>• SBIR or STTR awards already tied to a CRCF-supported project are not eligible</li> <li>• Must employ fewer than 12 full-time employees</li> <li>• Have at least 51% of its employees reside in VA</li> <li>• Have at least 51% of its property located in VA</li> </ul>		
<b>PROGRAMS FOR: HIGHER EDUCATION, UNIVERSITY RESEARCH CONSORTIA, FEDERAL RESEARCH FACILITIES, AND OTHER NONPROFIT RESEARCH INSTITUTIONS</b> Included in this total are submissions made by any of the organizations' research centers, schools, departments, institutes, and/or other entities.			
Matching Funds Program	<ul style="list-style-type: none"> <li>• Virginia public or private institution of higher education or its associated IP foundation</li> <li>• Federal research facility in Virginia</li> <li>• University research consortium that includes Virginia college and university member institutions</li> <li>• Other nonprofit research institution in Virginia that was established for and whose primary purpose is performing basic and/or applied research</li> <li>• 1:1 match required</li> </ul>	4 (1 per PI)	\$150,000
Eminent Researcher Recruitment Program	<ul style="list-style-type: none"> <li>• Virginia public institution of higher education or its associated IP foundation</li> <li>• Must involve a private sector partner</li> <li>• 1:1 match required, with 50% from private sector partner</li> </ul>	1	\$250,000

**Q-10. What is the timeline for the solicitation?**

- A. CIT plans to release information on the Letter of Intent (LOI) process in late August and the FY2020 RFP in late September. LOIs for all programs will be due on Wednesday, November 6 and applications will be due on Monday, February 3. Early June 2020 is the target date for award announcements. Note that this is the anticipated schedule and dates may change slightly; refer to forthcoming RFP information for the final timeline.

**Q-11. What occurs at the Letter of Intent (LOI) stage?**

- A. The FY2020 LOI will call for information about your proposed technology and why it's a good investment for the Commonwealth. Content sought will be along the lines of a discussion of the needs and opportunity, a description of your technology and its competitive advantage, the proposed project, your management team, the technology's commercialization pathway, and projected economic outcomes for Virginia. More information regarding the LOI will be available at the end of August.

Once your LOI is submitted, it will be reviewed for eligibility and fit for the FY2020 CRCF program. All applicants will be notified of their status following review; those invited to

submit an application will receive instructions and those whose LOIs were not selected to go forward will receive feedback. LOI decisions are final.

**Q-12. Do the applicant and the Principal Investigator (PI) have to be located and perform work in Virginia? What about the Authorized Representative (AR)?**

A. The goal of CRCF is to advance science- and technology-based research, development, and commercialization to drive economic growth in the Commonwealth of Virginia. Therefore, the applicant organization and PI must be located in Virginia and must perform all or most of the proposed work in Virginia. Applicants without substantial operations of their own in Virginia, both personnel and property, will not be accepted. Cases where an AR is located outside of Virginia, but other criteria are met, may be acceptable on a case-by-case basis.

**Q-13. Must the researcher being recruited under the Eminent Researcher Recruitment Program permanently relocate to Virginia, or can s/he visit temporarily?**

A. The purpose of the Eminent Researcher Recruitment Program is to attract and retain a new researcher/faculty member. As such, the recruitment of this scholar is intended as a permanent relocation to Virginia.

**Q-14. Are there any restrictions on submissions by organizations or Principal Investigators (PIs) who have previously received a CRCF award?**

A. A PI who has received an award may apply for funding to continue the work or undertake a new project. However, under the Commercialization, SBIR Matching Funds, and STTR Matching Funds Programs, organizations that have received more than two (2) prior CRCF awards are not eligible to apply for FY2020 funding.

**Q-15. If my project has been recommended for a CRCF award in the past, but I've had to decline, does the declined award count against the total number of prior CRCF awards?**

A. No, a declined award does not count toward the cap on the number of prior CRCF awards. This cap is specific to projects where CRCF funding was accepted and project work was performed. A company may have received two, but not more than two, prior CRCF awards to be eligible.

**Q-16. Does the Principal Investigator (PI) for the CRCF project have to be the same individual as the PI for the federal project, in the case of the SBIR and STTR Matching Funds Programs?**

A. No. The PIs do not have to be the same for the federal and CRCF projects.

**Q-17. Are LLCs eligible to apply under the private sector programs?**

A. Yes. Companies structured as LLCs are eligible to apply under the private sector programs provided they meet the other eligibility criteria.

**Q-18. I have not yet formed a company, but I plan to. Is there a required date of establishment for private sector applicants?**

- A. To be eligible for the Commercialization, SBIR Matching Funds, or STTR Matchings Funds Programs, you must have incorporated the company by November 6, 2019, the Letter of Intent deadline.

**Q-19. What is meant by “technology company”?**

- A. Technology companies are for-profit companies that are developing technology solutions or developing and deploying solutions in an eligible industry sector.

**Q-20. What is meant by “SBIR” and “STTR”?**

A. “SBIR” refers to the Small Business Research Innovation Research program and “STTR” refers to the Small Business Technology Transfer program, both authorized under [15 U.S.C. §638](#).

**Q-21. Are grants included in the cap on cumulative sales revenue?**

A. The cap of \$5 million is for cumulative revenue from sales of products and/or services since January 1, 2015 and any private investment received since that time. It does not include, for example, contracts and grants for research or technology development.

**Q-22. I have submitted or will submit an SBIR or STTR Phase I or II proposal that, if awarded, would push me over the cap for the number of federal awards received. Am I still eligible to apply to CRCF?**

A. Yes. The caps refer to the number of SBIR and/or STTR awards under contract as of the LOI deadline.

**Q-23. I have 11 full-time employees and 10 part-time employees. Are my P/T employees a factor in my eligibility? What about contractors?**

A. Eligibility criteria place a cap only on the number of full-time employees only, at the time of Letter of Intent submission. Contractors, consultants, interns, or an organization’s “contingent workforce” – personnel that may become employees as the company grows – do not count against that cap.

**Q-24. Can my SBIR or STTR award come from any federal agency?**

A. Yes. The SBIR and STTR Matching Funds Programs are not restricted by federal agency. Additionally, there are no restrictions on federal topics.

**Q-25. I don’t yet know the outcome of my federal SBIR or STTR application. Can I apply for a CRCF SBIR or STTR Matching Funds award under this solicitation?**

A. Yes. CRCF applications may be submitted if your organization is awaiting decision on a federal SBIR or STTR Phase I or II application submitted for a federal deadline on or before March 31, 2020.

**Q-26. If my federal award is less than \$75,000, the maximum award amount under the SBIR and STTR Matching Funds Programs, can I still request \$75,000 from CRCF?**

A. No. A minimum one-to-one match is required of all CRCF programs; the federal award fulfills this requirement under the SBIR and STTR Matching Funds Programs. As such, an applicant may request an amount equal to or less than the federal award, but not to exceed \$75,000.

**Q-27. What are acceptable uses of CRCF funds under the SBIR and STTR Matching Funds Programs and can these monies be used to support activities my federal award will not?**

- A.** SBIR and STTR Matching Funds awards advance the work supported by the federal award. Technology development is expected to be the focus of CRCF projects and costs should reflect this. Other uses of CRCF monies may include market validation, IP protection, and/or additional efforts that drive commercialization, company growth and economic benefits to Virginia.

**Q-28. What are matching funds? Are these “matching funds” different from the Matching Funds and SBIR and STTR Matching Funds Programs?**

- A.** Matching funds are monies that will be supplied in an amount of at least one-to-one to match the application and award amount. Matching funds may come from the applicant organization, its partners, or other funding sources. They may be cash or in-kind and provided via one or more sources dedicated to the project. Matching funds must be specific to and concurrent with the CRCF project. While three of our programs include “matching funds” in the program name, in fact matching funds are a required component of all CRCF programs; the federal SBIR or STTR award serves as the match for the SBIR and STTR Matching Funds Programs.

**Q-29. What qualifies as matching funds?**

- A.** Matching funds may be cash and/or in-kind donations. Examples of possible sources for matching funds follow.
- Salaries of the Principal Investigator, graduate students, and/or other personnel working on the project
  - Travel directly associated with the project and tied to its success
  - Materials, supplies, or equipment specifically for the project
  - Time on equipment for work directly tied to the project
  - Waived indirect costs associated with the project, such as G&A and overhead
  - Federal, foundation, private, or other non-CoV monies specific to the project that will be spent during the CRCF project’s period of performance; CIT GAP Funds investment(s) are not eligible as matching funds
  - Private investment, including angel, venture or other private sources

Discounts on equipment, supplies, and/or other project-related discounts are not eligible as the match.