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/; key program criteria is outlined below in Q-9. Once the RFP is issued, information will be available from www.cit.org/initiatives/crcf/.

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

A. The CRCF team available for questions via crcf@cit.org. Once the RFP is announced in late September, additional resources will be available, such as webinars, regional briefings, complete FAQs, 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.

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➢ **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
PRIVATE SECTOR PROGRAMS Technology companies in Virginia may submit one application under the Commercialization, SBIR Matching Funds, or STTR Matching Funds Programs			
Commercialization Program	• For-profit technology companies headquartered in and with an express desire to grow the business in VA • VA is the primary place of business also for the company's senior executives • Received no more than 2 prior CRCF awards • Received up to $5M in combined outside private investment and cumulative sales revenue since January 1, 2015 • Received no more than 8 SBIR and/or STTR awards, combined • Work at the proof-of-concept, prototype, or MVP development stages • 1:1 match required	1	$75,000

SBIR/STTR Matching Funds Programs	• VA-based technology companies with an express desire to grow the business in VA and that:
	  o Have received an SBIR or STTR Phase I or II award from a federal agency:
	    ▪ Phase I applicants may have received no more than 5 SBIR and/or STTR awards
	    ▪ Phase II applicants may have received no more than 8 SBIR and/or STTR awards
	    ▪ PoP of matching federal award began January 1, 2018 or later		

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	○ **OR** 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 • May have received no more than 2 prior CRCF awards • SBIR or STTR awards already tied to a CRCF-supported project are not eligible • Must employ fewer than 12 full-time employees • Have at least 51% of its employees reside in VA • Have at least 51% of its property located in VA		
PROGRAMS FOR: HIGHER EDUCATION, UNIVERSITY RESEARCH CONSORTIA, FEDERAL RESEARCH FACILITIES, AND OTHER NONPROFIT RESEARCH INSTITUTIONS Included in this total are submissions made by any of the organizations' research centers, schools, departments, institutes, and/or other entities.			
Matching Funds Program	• Virginia public or private institution of higher education or its associated IP foundation • Federal research facility in Virginia • University research consortium that includes Virginia college and university member institutions • Other nonprofit research institution in Virginia that was established for and whose primary purpose is performing basic and/or applied research • 1:1 match required	4 (1 per PI)	$150,000
Eminent Researcher Recruitment Program	• Virginia public institution of higher education or its associated IP foundation • Must involve a private sector partner • 1:1 match required, with 50% from private sector partner	1	$250,000

Q-10. Can you highlight what's new this round?

    A. The primary change applicants will see in FY2020 is the approach to the Letter of Intent (LOI). See Q-12 for a snapshot of what will be expected in the LOI this year. Also, more information is provided regarding eligible industry sectors (see Q-8) and the stage of work invited under the Commercialization Program (see Q-9).

Q-11. What is the timeline for the solicitation?

    A. CIT will 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-12. What is new about the LOI?

    A. The FY2020 LOI calls for additional information about your technology and such topics as the market opportunity, project, team, and anticipated economic outcomes for Virginia. The LOI is the first step in identifying projects that offer the most promise for the Commonwealth. LOIs will be reviewed to determine those invited to submit an application.

Q-13.   How will my LOI be evaluated?

    A.   LOIs will be reviewed first for eligibility and subsequently to determine whether it's a fit for the FY2020 CRCF program following the November 6 submission deadline. Each LOI question will be scored from 5-1, from highly promising to poor or not a fit for CRCF. An LOI's overall score will determine whether an application will be invited. All applicants will be notified of their status in December. 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-14.   Who is responsible for reviewing LOIs?

    A.   Each LOI will be reviewed first by CIT for general compliancy. Provided the LOI is eligible, it will advance to a review committee that includes the RTIAC and a pool of subject matter experts. This group is responsible for recommending which projects be invited to submit an application.

Q-15.   How do I submit my LOI?

    A.   LOIs will be accepted only after the RFP is issued in late September and must be submitted by November 6. You will be asked to upload your 2 ½-page document into an online form, in Word format.

Q-16.   Is there a template for the LOI?

    A.   Yes, there is a template for the LOI and it can be downloaded from www.cit.org/initiatives/crcf/fy2020/preview/ from the *Documents* box at the top right. The completed LOI may be a maximum of 2 ½ pages and the response to each question is not to exceed 1200 characters, including spaces. In addition to providing an answer for each section, applicants are also to indicate the organization name and PI's last name in the appropriate placeholders in the footer.

Q-17.   What are you looking for in the LOI when you ask me to describe the "market opportunity" for my technology?

    A.   Your discussion of the market opportunity should include the identified need, want, or demand for your technology because it is not being addressed by competitors.

Q-18.   When you ask me to describe the current state of the technology or service, would it be appropriate to indicate the technology readiness level (TRL)?

    A.   Absolutely. If this is a method that you're already using to describe the maturity of the technology, you are welcome to indicate this. However, use of TRLs for this description is not required, and may not apply to all CRCF applicants.

Q-19. 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-20. 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-21. 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-22. 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-23. 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-24. 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-25. 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-26. **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-27. **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-28. **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-29. **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-30. **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-31. **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-32. **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-33. **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; an applicant may request an amount equal to or less than the federal award, but not to exceed $75,000. 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.

Q-34. 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-35. 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-36. 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.

Q-37.   How are my CRCF materials protected?

A.   CIT protects the privacy of your applications and related materials during and after the solicitation, whether materials are in soft or hard copy.

Other than the Project Summary and the Executive Summary provided in the application and proposal, respectively, CIT considers the LOI, application, and any application materials confidential, along with follow-on reports, correspondence, and other communications. If CIT wishes to make public a project profile and/or other project-specific information beyond the aforementioned sections, it is only disclosed following approval by the awardee / applicant. CIT is not subject to FOIA, and LOIs and the follow-on applications and materials submitted to CIT are among materials not subject to FOIA.

Non-disclosure agreements or similar agreements govern those who manage and review materials. The discussion of proposals by the RTIAC takes place in closed session, per Statute.

CIT is audited each year, by the Virginia Auditor of Public Accounts. This includes auditing CIT's policies and practices for electronic data. CIT staff are required to maintain confidentiality of proprietary, sensitive, and/or other information not in the public domain. CIT uses the same degree of care to prevent the unauthorized use or disclosure of information as it uses to protect its own proprietary information from unauthorized use or disclosure. Proprietary information in a CRCF application is discouraged. If provided, it is to be marked and included only in the application's Appendix.