



Innovate Rhode Island Small Business Fund

Grants to Defray Cost of SBIR/STTR Phase I Proposal Submission (Phase 0 Grant)

Program Guidelines

INTRODUCTION

About the Rhode Island Science and Technology Advisory Council (“STAC”)

STAC is a legislatively established council, comprising a group of business and academic leaders, which was created to “support the state’s research institutions, promote entrepreneurial development, enable all organizations to become more innovative, and perform any other advisory functions as the legislature may designate.” With this charge, STAC’s efforts work to promote collaboration across all institutions of higher education, maximize state and federal investments in research, enhance the state’s research and development (“R&D”) efforts, support tech-based economic development, and encourage entrepreneurship, leading to new company creation through the transfer of technologies and discoveries in the marketplace. STAC’s efforts take an ecosystem approach to encourage cutting-edge research, innovation and technology development that improves the economic vitality of Rhode Island.

About the Innovate Rhode Island Small Business Fund (IRSBF)

The Innovate Rhode Island Small Business Fund was established in 2013 to leverage state funds to encourage and support Rhode Island entrepreneurial participation in the federal SBIR/STTR programs, increase the amount of federal research dollars received by Rhode Island firms, sustain companies through the early stages of product development, encourage the establishment of high potential, high quality, high growth ventures in Rhode Island and enhance the talent pipeline in the life sciences and engineering fields. Through IRSBF, eligible Rhode Island small businesses may apply for grants and loans to defray the cost of applying for SBIR/STTR awards, to match SBIR/STTR Phase I and Phase II awards and to hire interns.

Availability of Funds

The Innovate Rhode Island Small Business Account is a special revenue fund to be administered by STAC. The State of Rhode Island FY24 budget appropriated \$1,000,000 to this account to support IRSBF programs.

Release of Information

All applicants are advised that any and all records (documents, correspondence, memoranda, etc.), received or maintained by Rhode Island Commerce Corporation (“Corporation”) may be a matter of public record and subject to release upon a request from a member of the public under the Rhode Island Access to Public Records Act (“APRA”), R.I. Gen. Laws Section 38-2-1 et seq. In response to a request, the Corporation has the right, in its sole discretion, to redact or withhold information which is exempt from disclosure under APRA, including trade secrets and commercial or financial information which is of a privileged or confidential nature. The Corporation recommends that any portion of any attachment in the application that contains such information be clearly labeled with the legend “Confidential Information.”

GRANTS TO DEFRAY COST OF SBIR/STTR PHASE I PROPOSAL SUBMISSION

Overview

The federal Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) Programs represent the largest source of early-stage, high-risk technology financing in the United States. Eleven federal agencies participate in this program which provides over \$2 billion for early stage research and development projects leading to commercialization of resulting products or services. The programs are designed to benefit entrepreneurs and small businesses -- while increasing the competitiveness of the U.S. economy -- by funding the development of innovative products and services.

The IRISBF provides grants to assist small businesses offset the costs associated with preparing a competitive Phase I SBIR/STTR application.

Who May Apply

In order to be eligible for a grant, a business must satisfy the following conditions:

- Is a for-profit Rhode Island-based business with fifty (50) or fewer employees. For purposes of this program, a Rhode Island-based business is one that has its principal place of business and at least fifty-one percent (51%) of its employees residing in this state;
- Has submitted a qualified SBIR/STTR Phase I proposal to a participating federal agency in response to a specific federal solicitation.

Applicants meeting the above eligibility criteria must also:

- Satisfy all federal SBIR/STTR requirements;
- Certified that at least fifty-one percent of the research described in the SBIR/STTR Phase I proposal will be conducted in Rhode Island and that the business will remain a Rhode Island based business for the duration of the SBIR/STTR Phase I project;
- Demonstrated Freedom to Operate;
- Pledges it has not received and will not seek concurrent funding support from other sources that duplicate the purpose of the matching grant;

Amount of Award and Restrictions

Applicants may receive a grant as reimbursement for up to 50% of eligible direct costs up to a maximum of \$3000.00 associated with preparing and submitting a Phase I SBIR/STTR grant application.

A business may receive only (1) Grant per calendar year and may receive only (1) grant with respect to each federal proposal submission.

Costs that may be reimbursed include:

- proposal review and editing
- electronic submittal of proposals
- budget preparation and review
- project related supplies

Applicants must certify that professionals retained by the applicant and for whose services reimbursement is sought are qualified to provide the services as defined by any combination of the following competencies:

- familiar with federal regulations, proposal development
- subcontract management experience in government or civilian contracting
- technical writing expertise
- experience defining existing market opportunities and assessing potential markets
- experience commercializing technology products and services
- knowledge of federal accounting systems and reporting requirements
- experience in grant application review
- marketing, product management, business process redesign

Intellectual Property

The Principal Investigator representing the applicant business must have demonstrated the Freedom to Operate and perform research and commercialization activities related to the proposed activity funded by the SBIR/STTR award. Acceptance of this grant does not transfer any intellectual property rights. All information and findings derived from activities funded by the Rhode Island Science & Technology Council and the Innovate Rhode Island Small Business Program remain the property of the grantee.

Reporting Requirements

Businesses receiving reimbursement must agree to submit a report to STAC within 30 days of notification that the Phase I application will or will not be funded. The report must include whether the amount of the award, a description of how the state funds contributed to the business receiving the award and any plans for expansion or investment due to the receipt of the award. If the Phase I is not granted, the Final Report should describe whether the company will continue the proposed R&D using its own resources.

Businesses receiving matching funds must agree to provide STAC with information on an annual survey for five (5) years. Failure to file reports as required or participate in the survey may cause the recipient to be barred from receiving future IRISBP funding.

Businesses must also agree to maintain records and accounts that properly document and account for the use of STAC funds for a period of five (5) years and agree to comply with any audit requests. In the event that an audit results in the determination that the recipient has expended contract funds on unallowable costs, they shall reimburse STAC in full for all such costs.

Application Instructions

Businesses seeking to apply for grant preparation reimbursement funds should review the Application Checklist in the guidelines document and electronically submit an application form through the STAC website. In addition to the electronic application, businesses must submit to STAC an acknowledgement of receipt of the Phase I proposal by the relevant federal agency, an itemized statement of the costs to be reimbursed with supporting documentation.

STAC will review applications to confirm compliance with the requirements stated in these Guidelines and has the discretion to request supplemental materials from applicants as part of its review. Applications will be reviewed on a rolling basis until available funding is exhausted. Applicants will be notified if their application meets compliance with all requirements and is approved or if the application does not meet compliance and is denied.

Phase 0 – Application Checklist

Please submit the following documentation as part of your application packet via the application form on the STAC website.

- ✓ Completed Application form (on STAC website)
- ✓ Resume, CV, or biosketch of person who prepared the proposal.
- ✓ Itemized list of costs associated with preparing the proposal (such as timesheets, consultant contracts, etc).
- ✓ Notification from federal agency of SBIR/STTR Phase I proposal submission. This can be a copy of the email notification received after submission.
- ✓ Current company W9 (if first time applicant or change in business address since last application).
- ✓ ACH form for direct deposit (if applicable).