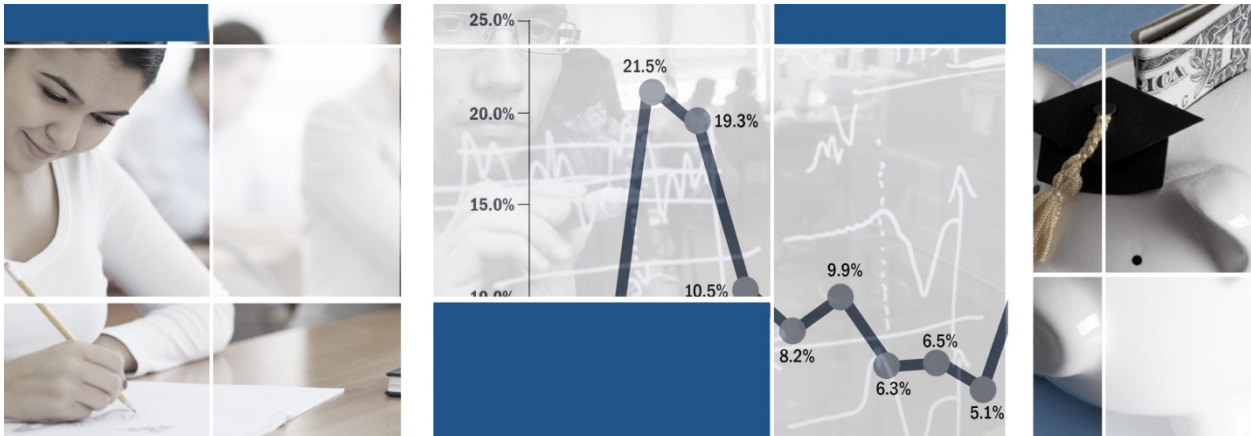


August 13, 2019



# Virginia Research Investment Fund Call for Proposals – Round 4 COMPREHENSIVE SUPPORTIVE SERVICES FOR PROOF OF CONCEPT AND COMMERCIALIZATION

| Activity                  | Key Dates        |
|---------------------------|------------------|
| Call for Proposals Issued | August 13, 2019  |
| Proposal Due Date         | January 13, 2020 |
| Award Announcement        | April – May 2020 |
| Estimated Start Date      | June 1, 2020     |

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## Virginia Research Investment Fund

### Commercialization of Academic Research; Economic Development

In recent years, several Virginia governmental entities have focused on the relationship between the commercialization of academic research and economic development. Current Governor Northam issued “A Comprehensive Economic Development Policy for the Commonwealth” (the Comprehensive Policy) on December 7, 2018. Former Governor McAuliffe issued Executive Orders #23 and #26, regarding the establishment of the New Virginia Economy workforce initiative, strategic plan and steering committee. The State Council of Higher Education for Virginia (SCHEV) issued The Virginia Plan for Higher Education. The General Assembly created the Virginia Initiative for Growth and Opportunity in Each Region (GO Virginia), the Virginia Research Investment Fund (VRIF) and the Virginia Research Investment Committee (VRIC).

### Statutory Purpose and Goals

The 2016 Virginia General Assembly passed legislation to support the academic research enterprise in the Commonwealth, creating the Virginia Research Investment Fund (VRIF) and an awarding body, the Virginia Research Investment Committee (VRIC). Prospective applicants are encouraged to review the [amended statutes in full](#).

### Study to Assess Virginia’s Research Assets

In 2017, SCHEV, on behalf of VRIC, launched a comprehensive study to assess the Commonwealth’s research assets, including those at its public universities, federal research facilities and private-sector companies. SCHEV retained TEconomy Partners, LLC, to conduct the study, which was completed in January 2018. A final report and three detailed analyses are available on the right side bar [here](#).

The TEconomy study recommended a high-value approach to proof-of-concept funding across universities that offers hands-on mentoring and engagement with venture capital investors:

Proof-of-concept funding is most effective when it is carried out as part of a more integrated commercialization process. The process of commercializing research discoveries to the marketplace is highly complex, interactive and market-driven and calls for enhancing research discoveries into technology solutions to meet the need(s) of customers in the marketplace. It involves a number of activities, such as assessing the technology and its potential markets against current products in the marketplace, e.g., technology and market assessments. It involves proof-of-concept of the viability of the technology and optimizing its engineering and design to meet price points of the marketplace to enhance the potential for sales and growth. The success of any related start-up companies involves identifying and recruiting the business and management team and securing the sources of investment or financing that will carry the product and/or firm through various stages of growth and development toward becoming an established company/product in domestic and global markets. (page 47)

The study identified the former Virginia Innovation Partnership (VIP) program as an example of a best practice and recommended that the program be renewed.

The VIP program was funded by an i6 Challenge grant awarded to the University of Virginia by the U.S. Economic Development Administration, Office of Innovation and Entrepreneurship. The program operated in Virginia between 2012 and 2015. The effort involved nearly all of Virginia’s research universities. It targeted support for 20 proof-of-concept projects annually through a competitive process, supported by a mentoring network of private sector experts and linked to venture investors, including a major annual event to pitch those projects that supported forming

new company start-ups. The results of VIP were very promising – 147 proof-of-concept ideas were submitted by 12 Virginia universities, with 36 projects funded and completed, 21 patents filed and two trade secrets established. Twelve new start-ups formed, which raised \$4.3 million over the period of the grant. The study recommended renewal of the initiative to create a national brand for Virginia related to this capability – effectively advertising to the industry and investment communities that Virginia’s innovation pipeline is more substantially de-risked and investment worthy than is typically found in universities in the US.

**A high-value approach to proof-of-concept funding is the focus of this Round 4 grant competition.**

## Virginia Research Investment Committee

The Virginia Research Investment Committee (VRIC) is charged by statute to evaluate applications, taking into account the review, scoring or prioritization by a panel of reviewers, and then to decide whether to approve an application for an award of a grant from the Fund (§23.1-3133 E & F).

Membership on VRIC is established by §23.1-3132. The Committee consists of five ex officio members and four non-legislative citizen members who are also members of the Virginia Growth and Opportunity (GO Virginia) Board.

Ex officio members:

- Director of the Council – Peter Blake (Chair)
- Secretary of Commerce and Trade – Brian Ball
- Secretary of Finance – Aubrey Layne
- Staff Director of the House Appropriations Committee – Robert Vaughn
- Co-Directors of the Senate Finance Committee – April Kees and Jason Powell

Citizen members from GO Virginia:

- James “Jim” Dyke (appointed by the Governor)
- Heywood Fralin (appointed by the Senate)
- Doug Juanarena (appointed by the Governor)
- Todd Stottlemeyer (appointed by the House of Delegates)

Committee members’ terms on VRIC are coincident with their terms in office and their terms on the GO Virginia Board, respectively.

## Best Practices and Shared Values in Principled Grantmaking

To maintain public trust, these shared values drive VRIC best practices in principled grantmaking and form the foundation for the guidelines that govern the VRIF proposal, peer review and award processes. These shared values closely follow the core values of the National Institutes of Health.

**Expert Assessment:** Expertise on peer review panels will be suitable for evaluating the potential impact of the proposed work. No proposals will be funded that were not favorably evaluated by a peer review panel.

**Transparency:** Decisions for awards will be made solely using published review criteria.

**Impartiality:** Inappropriate influences will be removed from the review process. Award decisions will be rendered without the influence of conflicts of interest or the appearance of conflicts of interest. Awards will be made without bias or predisposition, either personal or professional. Awards will not be made based on predetermination.

**Fairness:** All applications will be evaluated using the same review processes. Decisions will be rendered based on information included in the proposal. ***After a call for proposals is issued for a round of funding, all conversations between institutions/researchers and VRIC members about specific projects will cease.***

**Privacy Protection for Applicants and Peer Review Panel Members:** Peer review panel members and VRIC members will honor the spirit of the FOIA exclusions and closed meeting allowances for VRIF processes to ensure the privacy protection of applicants and peer reviewers.

## Virginia's Freedom of Information Act and Open Meetings Law

### Introduction

The Virginia Freedom of Information Act (FOIA) does not provide the same protection from exposure as federal Sunshine Laws for unfunded or funded grant proposals. Applicants should consult with their institution's counselor from the Office of the Attorney General.

**Required Action: Applicants must make a written request for protection, identifying with specificity the data, information or other materials for which protection is sought and stating the reason why protection is necessary. Please follow the directions below.**

### Description of FOIA Exclusion for VRIF

The Virginia Freedom of Information Act (FOIA) as codified at Va. Code §2.2-3705.6. Item 28 addresses protection for proposals submitted to VRIC. Please read the entirety of Item 28, available [here](#).

The statute allows only the following information to be excluded from the mandatory disclosure provisions: Information relating to a grant application, or accompanying a grant application, submitted to the Virginia Research Investment Committee, to the extent that such records would reveal:

1. Trade secrets as defined in the Uniform Trade Secrets Act (§59.1-336 et seq.), disclosure of which would be harmful to the competitive position of a party to the grant application.
2. Financial information of a party to the grant application that is not a public body, including balance sheets and financial statements, that are not generally available to the public through regulatory disclosure or otherwise, disclosure of which would be harmful to the competitive position of a party to the grant application.
3. Research-related information produced or collected by a party to the grant application in the conduct of or as a result of study or research on medical, rehabilitative, scientific, technical, technological or scholarly issues, when such information has not been publicly released, published, copyrighted or patented, disclosure of which would be harmful to the competitive position of a party to the grant application.

The statute requires that the request for protection by applicants occur at the time the materials are submitted to VRIC.

Item 28 also gives VRIC the authority to approve or deny the request for protection.

#### Directions for Requesting Protection from Mandatory Disclosure

Applicants should submit two versions of their application packet. In one version, applicants should redact the information for which protection is sought. For each redaction, applicants should indicate (in the margin, via comments added to a pdf or on a separate cover sheet) the reason why protection is necessary, keeping in mind that the statute allows three types of information to be protected when disclosure would be harmful to the competitive position of a party to the grant application.

SCHEV staff will notify applicants within two weeks of submission whether their request has been approved. If the request was not approved, SCHEV staff will work with applicants to navigate a path to protection or withdraw the application.

#### SCHEV Response to FOIA Request

In the event that SCHEV receives a FOIA request, the decision regarding what, if any, information is to be withheld from disclosure pursuant to the Virginia Freedom of Information Act rests within the sole discretion of the SCHEV FOIA officer, SCHEV staff, the VRIC Chair and SCHEV's Attorney General representative. It is anticipated that the redacted version of the application would be released, without regard to whether the proposal was funded or not. SCHEV staff will inform the lead applicant institution the extent of the information released in response to the FOIA request.

#### Description of Open Meetings Law Exclusion for VRIF

Virginia's open meetings law is codified at Va. Code §2.2-3711, "Closed meetings authorized for certain limited purposes." Item A.48 addresses the requirements for closed meetings of the Virginia Research Investment Committee. The full text is available [here](#).

## **Description of Funding Opportunity**

### **Eligible Applicants**

Eligible lead applicants are public institutions of higher education in Virginia. While one institution must be named as the lead and fiscal agent, VRIC expects that two institutions will co-lead the administration of the proposed program. Further, VRIC expects that any proposal related to the cybersecurity strategic growth opportunity area will be submitted collectively by the Commonwealth Cyber Initiative Leadership Council.

### **Goal**

The goal is to create a disciplined process to streamline commercialization of the products of university research for each strategic growth opportunity area through re-granting or mini-grants to teams of researchers for proof of concept (POC) experiments and the provision of mentoring and other support to those research teams before, during and after the POC grants.

The strategic growth opportunity areas are: Big data, leveraging fiber and data center assets; cybersecurity; unmanned systems; space and satellite systems; and life sciences.

As with all programs funded by the Virginia Research Investment Fund (VRIF), the ultimate objective is job creation through commercializing the products of university research via licensing technology to start-up or existing companies located in Virginia.

## **Type of Activities**

The winning grantee(s) will provide direct assistance to university-based innovators and entrepreneurs to support proof-of-concept and commercialization of technology by offering a range of services that drive innovation-based, high-growth entrepreneurship and startup acceleration, such as technology advisement, market evaluation, business planning, mentoring and access to early-stage capital. Applicants must explain how they will leverage Virginia's existing strengths, capabilities and competitive advantages, including leveraging the experiences of successful entrepreneurs and business executives while fostering a culture of innovation.

## **Guidelines for Proof-of-Concept Mini-Grants**

Sub-granting of VRIF funds for proof-of-concept and/or commercialization projects is subject to the following guidelines:

- Only public institutions of higher education can lead sub-grant projects
- Subgrant projects should lead to commercializable products of university research, rather than furthering treatment protocols or other research and technology advances
- Institutions must waive F&A rates for sub-grant projects (waived F&A would count toward the required match for the overall prime grant-funded program)
- Matching funds should not be required of subgrantees, where possible
- Grant funds can flow down to sub-sub-awardees, including but not limited to public or private institutions of higher education, start-up companies formed to commercialize the product, vendors who manufacture prototypes, patent attorneys, consultants to assist with FDA approval, etc.
- VRIF funds can be used for any costs that are required to move the product toward commercialization, including prototyping costs, patenting costs, tuition for graduate students working on the project, paid internships, etc.
- Grantee will determine whether and how to include scoring that favors or disfavors certain usage of VRIF funds
- The process for re-granting must include peer reviewers who are external to the institutions administering the program. The reviewers should include, at minimum, technical experts (research scientists, clinicians, engineers, etc.), venture capitalists and/or angel investors, and experienced entrepreneurs with expertise in start-ups created to commercialize the products of research. The majority of peer reviewers should be from outside academia.
- The process for re-granting must include a plan for monitoring sub-grantees and include the schedule of reporting that will be required
- All the terms and conditions in Appendix A flow down to all subrecipients.

## **Award Type and Amount**

Each award will fund a program for one strategic opportunity area. Applicants wishing to lead or co-lead programs in multiple opportunity areas must submit a separate proposal for each domain.

Applicants may request any amount.

Funds will be awarded in the form of a grant, with a Memorandum of Understanding between the State Council of Higher Education for Virginia and the lead institution.

### **Matching Funds Required**

A 1:1 match is required; see below for details.

### **Number of Awards**

Up to five grants may be awarded (no more than one grant will be awarded for each strategic domain area; VRIC may opt to award no grants for a strategic domain area)

### **Period of Performance**

The grant period will be three years, with the option to renew for a 4<sup>th</sup> and 5<sup>th</sup> year if funds are available and promised performance metrics are achieved.

## **Application Contents and Submission Information**

### **Application Contents**

Please use the proposal template provided below.

- Proposals may be single spaced.
- Font must be either Times New Roman 12 pt. or Arial 11 pt.
- Font for figures, tables, formulas and diagrams can be reduced no smaller than Times New Roman 10 pt. or Arial 9 pt.
- Margins, in all directions, must be at least an inch; margins for illustrations, graphics, diagrams, tables or figures that take up a full page may be reduced no smaller than half an inch.
- Inclusion of links to additional information is allowed; however, reviewers are not required to follow the links or consider the additional information in the review of applications.
- Pages should be numbered on the bottom right.
- Inclusion of other information in headers or footers is at the discretion of the applicant.

Proposals must include the sections listed below in the same order and with identical headings. No other documents or attachments are allowed. If submitted, unallowable attachments will be removed prior to review.

The page limit for the application package, not including the budget, budget narrative and biosketches, is 20.

### **Cover Sheet:** 1-page limit

Please include:

- Title of proposed program
- Targeted strategic domain area
- Name and contact information for lead institution
- Name and contact information for co-lead institution
- Amount of funds requested over three years
- Estimated amount of matching funds (must be at least 1:1)
- Printed name, title and signature of authorized signer



**Executive Summary:** 1-page limit; will be published on website and used for press release if proposal is funded.

**Results from Prior State Funding:** Include information related only to state funding for the same program proposed in this application.

**Description of Pending Proposals for State Funding:** Include information related only to state funding for the same program proposed in this application.

**Background:** Describe previous experience (1) administering a program of this type, if any, and (2) commercializing the products of university research specific to the targeted strategic domain area.

**Program Director(s):** Name the program director(s) and briefly describe their qualifications. Attach biosketches or resumes (see below for instructions). If an applicant intends to hire a program director(s), the applicant must name an interim program director who will be available on the first of day of the grant period and remain on the project, meeting each proposed milestone and timely producing all deliverables, until a permanent program director is hired. In addition to providing the interim program director's qualifications, applicants should describe the qualifications that will be required of the newly hired director.

If the program director(s) are not situated within the technology transfer offices (or equivalent) of the applicant institutions, describe the active role and integrated participation of all institutions' technology transfer offices.

**Program Management and Governance Structure:** Describe the proposed management structure, project management practices, communication plan and accountabilities of each of the collaborating institutions. Please describe a governance structure comprised of an inclusive group of stakeholders; overall, across all governing councils, steering and/or advisory committees and review panels, the majority of members should be from outside academia.

**Description of Proposed Program:** Applicants must propose a program that includes, at minimum, the following required elements. Please describe how these elements will be packaged into a disciplined process to streamline commercialization of the products of university research.

- Processes for identification of research teams or products through (1) "scouting" for promising innovations that address unmet market needs and (2) self-nomination by research teams that have identified or disclosed commercializable technology
- A process for choosing which of the identified teams or products will receive support
- Identification of the skills needed by mentors tailored to the targeted domain area
- A clear plan to recruit qualified mentors
- A process to match mentors to projects that would then be eligible to compete for proof-of-concept funds
- Funding for proof-of-concept projects at a stage or stages chosen by the applicant institutions as most appropriate to the targeted domain area; i.e., de-risking new technology
- A process for application, selection, award and monitoring of proof-of-concept projects.
- Supportive services that mentors and consultants might provide to researchers; for example:
  - Technology/research advisement
  - Experiment design and assistance with application for proof-of-concept funds
  - Regulatory evaluation and advisement

- Market evaluation
- Business planning
- Business opportunity articulation
- Educational programs or work experiences to prepare students and researchers for entrepreneurial challenges and work environments
- Link technology and researchers to external networks
- Identification of and access to early-stage capital (VRIF funds cannot be used to capitalize a seed fund)
- Applicants may also include elements such as:
  - Hosting special events to showcase inventions, ideas, research, technologies and entrepreneurs to promote the exchange of ideas that leads to the formation of new collaborations and ultimately to the commercialization of innovations
  - Engaging local business associations and governments to ensure that high growth entrepreneurs and companies are more fully integrated into the local business community and that their growing needs are addressed by a robust support network that includes specialized and readily-accessed technical assistance and access to capital, business associations and government officials

**Timeline, Milestones and Deliverables:** Please include implementation milestones such as finalizing governance documents and memoranda of understanding between the co-leading institutions, mentor recruitment, finalizing processes for researchers to request the support of mentors and for re-granting, recruiting peer reviewers and awarding the first sub-grants, as well as projected output and outcome milestones listed under Reporting Requirements, below.

**Biographical Sketches:** 18-page limit. A biographical sketch is required for the Program Director at the lead institution and the Co-Director(s) responsible for the contributions of the co-leading institution. Biosketches may be submitted for other senior or key personnel. Applicants can choose to use either NIH-style or NSF-style biosketch format. Non-scientist key personnel can submit a resume. Documents are limited to three pages each.

**Budget and Budget Narrative:** Please provide a detailed budget for each year of the grant period and cumulatively. The detailed budget should reflect planned expenditures of grant funds and the required 1:1 matching funds. Therefore, applicants requesting \$5 million, should submit a budget totaling at least \$10 million.

Budgets will be accepted in any format (for example, a format published by an institution's office of sponsored programs or a budget extracted from an institution's electronic research administration portal) that includes all the usual direct cost budget categories: salaries/wages, benefits, travel, supplies, other direct costs, subrecipients (subawards or contracts to collaborating entities or vendors), etc.

VRIF funds cannot be used for indirect costs.

The amounts for each budget line item must be documented and justified in the budget narrative. For proposals that contain a subaward(s), each subaward must include a separate budget narrative. There is no page limit for the budget narrative.

### Matching Funds Guidelines

The budget narrative should include an explanation of the source(s) of matching funds.

Match requirements:

- Commitment of a 1:1 match is a criteria for eligibility, rather than a review criteria (i.e., additional points will not be awarded for commitments of greater than a 1:1 match; however, applicants can note in their proposals or budget narratives an estimate of the total cost of the project and an indication of the total match that might be expended during the grant period).
- Unrecovered indirects can be counted toward the match (as calculated using the basis in the institution's negotiated indirect agreement).
- Grantees cannot count toward the match grant awards from VRIF, VBHRC, CHRB, CIT, Tobacco Commission, GO Virginia, Virginia Economic Development Partnership.
- The matching funds must be in-hand at time of award (or committed as documented by a legally binding grant award or pledge; applicants must identify which funds are in-hand and which are pledged).
- If the match is another grant, that grantmaker's terms and conditions or authorizing legislation must not prohibit use of those funds as a match.
- If the match is another grant, the nexus between the two projects must be clear.
- The funds proposed as matching funds cannot be the same funds that have already been committed as a match to another project.
- Expenditure of matching funds must be tracked and reported in progress reports.
- The commitment of matching funds is legally binding and is subject to audit.

The signature of the applicant's authorized signer indicates that the Vice President/Provost for Research (or equivalent, or designee) has conducted due diligence to ensure the offered match complies with these guidelines.

### Application Submission

The full proposal, the corresponding redacted proposal (see FOIA section, above) and an Excel budget spreadsheet (if used) should be submitted via a single email to the SCHEV Associate for Research Investment, [lynnseuffert@schev.edu](mailto:lynnseuffert@schev.edu). One pdf containing the full proposal and one pdf containing the redacted proposal is preferred. Please name the attachments so that the Associate can readily distinguish the redacted proposal and also determine that the application packet is complete. If applicants are not submitting a redacted proposal because the application includes no information for which protection is sought, please state that in the email.

**Due date:** January 13, 2020

### Application Processing, Review and Award

Upon receipt via email of an application package, SCHEV staff will respond by return email within two business days to confirm receipt.

Review of applications is a three-stage process. The statutes that created VRIF state the criteria to be considered.

The first stage is an administrative review by SCHEV staff to ensure that proposal packets are complete and conform to administrative requirements in this Call for Proposals.

The statute requires that conforming applications be assigned to external peer reviewer(s) with recognized science and technology expertise. The reviewer(s) will comment on the application, including perceived strengths and weaknesses.

Following peer review and in preparation for the third stage of review, SCHEV staff may conduct additional due diligence and/or ask applicants for clarifying information.

SCHEV staff will prepare a summary statement for each proposal that includes information such as the reviewers' comments, a summary of strengths and weaknesses, or other summary highlights of the peer review process.

In compliance with Va. Code §23.1-3133 E, SCHEV staff will forward to VRIC any proposal receiving a favorable evaluation.

The third stage is review by VRIC. In compliance with Va. Code §2.2-3711, "Closed meetings authorized for certain limited purposes," these meetings will be closed to the public. VRIC members will review the proposals, starting with the comments of the peer reviewer(s) and then adding their expertise and knowledge of the statewide impact and contribution the projects might have.

VRIC will then hold a public meeting where a formal vote will be taken to determine which proposals will be funded. This meeting might occur directly following the closed meeting or on a different date.

Finally, per statute, all decisions by VRIC shall be final and not subject to further review or appeal. The Governor may announce any award approved by the Committee.

## Reporting Requirements

Reports are required at intervals during the grant period. A final cumulative report also is required. Grantees will be required to continue to report progress on some measures for five years after the end of the grant period.

### Annual General Audience Progress Report

VRIC is required to submit a report to the General Assembly each November 1. In preparation for the submission of that report, grantees will submit a general audience progress report by September 30 of each year.

### Annual Financial Reports

Annual financial reports are due July 31, 2021 and each July 31 thereafter, documenting the financial status of the project through June 30.

SCHEV will accept reports generated from an institution's accounting system reporting function.

The reports should include information regarding the total amount awarded, the amount forwarded to the lead institution, the amount encumbered to date, the amount spent to date and the amounts remaining (from the disbursement and total) for each budget category and for the same budget categories for each subaward.

Reports showing the same information for matching funds are required, if possible on the same report or a separate parallel report.

Annual Technical Narrative Progress Reports

Annual technical progress reports in narrative form will be due July 31, 2021 and each July 31 thereafter, describing achievements through June 30.

There is no required template for these reports. Grantees should describe progress on the grantee’s proposed milestones and adherence to the timeline, in addition to reporting on the relevant output and outcome measures below.

Reports Due Upon Request for No-Cost Extension

Requests for no-cost extensions should be made at least sixty (60) days prior to the desired effective date of the requested change. Preferably, grantees should anticipate the need to request a no-cost extension and make that request in concert with a scheduled progress report.

If more than 30 days have passed since the submission of the reports above, grantees will be required to submit reports at the time of a no-cost extension request. In addition to the reports, the request should provide a brief narrative justification for the extension, length of requested extension (maximum one year), amount of unexpended balance and a timeline for activities and expenditure of the remaining funds.

Final Cumulative Narrative and Financial Reports

Final, cumulative narrative and financial reports are due 60 days after the end of the grant period.

Output and Outcome Metrics to Be Reported

The narrative progress reports should include progress on the outputs and outcomes below. In addition, VRIC may require that, annually for five years after the end of the grant period, grantees submit reports documenting continuing progress on output and outcome metrics to be selected at a later date.

- Number of applications for POC projects
- Dollar amount of requests
- Number of institutions applying
- Number of POC grant awards
- Dollar amount awarded
- Number of grants awarded to each institution
- Total dollars awarded to each institution
- Follow-on funding:
  - Angel, seed, venture capital or other equity investments (number of investors and dollar amounts)
  - Industry
  - Foundations
  - Federal grants
  - State grants
- Number of invention disclosures
- Number of patent applications filed
- Number of patents granted
- Number of technologies licensed
- Number of new products launched by participants
- Publications
- Presentations
- Number of new companies started

- Number of existing companies supported
- Number of companies that move out of state
- Job creation, in Virginia and compared to job creation at companies that move out of Virginia
- Number of events (e.g., networking or mentoring sessions, boot camps) held
- Number of Small Business Innovation Research (SBIR) proposals supported and awards received
- Change in valuation of start-up or existing company pre- vs. post- proof of concept

## **Award Administration**

SCHEV staff would like to build a relationship with grantees and foster a collaborative approach to addressing issues and removing any roadblocks that arise.

For details regarding post-award revisions that require prior approval, along with other conditions of award, please see Appendix A: Terms and Conditions of Award, specifically Attachment 1. Special Terms and Conditions.

## Appendix A: Assurances and Certifications – Terms and Conditions of Award

### Assurances and Certifications

The Authorized Organizational Representative (AOR) signing the signature page is assuring and certifying the following:

**Assurance Regarding Freedom of Information Act Exclusion:** The Virginia Freedom of Information Act does NOT completely protect unfunded or funded grant proposals from exposure. The AOR is assuring that the applicant institution has consulted with the project team and the attorney general representative, if necessary, regarding whether a written request for protection is being made to the Virginia Research Investment Committee in accordance with Va. Code §2.2-3705.6, item 28. If the applicant is invoking the exclusion contained in item 28, the AOR is assuring that a redacted version of the application packet is being submitted that identifies with specificity the data, information or other materials for which protection is sought and states the reason why protection is necessary. The Committee shall determine whether the requested exclusions from disclosure are necessary to protect the trade secrets, financial information or research-related information of the applicant. The Committee shall make a written determination of the nature and scope of the protection to be afforded by it under the Va. Code.

**Certification Regarding Organizational Support:** The AOR is certifying that there is organizational support for this proposal, that matching funds will be secured as described in the proposal and that the Vice President for Research (or equivalent, or designee) has conducted due diligence to ensure the offered match complies with the guidelines in the Call for Proposals. Further, if the proposed plan for matching funds does not materialize, the AOR is certifying that the institution will submit a revised plan to comply with the required 1:1 match.

**Certification Regarding Collaborating Entity AOR Approval:** The applicant AOR is certifying that the AORs (or equivalent) of all collaborating entities have made the same assurances and certifications and that documentation of such exists.

**Certification Regarding State Funds:** The AOR is certifying that the organization understands that VRIF is awarding state funds. The organization will comply with all rules and regulations regarding state funds, including but not limited to the Commonwealth Accounting Policies and Procedures Manual, the Virginia Public Procurement Act (when applicable) and the Library of Virginia's Virginia Public Records Management Manual.

**Certification Regarding Conflict of Interest:** The AOR is certifying that the organization has implemented and is enforcing a written policy on conflicts of interest in research and that, to the best of his/her knowledge, all financial disclosures required by the conflict of interest policy were made; and that conflicts of interest, if any, were, or prior to the organization's expenditure of any funds under the award, will be, satisfactorily managed, reduced or eliminated in accordance with the organization's conflict of interest policy.

**Certification Regarding Compliance with the Animal Welfare Act.** The AOR is certifying that proposed projects involving use of any vertebrate animal for research or education will be approved by the submitting organization's Institutional Animal Care and Use Committee (IACUC) before or substantially concurrent with an award. If the involvement of animals is indefinite at the time of award, the AOR is certifying that, prior to conducting any animal activities, and prior to expending any grant funds for those animal activities, IACUC approval will

be obtained. It is an institutional responsibility to ensure that the research described in the application is congruent with any corresponding protocols approved by the IACUC.

**Certification Regarding Compliance with the Common Rule.** The AOR is certifying that proposed projects involving research with human subjects will ensure that subjects are protected from research risks in conformance with the relevant federal policy known as the Common Rule (Federal Policy for the Protection of Human Subjects). All projects involving human subjects must either (1) have approval from the organization's Institutional Review Board (IRB) before or substantially concurrent with issuance of a VRIF award or (2) maintain documentation that the IRB has declared the research exempt from IRB review, in accordance with the applicable subsection, as established in section 101(b) of the Common Rule.

If human subjects research is anticipated within the period of the award but definite plans for involvement of human subjects cannot be described in the application, then the AOR is certifying that, prior to the involvement of human subjects, the project will obtain IRB approval or exemption. It is an institutional responsibility to ensure that the human subjects research described in the application is congruent with any corresponding protocols approved by the IRB.

**Certification Regarding Education in the Protection of Human Research Participants.** The AOR is certifying that, if the proposed project involves research with human subjects, all senior/key personnel involved in human subjects research have received training in the protection of human subjects. Senior/key personnel include all individuals responsible for the design or conduct of the study, including senior/key personnel of collaborating partner entities or alternate performance sites if they are participating in research that involves human subjects.

**Certification Regarding Responsible Conduct of Research:** The AOR is certifying that the institution has a plan to provide appropriate training and oversight in the responsible and ethical conduct of research to undergraduates, graduate students and postdoctoral researchers who will be supported by VRIF to conduct research.



**Terms and Conditions**

**DO NOT SIGN AND SUBMIT AT TIME OF APPLICATION**

Grantor and grantee agree that this MOU will be performed in accordance with the following:

1. The statement of work and budget for this award are as specified in the grantee's proposal submitted \_\_\_\_\_ (date) \_\_\_\_\_ and incorporated herein by reference. In its performance of the statement of work, grantee shall be an independent entity and not an employee or agent of grantor.
2. Matters concerning the performance of this award should be directed to the appropriate party's contact, as shown in Attachments 3A & 3B.
3. Matters concerning the request or negotiation of any changes in the terms, conditions or amounts cited in this award agreement, and any changes requiring prior approval, should be directed to the appropriate party's Contact, as shown in Attachments 3A & 3B. Any such changes made to this MOU require the written approval of each party's Authorized Official as shown in Attachments 3A & 3B.
4. Incorporated into this MOU by reference are the VRIF Call for Proposals, the entirety of the grantee's application packet including the assurances and certifications, the special terms and conditions in Attachment 1 and the general terms and conditions in Attachment 2.

**By an Authorized Official of Grantor**

**By an Authorized Official of Grantee**

(To be signed only if award is made)

(To be signed only if award is made)

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title

Date: \_\_\_\_\_

Date: \_\_\_\_\_

## **Attachment 1: Special Terms and Conditions**

### **Applicability**

The terms and conditions in the MOU and all attachments apply directly to the grantee and also apply to collaborating entities, subrecipients and contractors. The grantee is accountable for the performance of the project, program or activity; the appropriate expenditure of funds under the award by all parties; and all other obligations of the grantee, as cited in the MOU and all attachments.

### **Site Visits**

VRIC members and/or staff may conduct site visits during the course of the grant period.

### **Changes**

The changes listed below require the prior approval of the grantor. Requests should be directed to the grantor's Contact, as shown in Attachments 3A & 3B.

- Changes to the scope of the project
- Changes to milestones and timelines that impact the schedule for disbursement of funds
- Changes to collaborating entities
- Changes to key personnel named in the approved proposal
- Reduction of effort of the PI or any Co-PI of 10% or more from the level in the approved proposal
- Plans for continued progress during extended absence of the PI or any Co-PI
- Changes to the budget detailing the planned expenditure of general fund amounts resulting in a deviation of 20% or more in any budget category; the request must include the current allocation of resources along with specific detail and justification for the reallocation

No-cost extensions require the approval of the grantor. Requests for a no-cost extension should be addressed to and received by the Contact, as shown in Attachments 3A & 3B, not less than sixty (60) days prior to the desired effective date of the requested change. See "Reporting Requirements" section of the Call for Proposals.

### **Disbursement of Funds, Accounting and Audit**

After receiving a written request from the Virginia Research Investment Committee, grantor will authorize the State Comptroller and the Virginia Department of Planning and Budget to release the first payment to the grantee. The first payment will be sufficient for the grantee to achieve the first milestone on the timeline included in the grantee's proposal.

After initial disbursement, subsequent payments will be contingent upon successful performance against key milestones and other performance standards outlined in the proposal. Non-compliance with the terms and conditions of this award, including reporting requirements, and/or failure to achieve milestones on the approved timeline could result in a hold on disbursement of additional funds until the grantee is in compliance.

All payments shall be considered provisional and subject to adjustment within the total estimated cost in the event such adjustment is necessary as a result of an adverse audit finding against the grantee.

Award monies not expended by the end of the period of performance must be returned.

The grantee will oversee the expenditure of all grant funds by all parties and ensure that all funds are expended in strict compliance with state rules, regulations and guidelines, the terms

and conditions of this MOU, professional accounting standards and all applicable state laws and requirements.

The grantee will maintain systematic accounting records of all expenditures relating to this award, including the supporting source documentation. Records will be retained by the grantee in accordance with Library of Virginia Record Retention Policy.

Records will be available for inspection and/or audit by SCHEV, the Virginia Auditor of Public Accounts or other appropriate entity.

#### **Transfer of Award or Change of Principal Investigator**

If the Principal Investigator leaves the grantee institution during the grant period, the grant will not be transferred to a new institution. The grantee institution will have the opportunity to propose a new Principal Investigator, subject to approval of SCHEV staff and the Chair of the VRIC. If an agreement cannot be reached regarding assignment of a new Principal Investigator, a collaborating institution, if any, could propose to become the lead grantee. If no agreement can be reached, the award will be terminated and unexpended and unobligated funds must be returned.

#### **Reporting**

Report type and due dates are required as detailed in the Call for Proposals.

#### **Future Applications to VRIF**

Award recipients and their partners who are delinquent in any VRIF obligation are not eligible to apply for or receive future VRIF funding until obligations are resolved.

#### **Termination of Award**

SCHEV may terminate this award in the event of non-compliance with the terms and conditions of this MOU, significant lack of progress including failure to achieve milestones on the timeline set forth in the proposal, or other extenuating conditions. In the case of termination, the grantee will return any unexpended and unobligated funds.

#### **Acknowledgments**

Professional publications or presentations resulting from activities supported by this award must acknowledge the Virginia Research Investment Fund.

Acknowledgments of the Virginia Research Investment Fund are appreciated on poster presentations, printed programs, news releases, web news, e-mail alerts or announcements regarding grant-funded activities.

## Attachment 2: General Terms and Conditions

- A. **VENDORS MANUAL**: NA
- B. **APPLICABLE LAWS AND COURTS**: This contract shall be governed in all respects by the laws of the Commonwealth of Virginia and any litigation with respect thereto shall be brought in the courts of the Commonwealth. The agency and the grantee are encouraged to resolve any issues in controversy arising from the award of the contract or any contractual dispute using Alternative Dispute Resolution (ADR) procedures (Code of Virginia, §2.2-4366). ADR procedures are described in Chapter 9 of the Vendors Manual. The grantee shall comply with all applicable federal, state and local laws, rules and regulations.
- C. **ANTI-DISCRIMINATION**: By signing this contract, the grantee certifies to the State Council of Higher Education for Virginia that they will conform to the provisions of the Federal Civil Rights Act of 1964, as amended, as well as the Virginia Fair Employment Contracting Act of 1975, as amended, where applicable, the Virginians With Disabilities Act, the Americans With Disabilities Act and §2.2-4311 of the Virginia Public Procurement Act (VPPA). The grantee shall not discriminate against any recipient of goods, services or disbursements made pursuant to the contract on the basis of the recipient's religion, religious belief, refusal to participate in a religious practice or on the basis of race, age, color, gender or national origin and shall be subject to the same rules as other organizations that contract with public bodies to account for the use of the funds provided; however, if the faith-based organization segregates public funds into separate accounts, only the accounts and programs funded with public funds shall be subject to audit by the public body. (Code of Virginia, §2.2-4343 1.E.).
1. During the performance of this contract, the grantee agrees as follows:
    - a. The grantee will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, age, disability or any other basis prohibited by state law relating to discrimination in employment, except where there is a bona fide occupational qualification reasonably necessary to the normal operation of the grantee. The grantee agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.
    - b. The grantee, in all solicitations or advertisements for employees placed by or on behalf of the grantee, will state that such grantee is an equal opportunity employer.
    - c. Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting these requirements.
  2. The grantee will include the provisions of 1. above in every subcontract or purchase order over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.
- D. **ETHICS IN PUBLIC CONTRACTING**: By signing this contract with the State Council of Higher Education for Virginia, the grantee certifies that their offer is made without collusion or fraud and that they have not offered or received any kickbacks or inducements from any other contractor, supplier, manufacturer or subcontractor in connection with their offer and that they have not conferred on any public employee having official responsibility for this transaction any payment, loan, subscription, advance, deposit of money, services or

anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value was exchanged.

- E. **IMMIGRATION REFORM AND CONTROL ACT OF 1986**: By signing this contract with the State Council of Higher Education for Virginia, the grantee certifies that the grantee does not, and shall not during the performance of the contract, knowingly employ an unauthorized alien as defined in the federal Immigration Reform and Control Act of 1986.
- F. **DEBARMENT STATUS**: By signing this contract, grantee shall certify that they are not currently debarred by the Commonwealth of Virginia from contracts for the type of activities covered by the Scope of Work/proposal, nor are they an agent of any person or entity that is currently so debarred.
- G. **ANTITRUST**: By entering into this contract, the grantee conveys, sells, assigns and transfers to the State Council of Higher Education for Virginia all rights, title and interest in and to all causes of action it may now have or hereafter acquire under the antitrust laws of the United States and the Commonwealth of Virginia, relating to the particular goods or services purchased or acquired by the State Council of Higher Education for Virginia under said contract.
- H. **MANDATORY USE OF STATE FORM AND TERMS AND CONDITIONS FOR IFBs AND RFPs**: NA
- I. **CLARIFICATION OF TERMS**: NA
- J. **PAYMENT**: See “Disbursement of Funds, Accounting and Audit” in Attachment 1: Special Terms and Conditions.
- I. **TESTING AND INSPECTION**: The State Council of Higher Education for Virginia reserves the right to conduct any test/inspection it may deem advisable to assure goods and services conform to the specifications in the Scope of Work.
- J. **ASSIGNMENT OF CONTRACT**: A contract shall not be assignable by the grantee in whole or in part without the written consent of the State Council of Higher Education for Virginia.
- K. **PRECEDENCE OF TERMS**: The following General Terms and Conditions VENDORS MANUAL (NA), APPLICABLE LAWS AND COURTS, ANTI-DISCRIMINATION, ETHICS IN PUBLIC CONTRACTING, IMMIGRATION REFORM AND CONTRAL ACT OF 1986, DEBARMENT STATUS, ANTITRUST, MANDATORY USE OF STATE FORM AND TERMS AND CONDITIONS (NA), CLARIFICATION OF TERMS (NA), PAYMENT (NA) shall apply in all instances. In the event there is a conflict between any of the other General Terms and Conditions and any Special Terms and Conditions, the Special Terms and Conditions shall apply.
- L. **QUALIFICATIONS OF (BIDDERS/OFFERORS)**: NA
- M. **TESTING AND INSPECTION**: NA (duplicate of I. above)
- N. **ASSIGNMENT OF CONTRACT**: NA (duplicate of J. above)
- O. **CHANGES TO THE CONTRACT**: See Attachment 1: Special Terms and Conditions.
- P. **DEFAULT**: See Attachment 1: Special Terms and Conditions.

- Q. **TAXES:** Sales to the Commonwealth of Virginia are normally exempt from state sales tax. State sales and use tax certificates of exemption, Form ST-12, will be issued upon request.
- R. **USE OF BRAND NAMES:** NA
- S. **TRANSPORTATION AND PACKAGING:** NA
- T. **INSURANCE:** NA
- U. **ANNOUNCEMENT OF AWARD:** NA
- V. **DRUG-FREE WORKPLACE:** During the performance of this contract, the grantee and subcontractors agree to provide a drug-free workplace for the grantee's employees. Grantee will inform employees that the unlawful manufacture, sale, distribution, dispensation, possession or use of a controlled substance or marijuana is prohibited in the grantee's workplace.
- W. **NONDISCRIMINATION OF GRANTEES:** Grantee shall not be discriminated against because of race, religion, color, sex, national origin, age, disability, faith-based organizational status, any other basis prohibited by state law relating to discrimination in employment or because grantee employs ex-offenders unless the State Council of Higher Education for Virginia has made a written determination that employing ex-offenders on the specific contract is not in its best interest. If the award of this contract is made to a faith-based organization and an individual, who applies for or receives goods, services or disbursements provided pursuant to this contract, objects to the religious character of the faith-based organization from which the individual receives or would receive the goods, services or disbursements, the public body shall offer the individual, within a reasonable period of time after the date of his objection, access to equivalent goods, services or disbursements from an alternative provider.
- X. **eVA BUSINESS-TO-GOVERNMENT VENDOR REGISTRATION, CONTRACTS AND ORDERS:** NA
- Y. **AVAILABILITY OF FUNDS:** The parties herein understand and agree that the agency shall be bound hereunder only to the extent of the funds available or which may hereafter become available for the purpose of this agreement.
- Z. **SET-ASIDES:** NA
- AA. **BID PRICE CURRENCY:** NA
- BB. **AUTHORIZATION TO CONDUCT BUSINESS IN THE COMMONWEALTH:** NA

**Additional Terms and Conditions**

- A. **RENEWAL OF CONTRACT:** NA
- B. **ADDITIONAL INFORMATION:** NA
- C. **DELIVERY POINT:** N/A
- D. **eVA Business-To-Government Contracts and Orders:** NA

- E. **PRIME GRANTEE RESPONSIBILITIES**: The grantee shall be responsible for completely supervising and directing the work under this contract and all subcontractors that he may utilize, using his best skill and attention.

Subcontractors who perform work under this contract shall be responsible to the prime grantee. The grantee agrees that he is as fully responsible for the acts and omissions of his subcontractors and of persons employed by them as he is for the acts and omissions of his own employees.

- F. **PROPOSAL ACCEPTANCE PERIOD**: NA

- G. **WARRANTY**: NA

- H. **SUBCONTRACTS**: No portion of the work shall be subcontracted without prior written consent of the purchasing agency. In the event that the grantee desires to subcontract some part of the work specified herein, the grantee shall furnish the purchasing agency the names, qualifications and experience of their proposed subcontractors. The grantee shall, however, remain fully liable and responsible for the work to be done by its subcontractor(s) and shall assure compliance with all requirements of the contract.