

PROPEL SBIR/STTR Awards Program

BACKGROUND

The purpose of the PROPEL SBIR/STTR Awards Program is to increase the number of Illinois' PROPEL companies that apply for and receive approval of SBIR and/or STTR federal research grants. There are three PROPEL award options:

PART A: Technical Assistance

PART B: Grants Management Toolkit

PART C: Commercialization Assistance

The federal Small Business Innovation Research (SBIR) program and its parallel Small Business Technology Transfer (STTR) program provide over \$2 billion a year to small companies developing leading-edge technologies of interest to 11 federal agencies. Eligible small businesses can secure millions of dollars in non-dilutive R&D funding to support the goal of commercialization of technology-based products. In receiving this funding, the company incurs no debt, gives up no equity, and retains intellectual property rights.

An SBIR/STTR project consists of three phases – Phase I and II are defined as feasibility and further R&D, respectively. Phase III is defined as commercialization. The \$2+ billion in federal SBIR/STTR dollars are used to fund Phase I and II only. Phase I awards are typically \$150,000 and 6 months in duration, and Phase II awards are \$1,000,000 and 2 years in duration. Small businesses must secure non-SBIR/STTR funding for Phase III. This capital may come from the private sector or from other company business activities. In some cases, it may be other sources of government funding to support transition to and procurement of the associated products developed.

The 11 federal agencies participating in the SBIR/STTR programs release at least one solicitation per year. Companies must respond to a solicitation in order to be considered for funding. The programs are extremely competitive and require that the applicant be able to develop a robust proposal that meets the requirements of the specific agency solicitation and clearly articulates both detailed R&D plans and commercialization strategies.

PROGRAM REQUIREMENTS

- Applicants must be active PROPEL companies for at least 30 days prior to application submission and must remain an active PROPEL company by completing the semi-annual tracking for at least 18 months after award has been paid
- Awardees must have employees (not contractors, consultants, board members, etc.) attend a two-day SBIR/STTR Grant Writing Workshop within 120 days of award approval or have already attended this workshop previously. It is preferred that attendance occurs prior to application submission.
- Awardee must sign a grant award receipt and agree to use BBCetc for these services. Awardee is responsible for all fees and expenses incurred with BBCetc beyond the approved award amount.

APPLICATION REVIEW AND APPROVAL PROCESS

PROPEL staff will review applications within 21 business days of receipt of a fully completed application package.

Applications will be considered and assistance awarded on a rolling, first come, first served basis until the funds available for the program have been exhausted. A PROPEL company is eligible to receive up to \$7,500 in awards in one calendar year with a cap of \$15,000 within three calendar years.

PROPEL staff and BBCetc will work with the applicant to assess the viability of the proposed project to determine the appropriate level of assistance to be provided through this program. A completed application is not a guarantee or commitment for assistance or funding. Only projects that are considered viable will receive assistance under this program.

BBC ENTREPRENEURIAL TRAINING & CONSULTING (BBCetc)

BBCetc is a nationally recognized, results-driven entrepreneurial consulting group specializing in helping entrepreneurs to bring high-technology solutions to market. BBCetc-assisted SBIR/STTR proposals have a success rate 2-3 times the national average across several federal agencies. Through training courses and one-on-one consulting, the BBCetc team guides small businesses through technology assessment, SBIR/STTR and other research proposal development, commercialization and business planning, and grant and contract management.

PROPEL has worked with BBCetc for more than eight years to provide SBIR/STTR grant writing workshops to Illinois. In addition, PROPEL worked with BBCetc through the Illinois Innovation Challenge Grant Program.



PROPEL participants have much praise for BBCetc's services:

- "Truly a fantastic workshop - I learned so much!"
- "Lisa is an excellent instructor, engaging in her teaching style and knowledgeable. Excellent program. Thank you!"
- "The best grant writing workshop I ever attended."

PART A: PROPEL TECHNICAL ASSISTANCE AWARDS

OPTION 1: PROPEL PHASE I TECHNICAL ASSISTANCE AWARD:

A PROPEL Phase I Award is up to \$3,000 from PROPEL in a 50% company match (company is required to match up to \$1,500) for assistance in submitting an SBIR or STTR Phase I grant to the NIH, NSF, DoD or another federal agency.

OPTION 2: PROPEL PHASE II TECHNICAL ASSISTANCE AWARD:

A PROPEL Phase II Award is up to \$5,000 from PROPEL in a 50% company match (company is required to match up to \$2,500) for assistance in submitting an SBIR or STTR Phase II grant to the NIH, NSF, DoD or another federal agency.

PART A: PROPEL TECHNICAL ASSISTANCE AWARDS

PROPEL will provide qualified PROPEL companies with consultant services to assist in the preparation of SBIR or STTR grant submissions. These services will be designed to assist small businesses and entrepreneurs to identify, advance, prepare and/or review Phase I SBIR or STTR proposals. BBCetc provides comprehensive assistance with SBIR/STTR proposal preparation. Approved awardees may choose all or some of the components listed below.

- **Client Assessment:** BBCetc meets with client (in-person or via telephone) to determine if client has a proposal that is appropriate for SBIR/STTR, and meets the eligibility requirements, including the necessary resources and a suitable PI. May be used as a screening tool to determine participation in subsequent training and proposal assistance.
- **One-on-one Assistance:** May include a one-on-one meeting with client immediately following SBIR/STTR Intensive Workshop and then additional help in understanding the details of a specific proposal, primarily through phone and email correspondence. Includes BBCetc tools that the client may use to draft proposal components, including component outlines and budget workbooks.
- **Proposal Editing and Review:** Client provides BBCetc with drafts of proposal components and/or a full proposal, ideally no later than four to six weeks prior to the application deadline. BBCetc edits the proposal and also provides a written review detailing areas that need additional work. Feedback is provided to the client and, time permitting, multiple iterations may be completed after the client incorporates the feedback from the previous review.
- **Proposal Submission:** BBCetc assists client with registrations, completion of forms, and electronic submission including assistance with grants.gov (if applicable) and the specific funding agency.
- **Post-Submission Assistance:** BBCetc helps the client understand the various responses and feedback received from the funding agency. In the situation where the client receives pending notice of grant award, BBCetc can assist the client with the necessary assurances and other associated paperwork. If the client's proposal is not funded, and the agency allows resubmission, BBCetc can provide a "post-mortem" review of the proposal and associated agency feedback, and make recommendations regarding subsequent resubmission.

As a condition of accepting these Technical Assistance services, the applicant company agrees that it will work towards submission of an SBIR or STTR proposal within 12 months of award approval.

PART B: PROPEL GRANTS MANAGEMENT TOOLKIT AWARDS

OPTION 1: FIRST TIME SBIR/STTR RECIPIENTS:

For those PROPEL companies receiving an approved SBIR/STTR award for the first time, this will provide Parts 1 and 2 listed below, valued at \$1,000.

OPTION 2: PREVIOUS SBIR/STTR RECIPIENTS:

For those PROPEL companies who have received an approved SBIR/STTR award more than 30 days prior to receipt of application, this will provide up to \$1,000 of services from Parts 1-3 listed below.

PART B: PROPEL GRANTS MANAGEMENT TOOLKIT AWARDS

PROPEL will provide qualified PROPEL companies with consultant services to assist in the implementation of a grants management program upon approval of an SBIR or STTR grant. The services provided by BBCetc are described in detail below.

Description of Services

Part 1: Grants Management Toolkit: The toolkit provides sample forms and policies that assist companies in preparing to receive and manage government funds. It includes:

- Company response to financial assurance questionnaire for “just-in-time” requests
- Company financial policies and procedures
- Awardee compliant chart of accounts
- Timesheet by project and time-keeping requirements
- Reimbursement expense request
- Grant/contract budget management spreadsheet
- Misconduct policy
- Travel policy
- Leave policy
- Conflict of interest policy
- Federal Financial Report - samples and requirements
- Division of Payment Management enrollment - NIH or other agency-specific enrollment assistance

Part 2: Government Accounting & Grants Management Overview: Up to five hours of coaching and training on compliant accounting systems, cost principals, reporting requirements, closeout procedures, and monitoring for compliance.

Part 3: Additional Services Available as Requested

- Review chart of accounts, financial reporting for Government compliance
- Review financial procedures for government compliance
- Report to management any potential audit alerts
- Review time reporting procedures and report any audit alerts
- Organize grant binder and materials for audit preparation
- Assist in preparation of indirect cost proposal

PART C: PROPEL COMMERCIALIZATION ASSISTANCE AWARDS

A PROPEL Commercialization Assistance Award is up to \$5,000 from PROPEL with a 50% company match (company is required to match up to \$2,500) to assist with commercialization plan development.

PART C: PROPEL COMMERCIALIZATION ASSISTANCE AWARDS

PROPEL will provide qualified PROPEL companies with consultant services to assist in and/or co-lead the development of a commercialization plan for a) Phase II or Phase IIB SBIR or STTR submissions, or b) post-Phase II SBIR or STTR recipients. The services provided by BBCetc may include some or all of the topics described below and require clear commitment and involvement of a company’s management team.

Description of Services

Phase II Proposal Commercialization Plan Development

- *Commercialization Strategy Development:* BBCetc meets with the client (in-person or via telephone) to identify the commercialization strategy that will be most effective in securing a Phase II award. The strategy may be the same or different than the one described in the Phase I proposal, and may be the same or different than the Company’s overall business strategy.
- *Identify Key Components of the Plan:* BBCetc will advise the client regarding the priorities for information gathering including market research data to support analysis of the market and the competition, letters of support to validate the commercialization strategy, fundraising strategy and timeline, future recruitment efforts for the employees that will implement the plan, etc. As appropriate, the client may be asked to gather market research data via PROPEL’s research platform for BBCetc to use.
- *Production of the Commercialization Plan:* BBCetc will advise the client on the most effective methods for presenting the individual components and the overall plan. At client’s request BBCetc will participate in the actual drafting of the document.

Phase IIB Proposal Commercialization Plan Development

- *Update Commercialization Strategy:* BBCetc meets with the client (in-person or via telephone) to update the commercialization strategy and timelines, if necessary, in light of the Specific Aims of the competing renewal project and the Institute/Center’s requirements for Phase IIB.
- *Production of the Updated Commercialization Plan:* In collaboration with the client BBCetc will rework the Commercialization Plan as necessary. BBCetc may participate in updating the market research and/or the actual drafting of the document.

Phase II/IIB Awardee Commercialization and/or Business Plan Development

- *Update Commercialization Plan or Business Plan:* Phase II/IIB awardees often must secure third-party funding to initiate commercialization activities, or to fulfill matching-fund requirements for an anticipated Phase IIB application. BBCetc meets with the client (in-person or via telephone) to evaluate the Company’s requirements, the potential funding sources, and the appropriate documentation. The Commercialization or Business Plan will be updated as appropriate. BBCetc may participate in the actual drafting of the document.

CONTACT INFORMATION

The application for these awards is available to active PROPEL companies upon request. Questions regarding PROPEL and this program should be directed to PROPEL@ibioinstitute.org.

PROPEL is a group of programs aimed at increasing the number and success rates of life sciences startups in Illinois. PROPEL helps guide the development of formation-stage and early-stage life sciences companies by providing entrepreneurs with access to specialized resources and expertise to prepare them for early-stage funding.