### State of Connecticut Bioscience Innovation Fund (Bioscience Fund)

### Grant Funding of up to $500,000

### GENERAL INFORMATION and

### PRELIMINARY and FULL APPLICATION INSTRUCTION GUIDE

### for ACADEMIC & NON-PROFIT ENTITIES

NOTE: Preliminary and Full application templates may be found on the Bioscience website

* GENERAL INFORMATION

CT Innovations, under the guidance of its Advisory Committee, administers and monitors the Connecticut Bioscience Innovation Fund (“Bioscience Fund” or “Fund”); reviewing applications, allocating funds, determining appropriate funding instruments, preparing and executing agreements for successful applicants. The Connecticut Bioscience Innovation Fund was established by Sections 70 to 73, inclusive, of Public Act No. 13-239 (the “Act”), which, pursuant to the Act, is held, administered, invested and disbursed by Connecticut Innovations, Incorporated (“CI”), acting as the administrator of the Fund (the “Administrator”).

It is the intent of the Connecticut Bioscience Innovation Fund (Bioscience Fund) to fund advancement of bioscience innovation through defined investments that lead to commercial products or services which will impact human health; improve healthcare coordination, quality or efficiency; reduce healthcare costs; and increase job growth. This includes proposals that will improve the delivery of health care services, lower health care costs, and directly or indirectly create high paid, sustainable bioscience jobs in Connecticut. Submitted requests for funding investment must fall in at least one of the following fields: bioscience, biomedical engineering, health information management, medical care, medical devices, medical diagnostics, pharmaceuticals, personalized medicine, and other related disciplines.

This application is for a grant award of up to $500,000 for a specific bioscience innovation. Applications may be for multi-year projects (maximum of 3 years) and should not exceed $500,000 requested funding in the aggregate. Submitted requests must demonstrate strong potential for a quantifiable commercial return on investment to the Fund through a royalty bearing grant. The Fund is an “evergreen fund” where investment returns are recycled back into the investment pool to be reinvested into the Fund to continue growth and further finance new opportunities and companies.

Priority will be given to applications showing strong collaboration across disciplines/industries and collaboration between academia and the for-profit sector. Priority will also be given to applications which leverage additional moneys from outside Connecticut Innovations and the Fund.

**Eligibility**

Grants are only available to academic institutions and non-profits establishments.

NOTE: If discussion has begun regarding licensing of the university technology to a new company (i.e., NewCo), the company may be the appropriate applicant. Please feel free to contact the Bioscience staff for assistance in determining the appropriate applicant.

Royalty-bearing Grants:The Fund will not support basic research. Bioscience grants are intended to support late stage development at the mature translation/clinical application stage. We encourage academic faculty and researchers with an entrepreneurial spirit to apply to the Fund, and leverage other appropriate grant funding for which they are currently applying or hold (e.g., NIH R21, NIH R03, select NIH U01, NSF AIR). Innovations must be far enough along in development to demonstrate that Bioscience funding would enable a commercial path for the technology or product and likely be the last investment before the technology leaves the academic/non-profit setting before commercialization.

By way of guidance, requested funding for a grant may be up to $500,000 and may be expended over a maximum of 3 years.

Further general information on the Fund can be found on the website: <http://ctinnovations.com/cbif>

A list of specific Frequently Asked Questions (FAQs) can be found on the Bioscience website under the “FAQ” section: <http://ctinnovations.com/cbif>. If there are additional questions beyond those addressed in the FAQs, they should be submitted in writing to [cbifinfo@ctinnovations.com](mailto:cbifinfo@ctinnovations.com).

* APPLICATION OVERVIEW: Request for Funding

**Preliminary and full application templates may be found on the CI website**: <http://ctinnovations.com/cbif>

The application must describe the applicant’s organization, the applicant’s plans toward commercial development of a technology, product, or service in the biosciences, requested funding for such activities from the Fund as well as other sources other than the State of Connecticut, market potential of the opportunity, and plans for future commercialization.

The application process is a simple two-step process. Interested applicants must first submit a Preliminary Application. The Preliminary Application may take the form of the template provided on the Bioscience website, or as an executive summary. Preliminary Applications are reviewed on an ongoing basis by CI and those meeting fund requirements and showing most promise will be invited to submit Full Applications. Full applications are reviewed on a quarterly basis. Prior to submission, applicants should read the instructions and review the frequently asked questions (FAQs). The FAQ document may be found under the “FAQ” section of the website: <http://ctinnovations.com/cbif>.

Note: FULL APPLICATION SUBMISSIONS ARE ACCEPTED ON AN “INVITATION ONLY” BASIS. Invitation to submit a Full Application shall not be construed as any indication that funding is likely to be awarded.

* **APPLICATION INSTRUCTIONS**

**Completed and signed applications must be submitted electronically, as one PDF document, via email to** [**cbifapplications@ctinnovations.com**](mailto:cbifapplications@ctinnovations.com)**.**

Signed electronic applications must have pages numbered at the bottom, with ½-inch margins and 11 pointfont (either Arial or Helvetica). Tables may use a smaller size font, provided that they can still be read. Applications may be single-spaced. Any reprints, appendices, or other materials to be considered must be attached to the original application. The electronic copy of the application and all attachments should be sent in one (1) PDF file and submitted via email to CI at [cbifapplications@ctinnovations.com](mailto:cbifapplications@ctinnovations.com).

* *Preliminary Applications* which use the provided template shall not exceed 2 pages (excluding Cover Page). If an investor slide deck or executive summary is submitted in lieu of template, the file should be within reasonable size limits.
* *Full Applications* shall not exceed 15 pages. The 15 page limit includes Attachment III, IV, V (Cover Page), and VI
* The 15-page limit EXCLUDES:
* Attachment I, Cover Page
* Bibliographies
* Attachment V (Evidence of Commitment), Sections A-D. The Cover Page of Attachment V does count within the 15-page limit and should list what will be provided in the Appendix section. To allow some flexibility to applicants on page limit constraints, sections A-D can be included in the Appendix. Again, it is requested that applicants make reference on the cover page of Attachment V as to which specific sections can be found in the Appendix.
* Biographical Sketches
* Section VII, Appendix (e.g., letters of support, licensing agreements, patents, etc.)
* *Resubmissions:* Applicants who are resubmitting an application that was previously reviewed by the Fund should consult the resubmission guidelines found on the website for more information: <http://ctinnovations.com/cbif>.

**IMPORTANT: Applications that do not follow the prescribed format or are incomplete when they are submitted or otherwise do not conform to the requirements of these instructions may be rejected as ineligible for consideration.**

**Applications, where possible, should avoid the inclusion of privileged or proprietary information. Where this is not possible, please make sure to note any portions containing privileged or proprietary information by marking the same in yellow highlighted text.**

* **PRELIMINARY APPLICATION GUIDELINES**

***The preliminary application template may be found on the CI website:*** <http://ctinnovations.com/cbif>.

1. Cover Page (Attachment I)

Use the format provided in Attachment I. An application is incomplete if any of the information or required signatures is omitted. The Cover Page must be signed by the Vice President of Research or other authorized official to confirm institutional approval for the application including financial as well as other types of regulatory compliance.

**2. Preliminary Application (Attachment II)**

Use the format provided in Attachment II. The Preliminary Application shall include an overview of the bioscience innovation and progress to date, commercial opportunity, value proposition, and scientific and business milestones which will be achieved with the funding if awarded.

* **FULL APPLICATION GUIDELINES**

***The full application template may be found on the CI website:*** <http://ctinnovations.com/cbif>.

1. Cover Page (Attachment I)

Use the format provided in Attachment I. An application is incomplete if any of the information or required signature(s) is omitted. The Cover Page must be signed by the Vice President of Research or other authorized official to confirm company approval for the application including financial, as well as other types of regulatory compliance.

3. Project Description (Attachment III)

The description of the bioscience innovation and associated project shall include the following subsections:

a. Project Objectives

Describe the bioscience innovation and associated milestones of the project. Provide an overview of relevant background data that has led to the current stage of technology and its development. Discuss the rationale for choosing the defined milestones and how they will move the innovation closer to commercialization.

b. Scientific Plan

Describe the technical plan over the proposed project period including how the project will be organized into defined milestones. Include any preliminary data and references which support the scientific basis for the innovation. Define clear, quantifiable milestones and provide an anticipated schedule for reaching these milestones, including regulatory approvals where applicable. Summarize the technical tasks that must be accomplished, including details regarding any new technologies required for success of the project. Describe the potential pitfalls and alternative strategies that may impact the success of the project.

For projects involving several Principal Investigators and/or organizations, describe the expected contributions of each participant, as well as a leadership plan that addresses roles/areas of responsibility, fiscal and management coordination, process for making decisions on scientific direction and allocation of resources, data sharing and communication among investigators, publication and intellectual property policies, and dispute resolution.

c. Scientific Data

Describe the scientific data related to the technology/project. Include all preliminary studies, proof-of-concept data, and descriptions of prototypes if applicable.

d. Bibliography

List the supporting scientific publication basis for the innovation and the proposed work. List all authors’ last names in references rather than using et al. Note that the bibliography listing is not included within the page limitations.

4. Market & Commercialization Details (Attachment IV)

Describe the plans and timeline for commercializing the technology. Include information relating to the potential markets your innovation will address how it will be of value to customers, and the proposed go-to-market strategy. Attachment IV provides additional details and requested information that should be included in this section.

5. Evidence of Commitment (Attachment V)

Materials supporting the application which demonstrate commitment from any relevant collaborators or strategic partners on the project should be provided in this section or referenced on the cover page of this section and supplied in the Appendix.

**a. Commitment of the Academic Institution and other Collaborators**

Describe the commitment of the academic institution and that of other collaborators to this project.

b. Financial Commitment from other Sources

Describe financial commitments to the project from other sources.

**c. Available Facilities and Major Items of Equipment**

Describe the facilities and major equipment available for this project.

**d. Other Support**

List all active and pending funding/investments (inclusive of grants, contracts, cooperative agreements) and provide the following information: award title, funding agency/group, your role and percent effort, total direct costs, funding period, overall objectives, and whether funding is complimentary to the CBIF proposal. Specifically, identify other support that has scientific or budgetary overlap with the current application.

6. Biographical Sketches

Submit a brief biographical sketch for each of the key people involved using the [NIH biographical sketch format](https://grants.nih.gov/grants/forms/biosketch.htm) including prior industry experience, patents and selected publications (5 page maximum per person).

7. Financials (Attachment VI)

**a. Budget Detail**

Each application must contain a budget for each year of support requested and a cumulative budget for the full term of requested support (if it exceeds one year). Identify each year’s request (“First year,” “Second year,” or “Cumulative Budget”) at the top right of each page. Use the prescribed budget format provided in Attachment VI. The requested funding/budget should agree with the outlined milestones and associated resources.

Funds are to be used for activities that yield the highest value to the project’s development and moving it toward commercialization. For example, funds can be used to cover costs associated with key scientific experiments/milestones or prototype optimization; for continuing commercialization activities such as business development, market analysis or market entry/sales strategy development; for startup expenses such as accounting, legal or intellectual property development related to the innovation; and/or for hiring resources, consultants or employees necessary to complete the related work.  In addition, financial assistance may be used for reasonable operating expenses such as salaries, rent, and utilities that would directly benefit the project.

Please note that the Fund reserves the sole right to approve the use of funds. The applicant acknowledges and agrees that (a) the proceeds of the financial assistance may and shall be used exclusively for costs directly incurred for the purpose of the approved project, and (b) no part of the proceeds of the financial assistance may or will be (i) used to pay, or to reimburse the Company/Institution or any other person for the payment of, costs of any kind incurred prior to the funding, or (ii) used to repay any prior loan, capital contribution or other investment in the project/Company/Institution.

All funded projects are subject to an audit; therefore, it is strongly advised that awardees retain associated receipts and maintain detailed records of expenses incurred.

**Salaries and Wages**

List the names of the employees and researcher(s) and the estimated amount of time dedicated to this project (amount of time per academic-year, summer, or calendar-year person-months) for which funding is requested.

Salaries will be reviewed against current NIH salary ranges; in no circumstance should a salary request exceed $183,300in accordance with the institutional compensation range for each position and commensurate with the time allotted to the proposed project. CBIF Funds must not be used to augment the existing salaries of investigators. Funds must not be used to reimburse faculty members for consulting or other activities that are in addition to a regular full-time institutional salary. (For postdocs, graduate students and technical staff, etc., list the total number of persons and total amount of salaries per year in each category.)

**Other Direct Costs**

The budget should itemize other anticipated direct costs, including materials, project-specific equipment and supplies. Other examples include costs of constructing equipment or systems not available off-the-shelf.

Travel is allowable as a direct cost, only when such travel will provide a direct benefit to the project. A detailed justification must be provided. All expenses must be incurred during the funding period and are subject to audit.

**Indirect Costs**

Indirect costs may NOT be charged to the project. Reasonable charges for access to facilities, necessary furniture, fixtures and access to capital equipment strictly required for conduct of the project should be included as itemized direct costs. Tuition is not an allowable cost.

b. Budget Explanation/Justification

In a separate section titled “Budget Explanation/ Justification,” clearly delineate the specific use and justification of funds. The provided breakdown should be as accurate and specific as possible. For equipment funding requests, describe and justify each piece of requested equipment. Identify location of use. If comparable equipment is available at the institution, hospital or company, explain why it cannot be used.

**8. Appendix (Attachment VII)**

Letters of commitment from the institution and collaborators (e.g., strategic partners) and other supporting materials from Attachment V may be included in this section.

*Full Application Review*

Each Full Application will be subject to an initial review for completeness and fulfillment of requirements, as well as the stage of technology development and likelihood of commercial success. Qualifying applications will then be subject to a scientific peer review assessing the scientific approach and novelty of the proposed innovation, as well as a more in-depth market opportunity and commercial diligence review which includes an in-person presentation by the applicant. The collective analysis of the scientific and market diligence review will be used to arrive at a determination whether the Full Application will be moving forward and be recommended for funding for approval by the Advisory Committee.

NOTE: At the time of Full Application submission, an applicant may send to Bioscience staff the name(s) of any reviewers with whom there is a conflict of interest and who should not be considered as scientific peer reviewers; applicants must provide justification for the request. In addition, applicants may highlight areas of expertise (e.g., neuroscience, thoracic surgery) which might be most applicable to the peer review without disclosing specific names of individuals.

*Full Application Selection Criteria*

Establishments which fulfill Connecticut presence requirements will only be eligible for funding. The criteria employed in evaluation of the application include the following:

* Alignment with funding priorities as determined by the Fund: bioscience, biomedical engineering, health information management, medical care, medical devices, medical diagnostics, pharmaceuticals, personalized medicine, and other related disciplines
* Scientific merit of the proposed work; criteria categories include:
  + Significance
  + Degree of Innovation and Competitiveness
  + Scientific and Technical Merit and Feasibility
  + Team and Leadership Plan
  + Environment
* Market potential and development of a technology, product, or service which is commercializable; criteria categories include:
  + Team
  + Opportunity and Addressable Market
  + Competition and the Differentiator
  + Intellectual Property and Regulatory Status
  + Business Model
* Ability to perform the proposed work
* Conformance to high ethical standards

Additional criteria which will impact scoring are listed below. These elements are highly desirable as part of the application, but not required.

* Strong collaboration across disciplines/industries and collaboration between the for-profit sector and academia.
* Leverage of Bioscience investment dollars with external funds (e.g., NIH funding, founders’ investment, angels, strategic partners, other co-investors).
* UPON INVESTMENT

Funding Details

Funding is contingent upon the authorization and availability of state funds. Notification of funding approval will be made, subject to contract, by the Connecticut Innovations Bioscience Staff. The awardee will then need to execute legal documents related to the investment.

The funding period begins on the effective date specified in the legal documents. Expenditures incurred before the effective date of the agreement may not be charged against the award. Funding not used in a completed investment year may be used in a subsequent investment year to discharge expenses incurred, but not yet paid in the completed investment year. Any other carry over funding shall be expended only in accordance with the terms specified in the agreement.

*Transmittal of Funds*

Funds will be transmitted to the awardee over the duration of the investment according to the terms of the legal documents. Awardees will receive the first installment immediately following the execution of legal documents, and subsequent installments will be transmitted after milestone progress reports are received and approved, and approved milestones met. Milestone report templates can be found at <http://ctinnovations.com/cbif>. See additional reporting guidelines in the “Documents” section.

*Audit of Funds*

Expenditures by awardees may be subject to audit. It is the responsibility of the awardee to keep accurate and appropriate records and pertinent receipts. Entities submitting a request for funding must agree to cooperate by providing information for audit and a full review of the project.

*Funding Transfer*

Funding cannot be transferred from the institution except when the awardee moves to another eligible entity within Connecticut and the transfer receives the prior approval of the Advisory Committee in accordance with the terms specified in the legal documents.

**Administration and Milestone Reports**

Responsibility for general supervision of all activities rests with the institution. Principal Investigators are required to submit Bioscience milestone progress reports utilizing the required reporting template.Reports shall:

* summarize activity and progress during the period for the milestone achieved;
* actual milestone metrics as described in the agreement(s)
* identify any significant scientific developments and all invention and intellectual property disclosures;
* describe collaborative work, strategic partnerships;
* describe any problems encountered;
* include a list of publications; and
* include a detailed summary in lay language suitable for the public and press; Lay summaries should include a brief introductory comment of the service/product/technology being worked upon, an explanation of the progress made, difficulties encountered, and the final results should be written for understanding by the general public and the Advisory Committee.

REQUIRED REPORTING TEMPLATES WITH NECESSARY INFORMATION ARE LOCATED ON THE CT BIOSCIENCE INNOVATION FUND WEBSITE UNDER “DOCUMENTS” <http://ctinnovations.com/cbif>.

Failure to submit required reports or the submission of incomplete or inadequate reports could result in deferral of subsequent installment payments or termination of support and forfeiture of funds.

The Advisory Committee and/or their designees reserve the right to conduct site visits for funded projects.

Principal investigators are required to submit a **Final Report** within 30 days after scheduled completion of the project.This report must include complete data analysis, learnings and next steps for the technology/team. This information is needed for purposes of fund management, evaluation, fiscal accountability, and informing the public about the results of research supported under the Connecticut Bioscience Innovation Fund. Final payment to the institution will not be made in the absence of receipt of a Final Report. Additional information can be found at the CT Bioscience Innovation Fund website <http://ctinnovations.com/cbif>.

* OTHER INFORMATION

Acknowledgment of Support and Disclaimer

Any submitted publication, whether in peer-reviewed journals, meeting abstract formats, or in review articles or similar publications, or any internal presentation to the public and/or external discussion of the data/milestones in oral presentations, posters or meeting abstracts based on research activity supported by the funding must contain the following acknowledgment: **“This material is based upon work supported by the State of Connecticut under the Connecticut Bioscience Innovation Fund. Its contents are solely the responsibility of the authors and do not necessarily represent the official views of the State of Connecticut or Connecticut Innovations, Inc.”**

A list of publications shall be submitted with each Bioscience milestone progress report and with the Final Report via email to [cbifreports@ctinnovations.com](mailto:cbifreports@ctinnovations.com).

Documents as Public Records

All documents submitted to the Connecticut Bioscience Innovation Fund will become a matter of public record and will be available to the public, except as described below. Information or material that Connecticut Innovations and the institution mutually agree to be of a privileged or proprietary nature will be held in confidence to the extent permitted by law. Without assuming any liability for inadvertent disclosure, Connecticut Innovations will seek to limit dissemination of such information only to its employees, peer reviewers and to the Connecticut Bioscience Innovation Advisory Committee. Accordingly, a proposal which indicates the inclusion of “Proprietary and Privileged Information” on the cover page, will be released to the Peer Review Committee and Connecticut Bioscience Innovation Advisory Committee only after those reviewers have signed a non-disclosure document reflecting applicable state law. Applicants are required to identify the words or paragraphs in **yellow highlighted text** on specific pages of the application that contain trade secrets or other proprietary information. Notwithstanding the foregoing, all applicable laws governing access to public records will be observed.

Publication

The State of Connecticut encourages the publication and distribution of the results of work performed under its funding. Connecticut Innovations retains the right to use published materials resulting from the performance of work under the Connecticut Bioscience Innovation Fund for state purposes.

Legal Documentation

Applications selected to receive funding will be required to execute appropriate legal documentation as a condition of receipt of funding.