

## **Connecticut Bioscience Innovation Fund (Bioscience Fund) Frequently Asked Questions (FAQs) Academic & Non-Profit Applications**

### *General*

#### **1. What is the Connecticut Bioscience Innovation Fund?**

- Signed into law by Governor Dannel P. Malloy on September 4, 2013, the Bioscience Fund seeks to drive innovation in the biosciences throughout Connecticut by providing focused financial assistance to start-ups, early stage businesses, non-profits and accredited colleges and universities.
- \$200M, 10 year, evergreen Fund via the State Bond Commission; an “evergreen fund” is one where financial returns are reinvested back into the Fund to continue growth and further finance new projects and companies.

#### **2. Who can apply?**

- Non-profit corporations, accredited colleges and universities, for-profit start-up or early-stage businesses working in bioscience, biomedical engineering, health information management, medical care, medical devices, medical diagnostics, pharmaceuticals, personalized medicine or other related disciplines intended to impact human health.
- Applicants must fulfill CT presence requirements prior to funding.

#### **3. According to the application, how is “fulfill CT presence requirements” defined?**

- This is dependent on the investment instrument; it currently differs to a slight degree for each instrument.
- For a for-profit company to fulfill CT presence requirements, it must be an established company that is registered within the state of Connecticut’s Secretary of State Office prior to funding. More information on how to register your company can be found at the [Connecticut Secretary of State website](#).

#### **4. What are the selection criteria for both the Preliminary and Full Applications?**

- Alignment with funding priorities as determined by the Bioscience Fund: bioscience, biomedical engineering, health information management, medical care, medical devices, medical diagnostics, pharmaceuticals, personalized medicine, and other related disciplines intended to impact human health.
- Scientific merit of the proposed work.
- Development of services or products which are commercializable.
- Ability to perform the proposed work.
- Conformance to high ethical standards.
- Establishments which fulfill Connecticut presence requirements.

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 academia and the for-profit sector.
- Leverage of Bioscience investment dollars with external funds (e.g., NIH funding, founders’

investment, angels, strategic partners, other co-investors).

**5. For non-profit applicants, is there an expectation that the project – at its completion – will spin out into its own for-profit company?**

- No.

*Application Process*

**6. Where do I submit my application?**

- Preliminary applications can be found and downloaded from the Bioscience website: <http://ctinnovations.com/cbif>
- Preliminary applications are submitted via email to [cbifapplications@ctinnovations.com](mailto:cbifapplications@ctinnovations.com)
- Eligible Preliminary Applications showing the most promise will be invited to submit a Full Application. Full Applications can ONLY be submitted on an “invitation only” basis; via email to [cbifapplications@ctinnovations.com](mailto:cbifapplications@ctinnovations.com).

**7. When is the application deadline?**

Preliminary applications are reviewed on an ongoing basis. Upon invitation, full applications are reviewed on an annual quarterly basis.

**8. What is the maximum length/size of the application?**

- Preliminary Applications shall not exceed 2 pages (excluding Cover Page).
- Full Applications shall not exceed 15 pages (excluding Cover Page); bibliographies and biographical sketches will not be included within the page limits.
- Applications shall not exceed 10MB of data, after conversion to a single pdf file.

**9. What materials are excluded from the 15-page limit of the Full Application?**

*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. Attachment V, Cover Page, *does* count within the 15-page limit; sections A-D should be included in the Appendix. Please make reference on the cover page to where specific sections can be found in the Appendix.
  - Biographical Sketches
  - Section VII, Appendix

**10. Can I submit more than one application?**

- Yes, an applicant may submit one or more applications for financial assistance as long as each application is unique; subject to the prior submission of a Preliminary Application.

**11. How long after I submit the Preliminary Application will I hear a response from the Administrator?**

- An applicant will receive notification whether it may or may not proceed with a Full Application within one month.

- 12. How long after I submit the Full Application will I hear if funding was approved or not?**
- Chosen recipients of CBIF funding can anticipate notification within 4 of application; however this may vary given the rolling application process.
- 13. For a project with multiple investigators, does each investigator need to submit a preliminary application, or just the lead investigator?**
- Only the lead investigator will apply; details of the co-investigator(s) should be provided.
- 14. In evaluating proposals, will there be any competitive advantage for applicants that file early during the window for submitting applications?**
- No. The review is a competitive process and applications will be batched on a quarterly basis. There will be four review cycles over a 12-month period.
- 15. For full applications that are selected for peer review, what are the criteria that applications are reviewed on?**
- AAAS Scientific peer review criteria:
    - Significance
    - Innovation and competitiveness
    - Scientific and Technical Merit and Feasibility
    - Team and Leadership Plan
    - Environment
  - Business/Market review criteria:
    - Team
    - Opportunity and Addressable Market
    - Competition and the Differentiator
    - Intellectual Property and Regulatory Status
    - Business Model
- 16. Must all selected Bioscience funding recipients demonstrate a quantifiable commercial return on investment?**
- Yes. All Bioscience Fund applicants that receive funding must demonstrate a quantifiable return on investment. Each selected recipient will have investment terms that provide a return back to the Fund. Selected academic institutions or non-profit entities would receive grant funding with an associated royalty sharing agreement. Commercial entities would receive funding in the form of a secured convertible note or equity investment.
- 17. Are there guidelines to follow when submitting the financial budget (Attachment VI)?**
- Yes. 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 development; for commercialization planning activities such as business plan assistance and development, market analysis or market entry/sales strategy development; for startup expenses such as accounting, legal or intellectual property development; and/or for hiring resources, consultants or employees necessary to complete the related work.
  - Financial assistance for reasonable operating expenses, such as salaries, rent, and utilities that provide a direct benefit to project, is allowable. General administrative or company overhead

costs outside of the project are not allowable. Tuition reimbursement is also not an allowable cost.

- Salaries may not exceed the current NIH Salary limit of \$183,300, annually. Additionally, salaries must be in accordance with organizational compensation range for each position and commensurate with the time allotted to the proposed research.
- Travel is allowable as a direct cost when such travel expenses are reasonable and 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 are not permitted.
- All costs must be detailed in the 'Budget Explanation/Justification' section of the application.
- The Bioscience 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.

### *Funding*

#### **18. What is the maximum requested funding amount?**

- Applicants may request up to \$500,000.
- Funding may be for projects with a maximum duration of 3 years.

#### **19. What types of investments will be considered?**

- Academic institutions and non-profit entities are eligible for grants.

#### **20. What can funding be used for?**

- Projects from which the output is readily commercializable and will improve healthcare coordination, quality or efficiency; reduce healthcare costs; and increase job growth.

#### **21. What stage of development does CBIF fund?**

- We fund late stage preclinical and clinical stage development, as well as commercialization efforts associated with a technology or product. Prospects that typically move forward in the application process have a prototype in-hand and/or selected lead compound.

#### **22. What will CBIF not fund?**

- We do not fund basic research.

#### **23. How is funding dispersed? Will it be tranching based on milestones?**

- Yes. Funds will be transmitted to the awardee over the duration of the investment and dispersed in conjunction with completion of agreed upon project milestones.

#### **27. May an applicant have several partners (e.g., one for-profit, one academic, and one VC partner)?**

- Yes

**28. Must all partners be in CT or can some partners be out of state?**

- Partners can be in-state or out-of-state, however there are limitations (see below).

**29. Are there any limitations to the total funding amount that can be subcontracted (i.e., must the “prime” applicant conduct a certain percentage of the work)?**

- There is no limit if the work is being subcontracted within the State of Connecticut. If the work is being subcontracted to a provider out-of-state, (i) at least 50% of the work must be completed by the “prime” applicant and (ii) the subcontracted work product must return in-state.