

Round 2 Catalyst Research and Development (R&D) Pilot Seed Grant - Program Specifications

Funding Source	<p>Total funding for Round 2 Catalyst Research and Development (R&D) Pilot Seed Grant Program will be \$1,500,000 using eligible funds from CSIT's FY2023 budget appropriation</p> <p>10 awards of \$150,000 each.</p>
Program Purpose	<p>The purpose of the Program is to enhance the State's innovative economy by providing financial grants to early-stage innovation-based companies to accelerate development of technologies to transform new discoveries from research stage into commercially viable products and services. The grant funds should enable Applicants to make significant progress and have a meaningful impact on their commercialization outcomes.</p>
Eligible Industry Areas	<p>Therapeutic drug discovery</p>
Eligible Applicants	<p>Applicants are only allowed to submit one Seed Grant application per grant round.</p> <p>All Applicants must meet the following eligibility criteria:</p> <ol style="list-style-type: none"> a. Be authorized and in good standing to conduct business in New Jersey as evidenced by a current New Jersey tax clearance certificate (listing New Jersey Commission on Science, Innovation and Technology). All certificates listing another state agency will be rejected. b. Have no more than 25 full-time equivalent (FTE) workers (FTE calculated on a 35-hour work week) at time of application. c. Have a minimum of one full-time worker (calculated on a 35-hour work week). A founder can be counted as a worker; a worker may be paid or unpaid. d. 50% or more of the cumulative hours worked by all workers, founders, and contractors must be conducted in New Jersey (as calculated on an full-time equivalent basis of 35 hours per week). e. Have less than or equal to \$2,000,000 in 2022 calendar year sales revenue (excluding grant revenue).
Eligible Uses	<p>The grant funding can be utilized for project research and development activities.</p> <p>In addition, no more than 30% of the budget proposed for the Project, in the aggregate, may be spent on:</p> <ul style="list-style-type: none"> • Marketing and customer discovery specific to the innovation • IP patent prosecution and licensing-related expenses • Conference registration fees
Ineligible Uses	<p>The grant funding cannot be utilized for the following</p> <ul style="list-style-type: none"> • Direct services to individuals or organizations • Manufacturing of products for sale or commercial use • Real estate rental expenses • Patient clinical trial expenses • Construction costs

	<ul style="list-style-type: none"> • Travel, entertainment, and other similar expenses • Allocations of general overhead expenses • Any expenditures incurred before the “Effective date”, the date representing the last date of execution of the Grant Agreement by the respective Parties • Any expenses for equipment and materials that Applicant does not use for the Project during the Project period • Fees related to Conferences not associated with the Project
<p>Application Process and Board Approval</p>	<p>Application process:</p> <ol style="list-style-type: none"> 1. Applications will be open for a limited timeframe 2. A document completeness review will be done as applications are received 3. Applicants with missing documentation will be notified and given 10 business days to submit missing documents 4. Only complete applications will be evaluated and scored. Applicants that have not submitted a tax clearance certificate and/or any documentation that verifies bonus points, at the time of application submission will be given up to the start of the Application Scoring period to submit the tax clearance document. If a tax clearance certificate is not submitted at the start of the Application scoring period, the application will be declined. 5. An evaluation committee comprised of CSIT and NJEDA staff will review and assign a score to each application, after receiving qualitative input from Subject Matter Experts (SMEs) 6. In order to be eligible for funding, an Applicant must receive a minimum of 70 of the available 100 points on the standard scoring. In order to receive bonus points, an applicant must also receive a minimum score of 70. 7. If more applications are received than available funding, priority will be given to applications that score the highest against the scoring criteria. 8. Denied Applications may appeal CSIT’s declination, provided they do so within the timeframe provided in CSIT’s declination letter. Appeals must be written and include an explanation as to how the applicant has met the Application criteria. <p>Board Approval: The CSIT Program Committee will review scored applications and make funding recommendations to the CSIT board. The CSIT Board will make final decisions on grant award winners.</p>
<p>Scoring criteria (Based Upon Technical Proposal/Milestone and Budget Proposal)</p>	<ul style="list-style-type: none"> ▪ Innovation (up to 30 points) ▪ Market Opportunity (up to 10 points) ▪ Implementation Plan -Budget and Milestones (up to 20 points) ▪ Go-to-Market strategy (up to 10 points) ▪ Economic Impact (up to 10 points) ▪ Team (up to 20 points)

<p>Bonus Points (must have a minimum score of 70 points to receive)</p>	<ul style="list-style-type: none"> ▪ Company is using technology initially developed at a NJ university, under an executed License Agreement with such university (15 points) ▪ NJ Certified women-owned business (10 points) ▪ NJ Certified minority-owned business (10 points) ▪ NJ Certified veterans – owned business (10 points) ▪ Primary place of business/R&D located within an opportunity zone eligible census tract (5 points) ▪ Has not previously received a CSIT grant or voucher (10 points)
<p>Grant Amounts/Duration</p>	<p>Eligible applicants can propose a project of up to one year in duration and with a maximum budget of \$150,000. An extension for up to an additional 3 months may be permitted at the sole discretion of CSIT.</p>
<p>Grant Disbursement</p>	<p>First disbursement of 80% at the execution of grant agreement. Second disbursement of 20% after Final report is submitted.</p>
<p>Cost</p>	<p>There is no fee to apply</p>