Frequently Asked Questions for the Regional Innovation Strategies Program

Released June 6, 2016

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1. PROGRAM OVERVIEW
    a. What is the objective of the Regional Innovation Strategies (RIS) Program?

The objective of the Regional Innovation Strategies Program is to make funding available for capacity-building activities that include proof-of-concept and commercialization programs and centers, including the scaling-up or expansion of existing commercialization programs and centers and the support of opportunities to close funding gaps for early-stage companies.

    b. What are the two competitions being offered through this program?

Under this program, EDA is soliciting applications for two separate competitions:

- the 2016 i6 Challenge; and
- the Seed Fund Support (SFS) Grants competition (formerly the Cluster Grants for Seed Capital Funds competition).

    c. What is the i6 challenge?

The i6 Challenge, in its sixth iteration, is a leading national initiative designed to support the creation of programs that provide assistance to innovators and entrepreneurs and that increase the commercialization of innovations, ideas, intellectual property, and research into viable companies.

    d. What is the Seed Fund Support (SFS) Grants Competition?

The SFS Grants Competitions provides funding for technical assistance, feasibility studies, marketing, and outreach related to the planning, formation, launch, or expansion of cluster-based seed capital funds that deploy capital in innovation-based startups with a potential for high growth. These funds must be equity-based; thus, e.g., revolving loan funds do not qualify.

    e. Where can I find examples of past projects that qualified for these types of grants?

Information on past projects can be found on EDA's website at http://www.eda.gov/oie/ris/.

    f. What is the anticipated duration for each project period?

For the i6 Challenge, the anticipated award will have an initial project period of three years with an estimated start date on or about 150 days after the closing date of the application period.
For the SFS Grants competition, the anticipated award will have an initial project period of two years with an estimated start date on or about 150 days after the closing date of the application period.

    g. What is EDA's definition of a cluster?

EDA defines clusters as geographic concentrations of firms, workers and industries that do business with each other and have common needs for talent, technology, and infrastructure. Clusters are essentially networks of similar, synergistic, or complementary entities that are engaged in or with a particular industry sector; have active channels for business transactions and communication; share specialized infrastructure, labor markets, and services; and leverage the region's unique competitive strengths to stimulate innovation and create jobs. Clusters may cross municipal, county, and other jurisdictional boundaries.

2. ELIGIBILITY
    a. Who is eligible to apply for funding?

    1. a State;
    2. an Indian tribe;
    3. a city or other political subdivision of a State;
    4. an entity that—
        a. is
            i. a nonprofit organization,
            ii. an institution of higher education,
            iii. a public-private partnership,
            iv. a science or research park,

v. a Federal laboratory, or
vi. an economic development organization or similar entity; and

b. has an application that is supported by a State or a political subdivision of a State; or

5. a consortium of any of the entities described in subparagraphs (1) through (4).

Note that EDA is NOT authorized to provide grants to individuals.

b. What types of nonprofit organizations are eligible?

EDA has adopted the definition of nonprofit organization set forth in 2 C.F.R. Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards at §200.70:

> Nonprofit organization means any corporation, trust, association, cooperative, or other organization, not including IHEs, that:
> (a) Is operated primarily for scientific, educational, service, charitable, or similar purposes in the public interest;
> (b) Is not organized primarily for profit; and
> (c) Uses net proceeds to maintain, improve, or expand the operations of the organization.

c. Can previous RIS Program grant recipients be eligible for this competition?

Entities operating within the performance period of a previously-awarded RIS Program grant are not eligible for award under that same competition but may be eligible under a different competition (e.g. a 2015 i6 Challenge recipient cannot apply for a 2016 i6 Challenge grant, but apply for a Seed Fund Support grant). This restriction applies to all applicants, including both sole applicants and co-applicants.

d. Will any previous grants that EDA awarded my organization affect my organization's competitiveness for these new competitions?

No; however, the Grants Officer may take into consideration past performance on previous awards when making final selections.

e. What distress criteria must be met in order to be eligible to receive EDA funding?

Unlike most of EDA's other programs which are authorized under PWEDA, the RIS Program is authorized under Section 27 of the Stevenson-Wydler Technology Innovation Act of 1980, as amended (codified at 15 U.S.C. §3722). This authorization does not require applicants to meet the distress criteria to be considered eligible.

f. Can the RIS Program fund construction projects?

There is no funding available for construction projects under this program, including projects related to the design or renovation of buildings.

g. What is a public-private partnership and what documents should I submit to EDA to demonstrate my eligibility?

EDA generally defines a public-private partnership as a relationship formalized through a written agreement between a unit of state or local government (e.g., a public agency) and a private-sector entity that sets out the terms of collaboration in the delivery and financing of a public project, program, initiative, or other joint effort. EDA will review agreements for items such as the purpose and objectives of the partnership, the binding/contractual nature of the relationship, the duties and responsibilities of each party, and the duration of the agreement. The scope of the relationship documented in the agreement may be limited to the proposal set forth in a given partnership's grant application or may encompass a broader program, initiative, or other set of activities or goals. In most cases, a letter of support from a public entity alone, without additional documentation demonstrating a formal, binding relationship between the parties, will likely be found insufficient to establish eligibility under this entity category. EDA reserves the right to request additional information from applicants to establish eligibility, as necessary. If applicants have further questions concerning these documentation requirements, they should contact their regional POC.

h. What is an economic development organization and what documents should I submit to EDA to demonstrate my eligibility?

EDA generally defines an economic development organization as an organization that has been established with the primary purpose of supporting the economic development of a community or region, or a subset thereof. In order to demonstrate eligibility status under this category, EDA will look to the organization's Articles of Incorporation, Charter, Resolutions, Bylaws, and/or other documents that may be relevant to establish the primary purpose of the organization. Applicants are encouraged to submit all relevant documentation to EDA for evaluation. EDA reserves the right to request additional information from applicants to establish eligibility, as necessary. If applicants have further questions concerning these documentation requirements, they should contact their regional POC.

3. APPLICATION MATERIALS AND SUBMISSION PROCESS

a. Are applicants required to submit a separate application for each competition?

If you do plan to apply to more than one competition, you must submit a separate application packet for each competition. Applicants may, but are not required to, submit proposals for more than one competition under the RIS Program.

b. How do I obtain an application package?

An applicant may obtain the appropriate application package electronically at www.grants.gov (Grants.gov). Applicants may search for this funding opportunity on Grants.gov using Funding Opportunity Number EDA-EDA-HDQ-OIE-2016-2004868.

c. When is the deadline for submission and where do I submit the application package?

The closing date for receipt of applications for this program is June 24, 2016. Applications should be submitted electronically via www.grants.gov (Grants.gov) and must be received by 11:59 p.m. Eastern Time on Friday, June 24, 2016. EDA will not accept paper, facsimile or email transmissions of applications for this program except as provided in the FFO.

Applications received after the closing date and time will not be considered for funding.

d. Are applicants limited to submitting one proposal per competition?

Technically, there are no limits to the amount of proposals an organization may submit; however, applicants should clearly indicate that they are submitting multiple different proposals, rather than changes to a previously submitted application. Organizations intending to submit multiple applications should also keep in mind that the Grants Officer will take into consideration the extent to which the project supports EDA's goals of geographic balance in distribution of program funds, project types, organizational type, and the overall portfolio of awards when making final selections; therefore, multiple proposals from the same organization are not likely to be funded.

e. What Is Required for a Complete Application?

In order to be considered for funding, applicants must submit a complete application package for each competition to which they are applying that includes all required documents outlined under the FFO's Section 4(b)(i); in addition Appendix D of the FFO contains an *Optional Checklist-style Guide for Required Documents.*

f. The FFO indicates that a résumé of no more than two pages should be included for each key personnel involved in the project. Are these résumés included in the 10-page maximum?

Key personnel résumés can be uploaded as an attachment to the Grants.gov application and are not included in the project narrative. The project narrative, however, should include an overall description of personnel roles, activities, deliverables, and overall purpose.

g. The FFO indicates that applicants must include a budget narrative, but the required SF-424A Budget Information Non-Construction Programs form seems to cover that information. Are those the same?

No, the Budget Narrative is different from the SF-424A Budget Information form, and both are required. The SF-424A Budget Information Non-Construction Programs identifies each budget line item. The second section is the budget narrative (included in project proposal) which provides a clear budget justification of each line item, and how each budget category will be used to support the proposed project. The budget narrative must be no longer than three pages and must include a staffing plan. Applicants are strongly encouraged to review the "Application and Submission Information" section in the FFO for further guidance.

4. FUNDING AND MATCH

a. How much funding is available for the i6 Challenge competition?

The 2016 i6 Challenge will award approximately $13 million in grants. EDA expects to award approximately 26 or more grants. Each application may request a maximum of $500,000 in Federal funding under this competition.

b. How much funding is available for the SFS Grants competition?

The SFS Grants competition will award approximately $2 million in grants. EDA expects to award approximately 8 or more grants. Each application may request a maximum of $250,000 in Federal funding under this competition.

c. The FFO discusses a maximum amount for an EDA grant, but can applicants apply for less than that amount?

Yes, an applicant can apply for less than the maximum amount stated in the FFO.

d. Are maximum grant amounts allotted by year or for the entire project period?

The total maximum grant amounts ($500K for i6 Challenge, $250K for Seed) are based on amounts for the entire project period.

e. What is the minimum match required?

Applicants must provide a minimum of one-to-one (i.e. 50 percent) in matching share for both the i6 Challenge and the SFS Grants competition. Applicants must demonstrate that this matching share (cash, in-kind, or a combination of cash and in-kind contributions), which must be available, unencumbered, and committed to the project. Applicants should also consider the nature and source of the matching share, as funds from Federal sources often cannot be considered as matching funds for other Federal projects; some exceptions do apply.

EDA may give preference to proposals with higher matching shares to further leverage federal funds and help ensure additional project impact. For these two competitions, the amount of an EDA grant may not exceed 50 percent of the total cost of each project. For example, if the total cost of the project is $500,000 then EDA could contribute 50 percent of the project cost ($250,000) and the recipients would then be required to match those funds with at least an additional $250,000.

f. What is required for a Commitment Letter?

A Commitment Letter must demonstrate that matching share (whether cash or in-kind) referenced in the SF-424, SF-424A, Project and Budget Narratives, and elsewhere in the application will be unencumbered, unrestricted and committed at the time of the award and that is signed by the authorized representatives of the respective organization providing the matching funds (e.g., the applicant, co-applicant, third-party organization). Where an application relies on multiple organizations for matching share, multiple Commitment Letters—one from each organization providing match—are required. Commitment Letters do not count towards the Budget Narrative's 3-page limit; these letters can be uploaded as attachments in Grants.gov.

g. What can be considered in-kind contributions?

In-kind contributions may provide the required non-Federal share of the total project cost and can consist of non-cash contributions directly related to the proposed project, such as space, equipment, or services. The market value of space can be used as in-kind contribution for the life of the project. Common in-kind contributions include space (e.g., lease of a building, office space, meeting area) and personnel time that are directly related to the project.

h. Is there a limit on the indirect cost rate?

Indirect costs are allowed based on the rate approved by your cognizant agency; EDA requires copies of the applicant's or co-applicants' indirect cost rate agreement or agreements, if any, at the time of application. If applicants are new to the Federal grant process, or do not have a current indirect cost rate, we encourage them to discuss this process with their designated EDA regional point of contact (POC) (see Question 12(a)). EDA has experienced this to be one of the more technical parts of the budget plan and strongly encourages applicants not to wait until the end of the application window to discuss this with their regional POC.

i. Does EDA allow program income to be considered a match or an addition to the award?

Because EDA requires that matching share must be available, unencumbered, and committed at the time of award, EDA does not allow for program income to be considered as matching share (i.e., matching share cannot consist of funds that may be collected at a future date).

j. Are matching funds subject to grant usage restrictions?

Non-Federal matching funds are governed by the same principles and requirements as the Federal/EDA funds. *See* 2 C.F.R. Part 200 Subpart E.

k. How do you determine allowable expenses that can be charged to the award?

Allowable costs incurred are subject to 2 C.F.R. Part 200 Subpart E. If applicants have questions concerning the allowability of a particular cost, they should contact their regional POC.

5. CO-APPLICANTS

a. How do you determine who the co-applicant is and what forms are they required to submit?

If the other entities in question will be partnered with the lead applicant in the management of the grant, and will have direct access to the grant award funds in the form of direct transfers of the proceeds of the award then that entity can be considered a co-applicant. For assistance identifying co-applicants, please reach out to your regional point-of-contact (See Question 12(a) or Section 7 of the FFO). Co-applicants are required to provide all the forms that the primary applicant must provide (see Section 4(b)(i) of the FFO), but the primary and co-applicants will share the project and budget narratives, and Form SF-424A Budget Information for Non-Construction Programs. See Appendix D of the FFO for a comprehensive checklist of the documents required for all co-applicants.

b. What if my organization plans to engage a third party that is not a co-applicant to perform a portion of the project activities? Is the third party considered a co-applicant?

If your organization intends to enter into a contractual relationship to accomplish a portion of a project's activities, then only the organization that is responsible for the overall project is required to submit application forms and documents. However, third-party must be retained pursuant to an open and free competitive process that is in compliance with Federal procurement standards under the applicable regulations at 2 C.F.R. Part 200. The third party would not be considered a co-applicant unless its responsibility for the overall project rises to the level of that of an applicant.

6. ADDITIONAL INFORMATION ON SEED FUND SUPPORT GRANTS

a. How Is the SFS Grants Competition different from programs offered by the Small Business Administration (SBA)?

While the SBA's Small Business Investment Company (SBIC) program funds ultimately pass to startup companies, funding awarded through the SFS Grants competition do not. Instead, SFS funding supports feasibility studies, planning, formation, and expansion of seed capital funding programs and direct supporting programs. Additional information about SBA's SBIC program can be found on SBA's website: http://www.sba.gov.

b. Can we use the Seed Fund Support Grants to support/market a small loan program?

Unfortunately, the Seed Fund Support competition is looking for proposals that support or take equity in the business they will support. Projects must focus on investing in equity capital rather than debt; therefore loan or revolving loan programs would not meet that criteria and would not qualify for a grant. However, funds that deploy convertible notes as part of their investment strategy do qualify as equity-based, because those debt instruments are intended to convert to equity.

c. Can the funding be used to capitalize the Seed Fund?

EDA funds cannot capitalize a seed fund (i.e., EDA funds and matching funds cannot be used to invest in startups or any other companies). The technical assistance and operational costs funded by EDA can jumpstart the creation or expansion of a seed fund by funding operations to raise capital for a fund, to market the fund to potential startups and investors, to educate potential seed fund investors about seed fund investing, or to evaluate potential investments in startup companies.

7. OPTIONAL PRE-SUBMISSION TECHNICAL REVIEW

a. Can I receive technical assistance on my grant proposal?

OIE partnered with project officers from all six regional offices who are available to provide technical assistance to prospective recipients. They will be available to discuss the RIS Program in general terms and to determine whether applicants have included all required documents in their respective application packages; however, EDA cannot assist applicants with respect to the merits of a particular approach or application or in any manner that may be perceived as providing an unfair competitive advantage over other applicants. Additionally, they will not be able to provide any assessment of the project's competitiveness.

8. PROJECT EVALUATIONS

a. How are applications reviewed?

Applications will be reviewed based on the process outlined in Section 5(a) of the FFO, using the evaluation criteria outlined below and in detailed in Sections 5(a)(i) (for i6 Challenge applications) and 5(a)(ii) (for SFS Grant competition applications).

b. What are the evaluation criteria for the i6 Challenge competition?

For the 2016 i6 Challenge, the following six factors will be considered, totaling a maximum of 100 possible points: Approach (20 points), Planning & Feasibility (20 points), Personnel & Resources (15 points), Community & Regional Infrastructure (15 points), Sustainability (10 points), and Impact (20 points).

c. What are the evaluation criteria for the SFS Grants competition?

For the SFS Grants competition, the following six factors will be considered, totaling a maximum of 100 possible points: Approach (20 points), Planning & Feasibility (20 points), Personnel & Resources (15 points), Community & Regional Infrastructure (15 points), Sustainability (10 points) and Impact (20 points).

9. AWARD NOTIFICATIONS

a. How are applicants notified if they are selected for a grant under the RIS Program?

After the Grants Officer selects the applicants to receive grants, notification of the awards will be issued. The grant award notification (via Form CD-450) will be transmitted to the selected applicant electronically

through Grants Online. This form must be electronically signed in Grants Online, without modification, by an authorized representative of the selected applicant and submitted back to EDA within 30 days after receipt. Unsuccessful applicants will be notified that their application was not selected for funding via e-mail.

10. FUTURE RIS PROGRAM GRANT OPPORTUNITIES
    a. We've just learned of the i6 Challenge opportunity. We want to submit a quality application but don't feel we can do that by the Application Deadline. Will this funding opportunity be offered again?

Unfortunately, we will not know the answer to this question until Congress has appropriated funding to EDA for the 2017 fiscal year.

11. INFORMATIONAL WEBINAR
    a. Will EDA conduct an informational webinar?

EDA conducted an informational webinar for prospective applicants on May 5, 2016. A recording of this webinar is available on OIE's RIS Program website.

12. CONTACT US
    a. What is the easiest way to contact the Office of Innovation and Entrepreneurship (OIE)?

If you require additional information, please contact OIE by email at oie@eda.gov and/or reach out to your regional points-of-contact (listed below).

Regional Office	RO RIS POC(s)	Email	Phone
Atlanta	Robin Cooley	rcooley@eda.gov	(803) 253-3640
Austin	Chris Rys	crys@eda.gov	(512) 381-8157
Chicago	Kyle Darton	kdarton@eda.gov	(312) 789-9752
Denver	Justin Fazzari	jfazzari@eda.gov	(303) 844-4089
Philadelphia	Chivas Grannum	cgrannum@eda.gov	(215) 316-2759
Seattle	Brian Parker	bparker2@eda.gov	(206) 220-7675