America's SEED FUND
SBIR.STTR

NSF SBIR/STTR PHASE I NEW AWARDEE WEBINAR

August 2024

CONGRATULATIONS!

AGENDA

- Your NSF Program Director
- How To Receive NSF Funds
- Initial Award Activities Timeline
  - Phase I Workshop
  - Beat-the-Odds Bootcamp
  - Commercialization Assistance Program (CAP)
- Related Opportunity: National I-Corps ALL SBIR/STTR Cohort
- Best Practices – Accounting
- Changes During Phase I
- Final Report and Final Payment
- Phase II Submission
- Important Reminders & Resources

YOUR NSF PROGRAM DIRECTOR

- Named in your NSF award letter as point-of-contact.
- Program Directors recommend approval of no-cost extensions, PI changes, or budget and research plan changes.

Henry Ahn

Peter Atherton

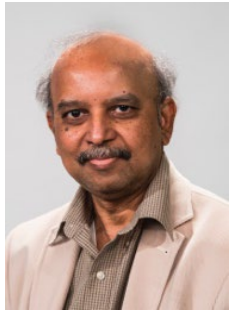
Anna Brady-Estevez

Ed Chinchoy

Parvathi Chundi

Samir Iqbal

Vincent Lee


Rajesh Mehta

Ela Mirowski

Alastair Monk

Erik Pierstorff

Lindsay Portnoy

Ben Schrag

Mara Schindelholz

COMMUNICATION WITH YOUR NSF PROGRAM DIRECTOR

- Look for an initial email “Congratulations Letter” with important info, a press release template, and media tips.
- Always include your award number in the subject line of correspondence with your Program Director.
- Keep your Program Director informed about technical and business progress, and news.

HOW TO RECEIVE NSF FUNDS

- Use Award Cash Management $ervice (ACM$) to receive NSF funds.
- Access ACM$ on Research.gov.
- Requires entering amounts to request funds.
- You can add/change users on Research.gov. Find instructions in the ACM$ Permissions Guide.

INITIAL AWARD ACTIVITIES TIMELINE

- Attend the Phase I Workshop (to be held via videoconference), within about 1-3 months of your award start
  - Discussion of Phase I opportunities, responsibilities, Phase II, accounting and timekeeping and legal requirements (requires a total of ~8-10 hours of commitment across 3 days)
- Beat-The-Odds Boot Camp, starting shortly after the workshop
  - Guided process of customer discovery led by National I-Corps instructors (lasts 7 weeks, requires 10-15 hours per week)
  - Commercialization Assistance Program (CAP)
    - Led by Dawnbreaker, via an NSF contract

PHASE I WORKSHOP

PHASE I WORKSHOP (DAY 1 & DAY 2)

Held via Videoconference:

- **Day 1:** Informational and networking sessions
  - Please block 11 AM to 5:30 PM ET on Day 1
- **Day 2:** One-on-one meetings (20 minutes) with NSF Program Directors
  - Please block 9 AM to 5 PM ET on Day 2 (or, for Pacific and Mountain timers, block 8 AM local to 3 PM local)
- **Day 3:** Optional sessions: women's networking and Q&A on rules/timekeeping/accounting rules
  - Block ~ 10 AM to 4 PM ET for optional sessions

PHASE I WORKSHOP (ATTENDANCE)

Attendance:

- Required: Principal Investigator (PI)
- Recommended: Business/commercial representative, especially if not the PI (feel free to discuss with your PD)

Note: any excess funds budgeted for travel to this event can be reallocated to other existing expense categories without needing notify your PD.

WHAT IS THE BEAT-THE-ODDS BOOT CAMP?

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- Based on the NSF I-Corps program, Beat-the-Odds Boot Camp is a customer discovery training program for Phase I awardees led by I-Corps instructors see additional general info: https://seedfund.nsf.gov/resources/awardees/phase-1/bootcamp/

- You participate as a team - typically the Principal Investigator and lead of business development

WHAT IS BEAT-THE-ODDS BOOT CAMP?

In Bootcamp you will:

- Create a business model canvas
- Contact and interview at least 30 customers
- Get feedback and guidance from your NSF I-Corps instructor
- You'll be assigned a Pod Number, Boot Camp instructor and learn more about office hours
- Expect communication directly from the Boot Camp instructors and program staff--please respond as you would to NSF

Learn more from these Lean Launchpad videos:

https://www.udacity.com/course/how-to-build-a-startup--ep245

WHAT IS BEAT-THE-ODDS BOOT CAMP?

Budget Info:

- You may allocate $10,000 - $20,000 from your Phase I award budget for Boot Camp participation.
- Funds budgeted from Direct Costs may be used to purchase tools for virtual customer discovery (e.g., Zoom Meeting; LinkedIn Premium), attend virtual conferences, support travel in the US (including conference fees) if/when travel and meeting restrictions are lifted, and time and effort working on Boot Camp activities.

WHAT IS BEAT-THE-ODDS BOOT CAMP?

- **SBIR Boot Camp Kick-off Meeting** – 2-hour introduction (all participants in lecture-style meeting)
- **Week 1** – 1st Pod meetings (a Pod consists of an instructor and 6-8 companies)
- **Week 2** – Office hours (company teams meet with their Pod instructors one-on-one)
- **Week 3** – 2nd Pod meetings
- **Week 4** – Office hours Only
- **Week 5** – 3rd Pod meetings
- **Week 6** - Office hours
- **Lessons Learned Presentation** – All day event where each company gives a presentation that combines Pods by program director, and instructors provide final comments to the companies.

WHAT IS THE CAP PROGRAM?

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- Commercialization Assistance Planning (CAP) is run by an NSF partner, Dawnbreaker, to help you prepare the Commercialization Plan in your Phase II proposal.
- Free to all Phase I awardees, optional but strongly recommended.
- More info to come…

BEST PRACTICES: ACCOUNTING

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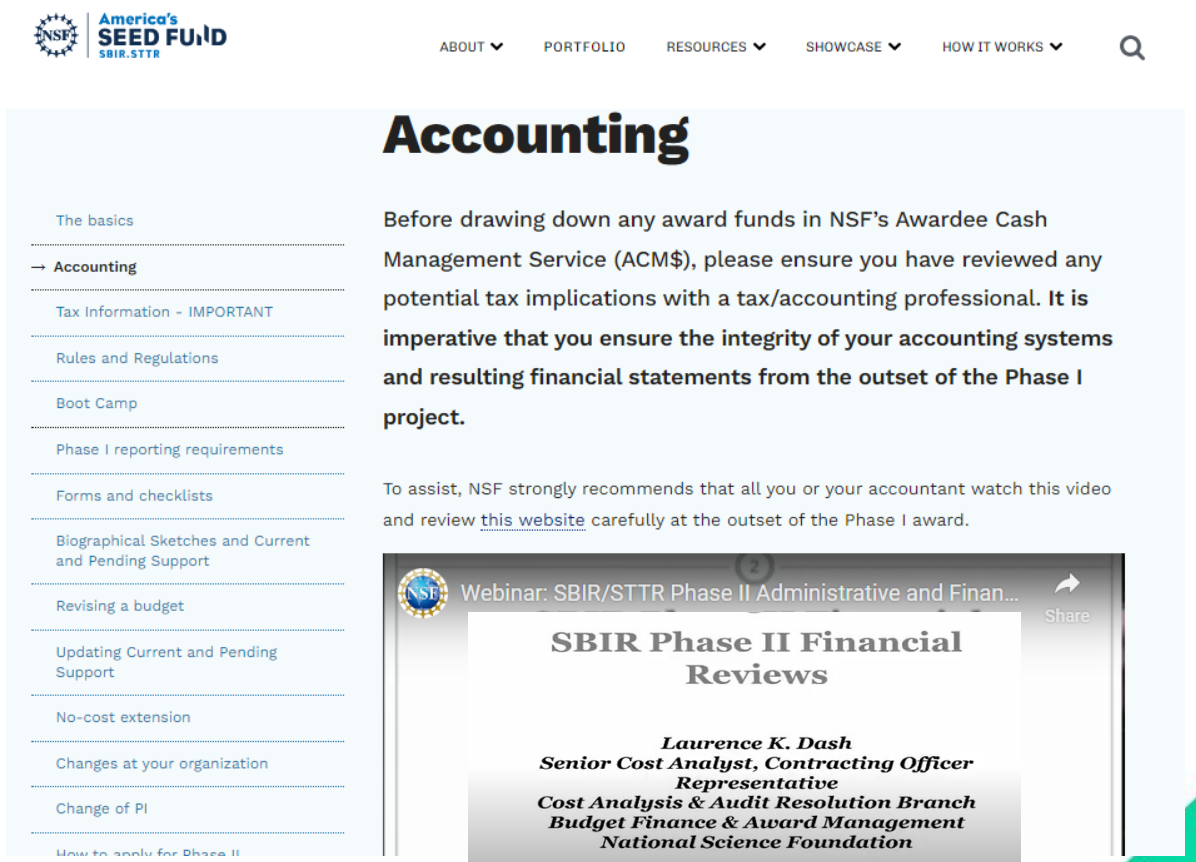
- You **must** have an industry-standard accounting system
  - Spreadsheets are not acceptable
- You **must** have award accounting capability
  - Track direct and indirect costs separately
  - Track spending using a valid accounting system and time spent on the project using timesheets
- Recommended – hire/consult an accountant!
- Recommended – let your PD know before taking on debt (including convertible notes)!
- *Be prepared for a financial review if your Phase II proposal is recommended for award.*

BEST PRACTICES: ACCOUNTING (VIDEOS)

- Read the Cost Analysis and Pre-Award Branch website: https://www.nsf.gov/bfa/dias/cap/
- Watch NSF Accounting Video: https://seedfund.nsf.gov/resources/awardees/phase-1/accounting/



CHANGES DURING PHASE I

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Contact your Program Director to request/discuss:

- A change in Principal Investigator
- Submit the request in Research.gov
  Instructions here: https://seedfund.nsf.gov/resources/awardees/phase-1/pi-change/
- An organizational name change or business structure (entity) change

CHANGES DURING PHASE I

Contact your Program Director to request/discuss:

- Name or entity changes (e.g. from LLC to C-Corp) during Phase I can be cumbersome— changes between Phases are much faster vis-à-vis NSF
- A revised budget
- A revised Research Plan that changes the scope of the project
- An evidence-based pivot

CHANGES DURING PHASE I (NO COST EXTENSION)

No-Cost Extension - allows you to request more time to complete the project objectives

- Contact your Program Director with your request and reason for your request
- Make your request **45 days** before the end date of your award (if possible)
- **An extension does not change your Phase II proposal submission deadlines**
- Follow the online instructions for requesting “No-Cost Extension” in Research.gov

FINAL REPORT AND FINAL PAYMENT

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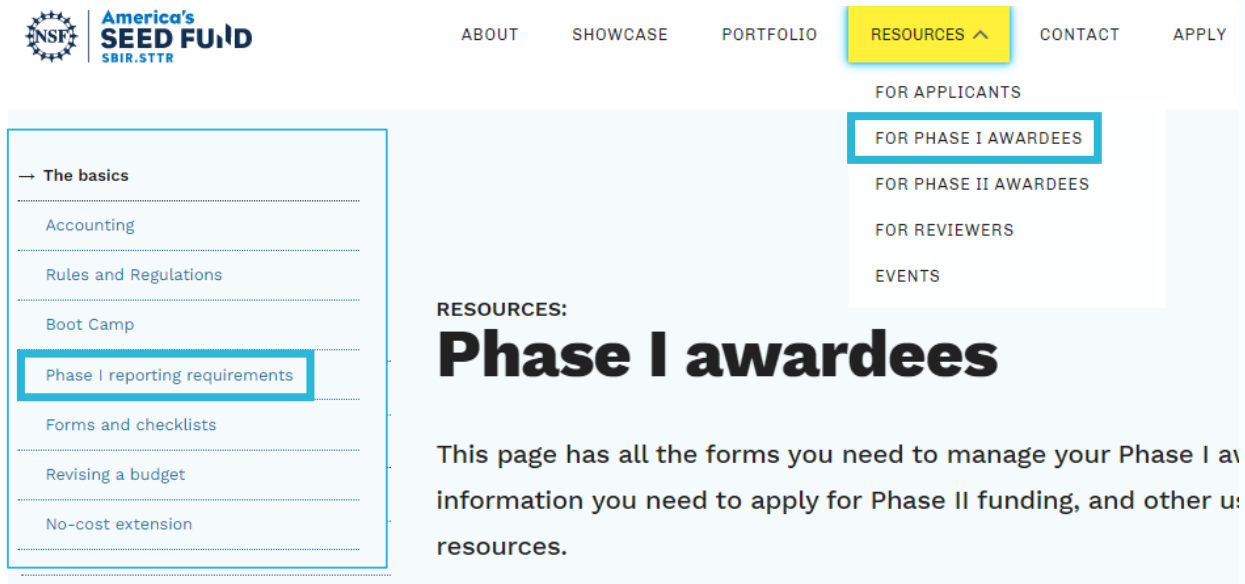
- Your Final Report and Project Outcomes Report
- Must be submitted through Research.gov within 15 days of the end date of your award
- Instructions on submitting your Final Report

https://seedfund.nsf.gov/resources/awardees/phase-1/reporting



FINAL REPORT AND FINAL PAYMENT

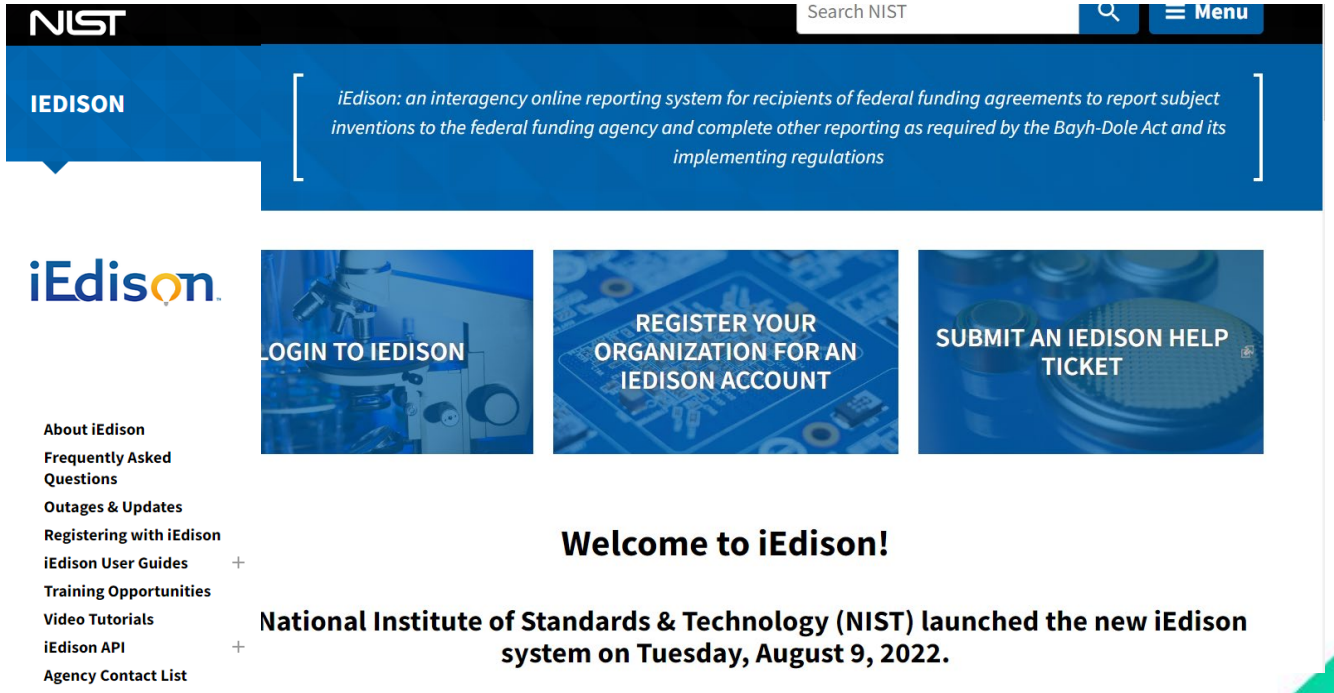
Final Payment - $25,000

- You must submit your Final Report, and it must be approved by your Program Director to receive the final payment

Reporting Patents:

- Disclose patents on the iEdison database:

https://www.nist.gov/iedison



PHASE II PROPOSAL SUBMISSION

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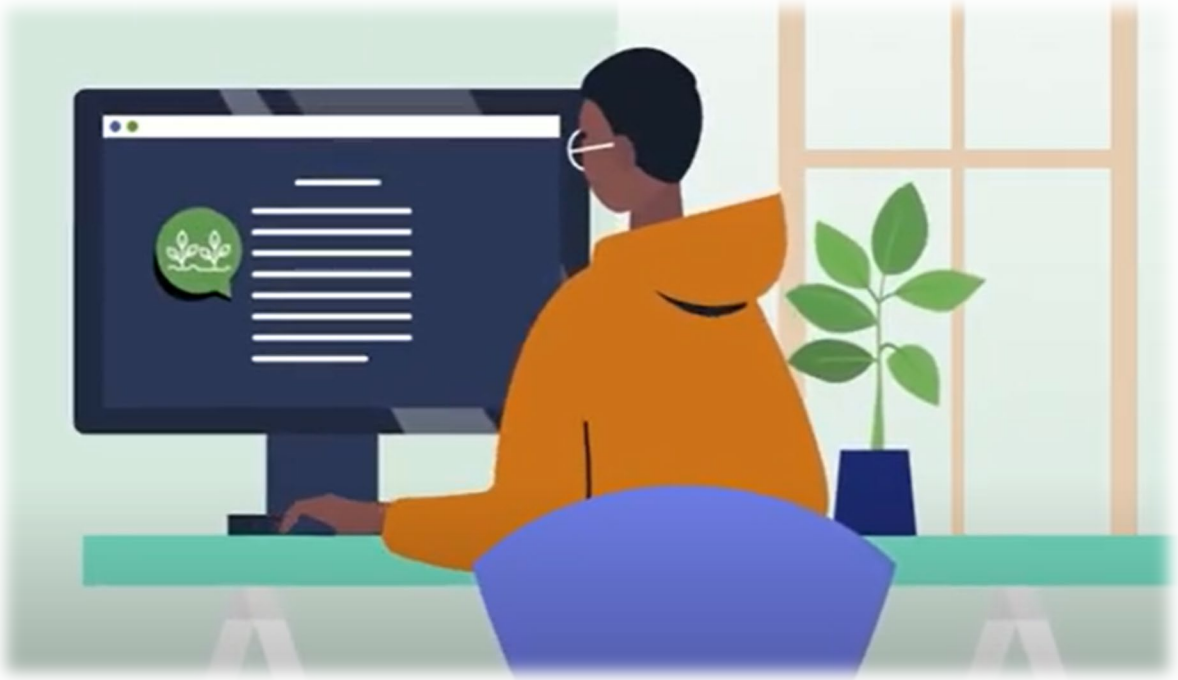
- You are only allowed to submit one Phase II proposal per Phase I award
  - **You are not allowed to revise and resubmit a declined Phase II proposal**
- You have been offered a range of timing options for submission (6 to 24 months after your Phase I award start date)
- A no-cost extension will not change the above window to submit
- Instructions for preparing your Phase II proposal may be found in the solicitation:
  - https://new.nsf.gov/funding/opportunities/nsf-small-business-innovation-research-small/nsf24-580/solicitation
  - All SBIR/STTR proposals are submitted in Research.gov

FINAL NOTES

EMAIL DOMAINS TO ADD TO YOUR SAFE LIST

- @nsf.gov
- @associates.nsf.gov
- @iqsolutions.com
- @Dawnbreaker.com



IMPORTANT REMINDERS

Read your award letter for:

- Award amount and budget, start date and end date
- Instructions for accessing your initial payment (up to $250,000)
- Phase I General Conditions (linked in Award Letter)
- Instructions for accessing the reviews (and panel summary, if applicable)
- Phase II proposal submission dates

Read NSF emails from:

- Your Program Director
- NSF Division of Grants and Agreements (DGA)
- NSF Partners: Dawnbreaker, IQ Solutions

TAXES: SECTION 174

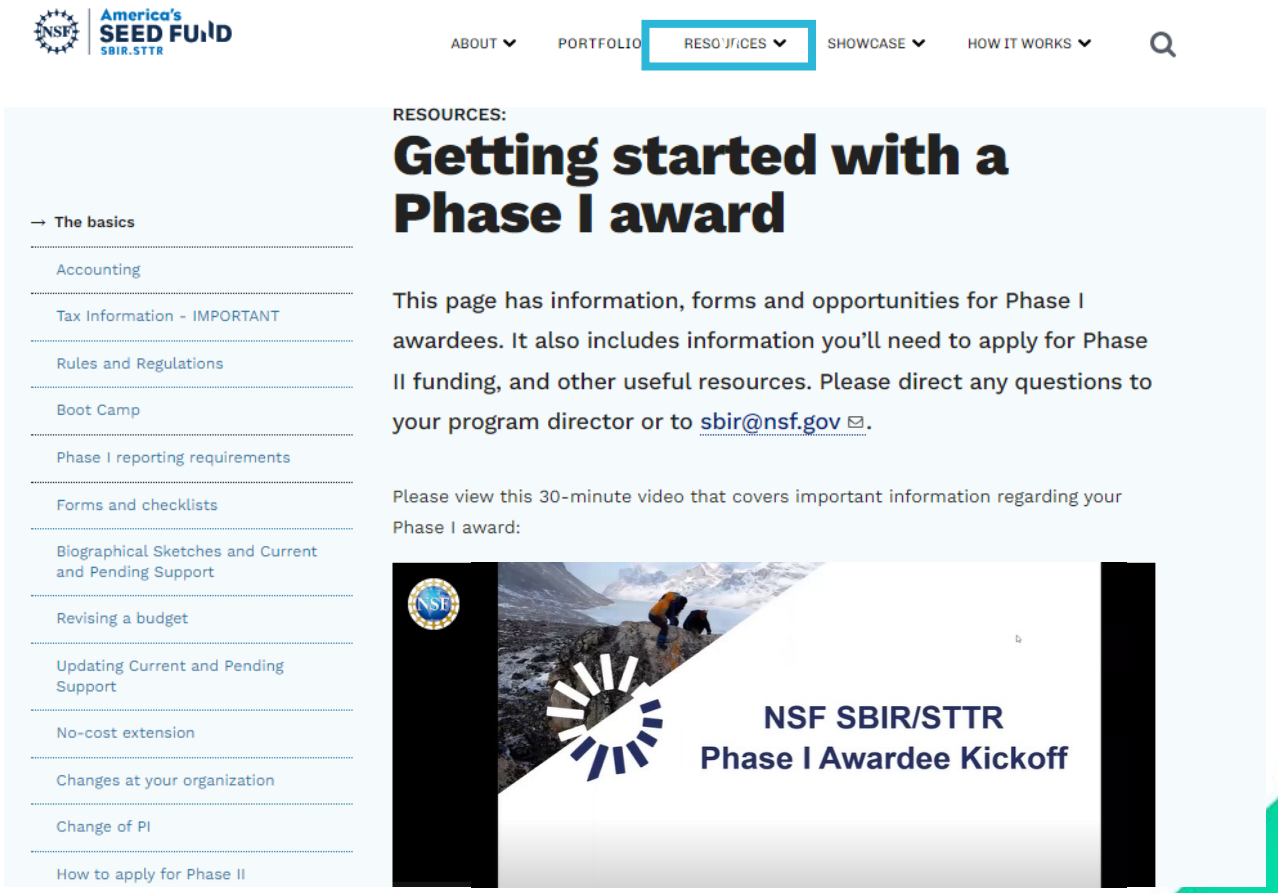
The Tax Cuts and Jobs Act of 2017 included major changes to Section 174 of the Internal Revenue Code (IRS) to take effect in 2022. These changes require businesses to amortize research and development (R&D) expenses over a five-year period instead of deducting them in the year they were incurred.
https://www.law.cornell.edu/uscode/text/26/174

We recognize this change may impact some small businesses. As soon as possible, small businesses that receive Small Business Innovation Research or Small Business Technology Transfer (SBIR/STTR) funding **should seek guidance from the IRS or a tax professional on how this change may affect them.**

The U.S. National Science Foundation and its contractors do not provide tax, legal or accounting advice. This material has been prepared for informational purposes only, and is not intended to provide, and should not be relied on for, tax, legal or accounting advice. You should consult your own tax, legal and accounting advisors before engaging in any transaction or when determining tax and reporting obligations.

HELPFUL RESOURCES FOR PHASE I AWARDEES

https://seedfund.nsf.gov/resources/awardees/phase-1/



QUESTIONS?

To ask a question please use the Chat or Q&A function in Zoom, or raise your hand

Thank you!
https://seedfund.nsf.gov/

sbir@nsf.gov
@NSFSBIR

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