

Small Business Innovation Research Program Phase II

FY 2017 Request for Applications (RFA)

APPLICATION DEADLINE: March 2, 2017

ELIGIBILITY: See Part III, A of RFA



United States
Department of
Agriculture

National Institute
of Food and
Agriculture

NATIONAL INSTITUTE OF FOOD AND AGRICULTURE; U.S. DEPARTMENT OF AGRICULTURE

Small Business Innovation Research Program Phase II

INITIAL ANNOUNCEMENT

CATALOG OF FEDERAL DOMESTIC ASSISTANCE: This program is listed in the Catalog of Federal Domestic Assistance under 10.212 Small Business Innovation Research.

DATES: Applications must be received by **5 p.m. Eastern Time** on March 2, 2017. Applications received after this deadline will normally not be considered for funding (see Part IV, C of this RFA). Comments regarding this request for applications (RFA) are requested within six months from the issuance of this notice. Comments received after that date will be considered to the extent practicable.

STAKEHOLDER INPUT: We at the National Institute of Food and Agriculture (NIFA) seek your comments about this RFA. We will consider your comments when we develop the next RFA for the program, if applicable, and we'll use them to meet the requirements of section 103(c)(2) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7613(c)(2)). Submit your written stakeholder comments by the deadline set forth in the DATES portion of this notice via email to Policy@nifa.usda.gov. (This email address is only for receiving comments regarding this RFA and *not* for requesting information or forms.) In your comments, please state that you are responding to the Small Business Innovation Research Program – Phase II RFA.

EXECUTIVE SUMMARY: NIFA requests applications for the Small Business Innovation Research (SBIR) Program Phase II for fiscal year (FY) 2017 from previous SBIR Program Phase I awardees. This RFA is being released prior to the passage of an appropriations act for FY 2017. Enactment of additional continuing resolutions or an appropriations act may affect the availability or level of funding for this program.

This notice identifies the objectives for SBIR Phase II projects, deadline dates, funding information, eligibility criteria for projects and applicants, and application forms and associated instructions needed to apply for a SBIR Phase II grant.

Table of Contents

PART I—FUNDING OPPORTUNITY DESCRIPTION	4
A. Legislative Authority and Background	4
B. Purpose and Priorities	4
C. Three-phase Program	7
D. Potential Commercial Outcome	7
PART II—AWARD INFORMATION.....	9
A. Available Funding.....	9
B. Types of Applications	9
C. Project Types	9
D. Responsible and Ethical Conduct of Research.....	9
PART III—ELIGIBILITY INFORMATION.....	10
A. Eligible Applicants.....	10
PART IV—APPLICATION AND SUBMISSION INFORMATION	12
A. Electronic Application Package	12
B. Small Business Administration (SBA) Registration.....	13
C. Content and Form of Application Submission	13
D. Submission Dates and Times	26
D. Other Submission Requirements	27
PART V—APPLICATION REVIEW REQUIREMENTS	28
A. General.....	28
B. Evaluation Criteria	28
C. Conflicts of Interest and Confidentiality	31
D. Proprietary Information	31
E. Rights in Technical Data	32
F. Copyrights	33
G. Patents and Inventions	33
H. Research Involving Special Considerations	34
I. Grantee Commitments	34
J. Additional Information.....	34
K. Organizational Management Information	35
L. Application Disposition.....	35
PART VI—AWARD ADMINISTRATION	37
A. General.....	37
B. Award Notice	37
C. Administrative and National Policy Requirements.....	37
D. Expected Program Outputs and Reporting Requirements	37
PART VII—AGENCY CONTACTS	39
PART VIII—OTHER INFORMATION.....	41
A. Use of Funds; Changes.....	41
B. Confidential Aspects of Applications and Awards.....	41
C. Regulatory Information	42
D. Definitions	42
E. Materials Available on the Internet	48

PART I—FUNDING OPPORTUNITY DESCRIPTION

A. Legislative Authority and Background

The Small Business Innovation Research program was established under the Small Business Innovation Development Act of 1982 (P.L. 97-219) with the purpose of strengthening the role of innovative small business concerns in Federally-funded research and development (R&D).

In December 2000, Congress passed the Small Business Research and Development Enhancement Act (P.L. 102-564). The program was reauthorized until September 30, 2008 by the Small Business Reauthorization Act of 2000 (P.L. 106-554). Subsequently, Congress passed numerous extensions, the most recent of which extends the SBIR program through 2017.

This program is administered by the National Institute of Food and Agriculture (NIFA) of the USDA.

This program is subject to the provisions found at 7 CFR Part 3403. These provisions set forth procedures to be followed when submitting grant applications, rules governing the evaluation of applications and the awarding of grants and regulations relating to the post-award administration of grant projects.

For additional information on the USDA SBIR program, go to <http://www.nifa.usda.gov/funding/sbir/sbir.html>.

B. Purpose and Priorities

The SBIR Program is aligned with the USDA 2014-2018 Strategic Plan (<http://www.usda.gov/documents/usda-strategic-plan-fy-2014-2018.pdf>) by addressing Strategic Goal 1. Assist rural communities to create prosperity so they are self-sustaining, re-populating, and economically thriving (sub-goals 1.1, 1.2 and 1.3); Strategic Goal 2. Ensure our national forests and private working lands are conserved, restored, and made more resilient to climate change, while enhancing our water resources (sub-goals 2.1, 2.3, and 2.4); Strategic Goal 3. Help America promote agricultural production and biotechnology exports as America works to increase food security (sub-goals 3.1 and 3.2); Strategic Goal 4. Ensure that all of America's children have access to safe, nutritious, and balanced meals (sub-goals 4.1, 4.2, 4.3 and 4.4).

Also, the USDA NIFA SBIR program is aligned with the USDA Research, Education, and Economics Action Plan (<http://nifa.usda.gov/resource/ree-action-plan>), and addresses Goal 1. Sustainable Intensification of Agricultural Production (sub-goal 1A, 1B, 1C and 1D); Goal 2. Responding to Climate and Energy Needs (sub-goal 2B); Goal 3. Sustainable Use of Natural Resources (sub-goal 3A and 3B); Goal 4. Nutrition and Childhood Obesity; Goal 5. Food Safety; Goal 6. Education and Science Literacy and Goal 7. Rural Prosperity/Rural-Urban Interdependence.

USDA NIFA SBIR Program is aligned with the National Institute of Food and Agriculture (NIFA) Strategic Plan (<http://nifa.usda.gov/resource/nifa-strategic-plan-fy2014-fy2018>) and specifically addresses Goal 1: Science Catalyze exemplary and relevant research, education and extension programs (sub-goal2 1.1, 1.2, 1.3, 1.4, 1.5, 1.6 and 1.7).

NIFA is soliciting applications for the SBIR Phase II program under the following topic areas:

8.1 Forests and Related Resources

The Forests and Related Resources topic area aims to address the health, diversity, and productivity of the Nation's forests and grasslands to meet the needs of present and future generations through the development of environmentally sound approaches to increase productivity of forest lands, improve sustainability of forest resources, and develop value-added materials derived from woody resources.

8.2 Plant Production and Protection – Biology

The objective of this topic area is to examine novel ways of enhancing crop production and protection by applying biological approaches to develop new methods for plant improvement, apply traditional plant breeding methods and new technologies to develop new food and non-food crop plants, develop plant characteristics that reduce the harmful impact of plant pests and biotic stresses, as well as new genotypes of existing crop plants with characteristics that allow for their use in new commercial applications.

8.3 Animal Production and Protection

The Animal Production and Protection topic area aims to develop innovative, marketable technologies that will provide significant benefit to the production and protection of agricultural animals.

8.4 Air, Water and Soils

The Air, Water and Soils topic area aims to develop technologies for conserving and protecting air, water and soil resources while sustaining optimal farm and forest productivity. Climate variability and food security are major focal points of this topic area.

8.5 Food Science and Nutrition

The Food Science and Nutrition topic area aims to fund projects that support research focusing on developing new and improved processes, technologies, or services that address emerging food safety, food processing and nutrition issues.

8.6 Rural Development

The Rural Development topic area aims to fund the development of new technology, or for the utilization of existing technology, that address important economic and social development issues or challenges in rural America. The applications need not be centered on agriculture, but may be focused on any area that has the potential to provide significant benefit to rural Americans.

8.7 Aquaculture

The Aquaculture topic area aims to develop new technologies that will enhance the knowledge and technology base necessary for the expansion of the domestic aquaculture industry as a form of production agriculture.

8.8 Biofuels and Biobased Products

The objective of this topic area is to promote the use of biofuels and non-food biobased products by developing new or improved technologies that will lead to increased production of biofuels, industrial chemicals, and other value-added products from agricultural materials.

8.12 Small and Mid-Size Farms

The Small and Mid-Size Farms topic area aims to promote and improve the sustainability and profitability of small and mid-size farms and ranches (where annual sales of agricultural products are less than \$250,000 for small farms and \$500,000 for mid-size farms - hereafter referred to as small farms).

8.13 Plant Production and Protection – Engineering

The objective of this topic area is to enhance crop production by creating and commercializing engineering technologies that enhance system efficiency and profitability and protect crops from pests and pathogens in economically and environmentally sound ways.

In addition to the areas listed above, the USDA NIFA recognizes Agriculturally-related Manufacturing Technology and Energy Efficiency and Alternative and Renewable Energy as two cross-cutting priorities with relevance to all areas listed in this program solicitation. The USDA NIFA encourages applicants to address these priorities, as appropriate, within their applications. Special consideration will be given to applications that address one or more of these priorities under the Project Narrative (Part IV, C.3b(1)).

Agriculturally-related Manufacturing Technology

On February 26, 2004, the President issued Executive Order 13329 (69 FR 9181) entitled “Encouraging Innovation in Manufacturing.” In response to this Executive Order, USDA-NIFA encourages the submission of applications that deal with some aspect of agriculturally-related manufacturing technology. Since manufacturing impacts all aspects of agriculture and rural development, applications dealing with manufacturing could be submitted to any of the topic areas.

Energy Efficiency and Alternative and Renewable Energy

In an effort to find alternatives to fossil fuels and to reduce overall energy usage, the USDA established research on energy efficiency and alternative and renewable energy as a high priority. Such research includes development of new energy crops, improved methods for producing biofuels, such as ethanol, butanol and biodiesel, producing hydrogen and other fuel gases from agricultural waste, and more efficient use of energy in agricultural production and in rural communities. Energy issues impact all aspects of agriculture and rural development and thus applications dealing with energy efficiency and alternative and renewable energy could be submitted to any of the topic areas.

C. Three-phase Program

The USDA SBIR program is carried out in three separate phases. The SBIR Program Phase I is to determine the scientific or technical feasibility of ideas submitted by applicants on research topic areas solicited by this program.

The SBIR Program Phase II applications require a more comprehensive application, outlining the proposed effort in detail. Phase II awards may not request more than \$600,000 for a period normally not to exceed 24 months. Only those small businesses previously receiving SBIR Phase I awards from USDA and have not previously applied for a USDA Phase II award are eligible to submit Phase II applications in FY 2017. Please note that for each Phase I project funded, the awardee may apply for a Phase II award only once.

This RFA is only for the preparation and submission of Phase II applications. USDA recognizes that Phase II awards may not be sufficient in either dollars or time for the firm to complete the total Research/ Research and Development (R/R&D) required to bring the project results to commercialization in the market place. Therefore, completion of the research under these circumstances may have to be carried into Phase III.

The purpose of Phase III is to stimulate technological innovation and the national return on investment from research through the pursuit of commercialization objectives resulting from the USDA-supported work carried out in Phases I and II. Federal SBIR funds may not be used to support Phase III projects. However, firms are strongly encouraged to secure Phase III funding from their own resources or from other public and private sources. Additionally, Phase III is to be conducted by the small business firm, including joint ventures and limited partnerships.

D. Potential Commercial Outcome

In addition to supporting scientific research and development, the program's primary goal is to provide incentive and opportunity for small business firms to convert USDA-sponsored research to technological innovation in the private sector. All proposed research should have some potential commercial outcome at a national or global level. Phase II applicants are encouraged to obtain a contingent commitment for non-SBIR follow-on funding to pursue further development of the commercial potential during Phase III. Obtaining follow-on financial commitment(s) is the responsibility of the applicant. For Phase II applicants to receive consideration of follow-on funding during the review and evaluation process, a signed contingent commitment between the small business firm and the entity providing the follow-on financial support should be submitted with the Phase II application. While such commitment agreements are optional when submitting Phase II applications, they will receive special consideration as a point of merit in the review and evaluation process where applications are evaluated as being of approximately equal technical merit. The maximum value (in Phase II evaluation) will be given for a signed formal agreement with reasonable terms and funding equal to or in excess of the Federal investment requested in the Phase II application. The agreement should set forth the specific amount of Phase III funds and should indicate the dates that such funds will be made available to the small business

concern. Also, the agreement should contain a few specific technical objectives which, if achieved in Phase II, will make the commitment usable by the small business firm. The terms cannot be contingent upon the obtaining of a patent due to the length of time this process requires.

The commitment may be in the form of venture capital or a package including venture capital, contract research and development, a joint venture, a research and development limited partnership, or other agreement with a non-SBIR source of funding. No amortization, repayment, or repurchase of commitment funds may be included during the Phase II period of performance.

USDA understands that any such commitment will likely be contingent upon the Phase II awardee attaining technical objectives that are mutually agreed upon between the small business firm and the provider of the follow-on funding. These objectives should be closely related to those delineated in the Phase II research application. The technical objectives should be clearly defined and measurable and should be specified in the commitment agreement at the threshold level that would justify such an investment. The objectives do not have to be identical to those stated in the Phase II application, but they must be able to be accomplished within the scope of the proposed SBIR-funded research. Any letters or other forms of tentative commitment for follow-on Phase III funding from sources other than Federal SBIR Programs will be considered.

PART II—AWARD INFORMATION

A. Available Funding

This RFA is being released prior to the passage of an appropriations act for FY 2017. Enactment of additional continuing resolutions or an appropriations act may affect the availability or level of funding for this program.

There is no commitment by USDA to fund any particular application or to make a specific number of awards.

The Automated Standard Applications for Payment System (ASAP), operated by the Department of Treasury’s Bureau of the Fiscal Service, is the designated payment system for awards resulting from this RFA. For more information see

https://www.fiscal.treasury.gov/fsservices/gov/pmt/asap/asap_home.htm.

B. Types of Applications

In FY 2017, you may only submit a new application to the SBIR Phase II Program.

New application. This is a project application that has not been previously submitted to the SBIR Phase II Program. We will review all new applications competitively using the screening for administrative requirements, review panel evaluation of applications using evaluation criteria and selection process described in Part V—Application Review Requirements.

C. Project Types

Phase II applications may not request more than \$600,000 for a period normally not to exceed 24 months. The period of performance is listed below.

	Start	End
Phase II	9/1/2017	8/31/2019

D. Responsible and Ethical Conduct of Research

“In accordance with sections 2, 3, and 8 of 2 CFR Part 422, institutions that conduct USDA-funded extramural research must foster an atmosphere conducive to research integrity, bear primary responsibility for prevention and detection of research misconduct, and maintain and effectively communicate and train their staff regarding policies and procedures. In the event an application to NIFA results in an award, the Authorized Representative (AR) assures, through acceptance of the award that the institution will comply with the above requirements. Award recipients shall, upon request, make available to NIFA the policies, procedures, and documentation to support the conduct of the training. See <http://nifa.usda.gov/responsible-and-ethical-conduct-research> for more information.”

PART III—ELIGIBILITY INFORMATION

A. Eligible Applicants

Applications may only be submitted from applicants that have received an SBIR Phase I award from USDA NIFA. Failure to meet an eligibility criterion by the application deadline may result in the application being excluded from consideration or, even though an application may be reviewed, will preclude USDA NIFA from making an award.

Only previous USDA SBIR Phase I winners who have not applied for Phase II support are eligible to apply for Phase II support through this FY 2017 RFA. A Phase I project may only apply for a Phase II award once. If a Phase I awardee was unsuccessful in receiving a Phase II award with a previous application then the awardee is not eligible to resubmit the proposal under this program solicitation.

Each applicant submitting an application must qualify as a Small Business Concern (SBC) for R/R&D purposes at the time of selection (see definitions in section Part VIII). A potential grantee that is a subsidiary must show that the parent company or parent companies are also a small business entity and the parent company or parent companies must provide documentation supporting their small business status (the documentation should be included in, Other Attachments, of the Research and Related (R&R) Other Project Information form as directed by Part IV of this RFA). If the parent company or one of the parent companies is a nonprofit organization, then the subsidiary is not eligible to submit an SBIR application.

In addition, the primary employment of the Project Director (PD) must be with the small business concern at the time of award and during the conduct of the proposed research. Eligible primary employment means that more than one-half of the PD's time is spent in the employ of the small business. Primary employment with the small business precludes the applicant as a full-time employee with another organization including universities. Prior Federal Employees must provide documentation that post termination requirements have been completed at time of submission per 2 CFR Parts 180 and 417. These requirements apply to Phase II awards and any deviations from this requirement must be approved in writing by the USDA NIFA Authorized Departmental Officer (ADO) after consultation with the appropriate National Program Leader (NPL). While the PD must work more than one-half of his/her time for the small business during the entire grant period, there is no time requirement for the PD's work on the proposed research.

Additional eligibility requirements are:

(1) Size

A USDA NIFA SBIR awardee, combined with its affiliates, must not have more than 500 employees. The small business concern must be the primary performer of the proposed research effort. In Phase II, a minimum of **one-half (1/2)** of the research or analytical work, as determined by budget expenditures, must be performed by the proposing organization. Occasionally, deviations from this requirement may occur, and must be approved in writing by the ADO after consultation with the USDA SBIR NPL.

(2) Work in the United States

For Phase II, the **R/R&D work must be performed in the United States**. On rare and unique circumstances, for example, a supply, material or project requirement may not be available in the United States, agencies may allow that particular portion of the R/R&D work to be performed or obtained outside of the United States. Approval, in writing, is necessary by both a USDA SBIR NPL and the ADO for such specific conditions.

PART IV—APPLICATION AND SUBMISSION INFORMATION

A. Electronic Application Package

Only electronic applications may be submitted via Grants.gov to NIFA in response to this RFA. We urge you to submit early to the Grants.gov system. For information about the pre-award phase of the grant lifecycle see <http://www.grants.gov/web/grants/learn-grants/grants-101/pre-award-phase.html>.

New Users of Grants.gov

Prior to preparing an application, we recommend that the Project Director/Principal Investigator (PD/PI) first contact an Authorized Representative (AR, also referred to as Authorized Organizational Representative, or AOR) to determine if the organization is prepared to submit electronic applications through Grants.gov. If not (e.g., the institution/organization is new to the electronic grant application process through Grants.gov), then the one-time registration process must be completed PRIOR to submitting an application. It can take as long as four weeks to complete the registration process so it is critical to begin as soon as possible. In such situations, the AR should go to **“Register,” in the top right corner of the Grants.gov web page (or go to <http://www.grants.gov/web/grants/register.html>), for information on registering the institution/organization with Grants.gov.** Part II,1 of the NIFA Grants.gov Application Guide contains detailed information regarding the registration process. Refer to item 2, below, to locate the “NIFA Grants.gov Application Guide.”

Steps to Obtain Application Package Materials

To receive application materials:

1. You must download and install a version of [Adobe Reader](#) compatible with Grants.gov to access, complete, and submit applications. For basic system requirements and download instructions, see <http://www.grants.gov/web/grants/applicants/adobe-software-compatibility.html>. Grants.gov has a test package that will help you determine whether your current version of Adobe Reader is compatible.
2. To obtain the application package from Grants.gov, go to <http://www.grants.gov/web/grants/applicants/download-application-package.html> and enter the funding opportunity number

Funding Opportunity Number: USDA-NIFA-SBIR-006177

From the search result, click “Select Package” to access the application package. A Grant Application Package is tied to a particular funding opportunity. You may submit an application ONLY to the particular funding opportunity to which the Grant Application Package is associated.

Contained within the application package is the “NIFA Grants.gov Application Guide.” This guide contains an introduction and general Grants.gov instructions, information

about how to use a Grant Application Package in Grants.gov, and instructions on how to complete the application forms.

If you require assistance to access the application package (e.g., downloading or navigating Adobe forms) **or submitting the application**, refer to resources available on the Grants.gov website (<http://www.grants.gov/web/grants/applicants/applicant-tools-and-tips.html>). Grants.gov assistance is also available at:

Grants.gov customer support

800-518-4726 Toll-Free or 606-545-5035

Business Hours: 24 hours a day, 7 days a week. Closed on [federal holidays](#).

Email: support@grants.gov

Grants.gov iPortal (see <https://grants-portal.psc.gov/Welcome.aspx?pt=Grants>):

Top 10 requested help topics (FAQs), Searchable knowledge base, self-service ticketing and ticket status, and live web chat (available 7 a.m. - 9 p.m. EST).

Have the following information available when contacting Grants.gov:

- Funding Opportunity Number (FON)
- Name of agency you are applying to
- Specific area of concern

B. Small Business Administration (SBA) Registration

All companies that are submitting an application to any SBIR solicitation are required to register with the SBIR company registry. In addition all companies must update their commercialization status through the SBIR company registry as well. Supporting documentation must be included in a company's application as a PDF file and attached under Field 12. Add Other Attachments. Information related to the steps necessary to register with the SBIR company registry through SBA.gov can be found at <http://www.sbir.gov/registration>.

C. Content and Form of Application Submission

You should prepare electronic applications following Parts V and VI of the NIFA Grants.gov Application Guide. This guide is part of the corresponding application package (see Section A of this part). The following is **additional information** you need to prepare an application in response to this RFA. **If there is discrepancy between the two documents, the information contained in this RFA is overriding.**

Note the attachment requirements (e.g., PDF) in Part III, Section 3 of the guide. ANY APPLICATIONS THAT ARE NON-COMPLIANT WITH THE REQUIREMENTS (e.g., content format, PDF file format, file name restrictions, and no password protected files) WILL BE AT RISK OF BEING EXCLUDED FROM NIFA REVIEW. Grants.gov does not check for NIFA required attachments or whether attachments are in PDF format; see Part III, Section 6.1 of the guide for how to check the manifest of submitted files. Partial applications will be excluded from NIFA review. We will accept subsequent submissions of

an application until close of business on the closing date in the RFA (see Part V, 2.1 of the NIFA Grants.gov Application Guide for further information).

For any questions related to the preparation of an application, review the NIFA Grants.gov Application Guide and the applicable RFA. If assistance is still needed for preparing application forms content, contact:

- Email: electronic@nifa.usda.gov
- Phone: 202-401-5048
- Business hours: Monday through Friday, 7 a.m. – 5 p.m. EST, excluding [federal holidays](#).

SBIR Phase II applications must address only scientific and rural development research activities. **A small business must not propose technical assistance, demonstration projects, classified research, or patent applications.** Many of the research projects supported by the SBIR program lead to the development of new products based upon the research results obtained during the project. However, projects that seek funding solely for product development where no research is involved (i.e. the funds are needed to permit the development of a product based on previously completed research) will not be accepted. Research may be carried out through the construction and evaluation of a laboratory prototype, where necessary.

Literature surveys should be completed prior to the Phase II application and should not be proposed as part of the R&D effort. Phase II Applicants must respond to a topic area listed that corresponds to the Phase I work that was previously funded.

The purpose of a research application is to provide a written statement that contains sufficient information to persuade members of the research community who review the application and then advise the USDA SBIR professional staff that the proposed research is a sound approach to an important scientific and/or rural development question and is worthy of support under the stated USDA evaluation criteria. The application should be self-contained and written with the care and thoroughness accorded papers for publication. Each application should be reviewed carefully by the applicant prior to submission and by others knowledgeable on the subject to ensure inclusion of data essential for comprehensive evaluation.

Modifications to the application will not be accepted after the closing date of this program solicitation unless indicated below. Under some circumstances, changes, additions, or corrections may be necessary to an application submitted to the USDA NIFA SBIR program via Grants.gov **before the specified program solicitation closing date.** Modifications to applications will require a resubmission of the entire application package and the applicant must notify the program at sbir@nifa.usda.gov of the resubmission. **Submitting changes to Grants.gov without contacting the program contact could significantly delay your application submission and may result in the application not being reviewed.**

Submitting Supplementary Information:

If you wish to send supplementary information that is pertinent to the review of your application (e.g., additional data), you **MUST** use the following guidelines below. Supplementary

information is not required. Submitted information is sent to panel reviewers shortly before the panel meets in Washington D.C. (usually after the initial, individual reviews have been written).

Submission of supplementary information may not exceed two (2) pages. The deadline for electronic receipt of this supplementary information is 5:00 pm (Eastern Time) March 31, 2017.

The information should be:

- 1) Directly relevant to the submitted application
- 2) Sent by email as a PDF attachment to the following address
sbir@nifa.usda.gov
- 3) The email Subject Header should read: “2-page update for [your application number and the lead Project Director's Last Name]”
 - a. Example: Subject: 2-page update for 2017-00000 Smith
- 4) Within the PDF document, also include the Application Number, Project Title, and lead Project Director's Name

1. SF 424 R&R Cover Sheet

Information related to the questions on this form is dealt with in detail in Part V, 2 of the NIFA Grants.gov Application Guide. See Part V, Section 2.18 of the NIFA Grants.gov Application Guide for the required certifications and assurances (e.g., Prohibition Against Entities Requiring Certain Internal Confidentiality Agreements).

Field 4. SBIR Phase II applicants must include the application number and award number of the prior Phase I grant that was awarded at the top of this section.

Field 5. Please note: the USDA NIFA SBIR program’s official correspondence will be with either the PD or AOR.

Field 12. Proposed Project Start Date and End Date – The proposed duration of Phase II projects should normally not exceed 24 months, except in special, justified circumstances. In most circumstances, the following dates should be used for these fields:

	Start	End
Phase II	9/1/2017	8/31/2019

Field 17. Complete Certification – Please refer to the NIFA Grants.gov Application guide for information on the Certifications that are being agreed to by checking this box.

NOTE: An applicant who is delinquent on Federal debts must attach explanatory information detailing all relevant particulars concerning the Federal debt in PDF format in Field 12 of the R&R Other Project Information form (Other Attachments).

Field 20. Pre-application – This is not applicable to the USDA NIFA SBIR program. No attachments should be added.

2. SF 424 R&R Project/Performance Site Location(s)

Detailed information related to the questions on this form is available in Part V, 3 of the NIFA Grants.gov Application Guide.

3. R&R Other Project Information Form

Detailed information related to the questions on this form is available in Part V, 4 of the NIFA Grants.gov Application Guide.

a. Field 7. Project Summary/Abstract.

See Part V. 4.7 of NIFA Grants.gov Application Guide for further instructions and a link to a suggested template.

1 PAGE is the Page Limit for the Summary/Abstract.

In the project abstract, include a brief description of the problem or opportunity, project objectives, and a description of the effort. Provide another paragraph discussing the anticipated results and potential commercial applications of the proposed research. **The project summary/abstract of successful applications may be published by USDA and, therefore, should not contain proprietary information. A template for the project summary can be found at <https://nifa.usda.gov/resource/application-support-templates>.**

It is the responsibility of the applicant to review the attachment for page limit and PDF compliance before submission. Applicants must ensure that the abstract attachment meets the required page limit even if single or double spaced. Applications that exceed required page limits will be excluded from review.

b. Field 8. Project Narrative.

NOTE: The Project Narrative shall not exceed 20 pages of written text, regardless of whether it is single- or double-spaced, and includes figures and tables. We have established this maximum (20 pages) to ensure fair and equitable competition. The Project Narrative must include all of the following:

The USDA SBIR Program encourages applicants to only include information pertaining to the items listed below. Applicants must not include additional information such as cover sheets, table of contents, reference listings, budgets, and appendixes unless the applicant intends for these to be considered in the page count. It is the responsibility of the applicant to review the attachment for page limit and PDF compliance before submission.

- (1) Responsiveness to USDA SBIR Program Priorities**– Please indicate if the application has a connection to agriculturally-related manufacturing technology or alternative and renewable energy as found in Part I B. Provide a brief explanation of how the application is related to the area indicated.
- (2) Prior USDA Support** – USDA NIFA is interested in documenting examples of SBIR projects that are developing new technologies based on earlier USDA-supported research

and development projects awarded to the proposing small business, university, or government scientist collaborators by other USDA research and development programs, such as the Agricultural Food and Research Initiative (AFRI). If any such support exists, it should be documented in this section by listing the PD, application title, organization that received the award, and the USDA program that awarded the project.

- (3) **Identification and Significance of the Problem or Opportunity** – Clearly state the specific technical problem or opportunity addressed and its importance.
- (4) **Background and Rationale** – Indicate the overall background and technical approach to the problem or opportunity as identified in the Phase I project. Describe the part that the proposed Phase II research plays in providing needed results to scale up the research and development and commercialization. As a part of this section, it is critical that applications adequately cite relevant scientific literature. **Moreover, all citations provided must be properly referenced in the Bibliography & References Cited attachment.**
- (5) **Relationship with Research or Research and Development** – Discuss the results of the Phase I project. Include a discussion of the overall background of the Phase I project, a list of the Phase I technical objectives, a presentation of a detailed description of the Phase I results, a clear interpretation of the results, and conclusions as to the feasibility of the project. This section is where the Phase II applicant establishes technical feasibility by presenting results from Phase I. Therefore, this section should provide an adequate discussion of Phase I results. The applicant should also state the anticipated results of the proposed approach if the project is successful. **In Phase II applications, this section should constitute a substantial portion of the project narrative.**
- (6) **Technical Objectives** – State the specific objectives of the research or R&D effort. Include the technical questions needed to establish the technical feasibility of the proposed approach.
- (7) **Work Plan** – The work plan must provide an explicit, detailed description of the research or research and development approach. The plan should list the tasks to be performed, **provide details of the methodology that would be used to research each task**, including statistical analysis, if applicable, and indicate how and where the work will be carried out. The work plan should be linked with the technical objectives of the research and the questions the effort is designed to answer. **This section should constitute a substantial portion of the project narrative.**
- (8) **Related Research or Research and Development** – Describe significant research or R&D activities that are directly related to the proposed effort, including any conducted by the project director or by the proposing small business concern, how the proposed effort expands on the related work, and any planned coordination with outside sources. **The applicant must persuade reviewers that he or she is aware of related research in the selected subject.** It is critical that the applicant make a convincing case that the proposed

research builds upon previous research and, if successful, will lead to the development of new product, process, service, or technology or to substantial improvement of an existing product, process, service, or technology.

(9) Potential Post Application – In Phase II, commercialization potential is more important and thus a more extensive commercialization plan must be presented.

(10) Satisfying the Public Interest – Specify how the proposed research will satisfy one or more of the following USDA strategic goals: (more information can be found at <http://www.usda.gov/documents/usda-strategic-plan-fy-2014-2018.pdf>)

- a. Strategic Goal 1: Assist Rural Communities to Create Prosperity so They Are Self-Sustaining, Repopulating, and Economically Thriving.
- b. Strategic Goal 2: Ensure Our National Forests and Private Working Lands¹¹ Are Conserved, Restored, and Made More Resilient to Climate Change, While Enhancing Our Water Resources.
- c. Strategic Goal 3: Help America Promote Agricultural Production and Biotechnology Exports as America Works to Increase Food Security.
- d. Strategic Goal 4: Ensure that All of America’s Children Have Access to Safe, Nutritious, and Balanced Meals.

c. Field 10 Facilities & Other Resources

Describe the types, location, and availability of instrumentation and physical facilities necessary to carry out the work proposed.

d. Field 11 Equipment Documentation

Describe the types, location, and availability of equipment necessary to carry out the work proposed. Items of equipment to be purchased must be fully justified under this section. When purchasing equipment or a product under the SBIR funding agreement, the small business should purchase only American-made items whenever possible.

e. Field 12. Add Other Attachments

See Part V. Section 4.12 of the NIFA Grants.gov Application Guide (Field 12 on the form) for instructions regarding mandatory Felony Convictions or Tax Delinquent Status. A template for the project summary can be found at <https://nifa.usda.gov/resource/application-support-templates>. The following are additional instructions for documentation that may be required for your application.

- 1. Use of Facilities or Equipment** – If university facilities, private facilities, or government laboratories are being used, there must be a letter in the application from the authorized organizational representative of the university, private facility, or government laboratory describing the arrangement and testifying that the facilities will be subject to the exclusive use and control of the applicant.

2. **Outside Services** – Involvement of university, government, or other outside personnel in the planning and research stages of the project as consultants or through subcontracting arrangements is permitted and may be particularly helpful to small businesses that have not previously received Federal research awards. Establishment of a Cooperative Research and Development Agreement (CRADA) with a USDA laboratory or other Federal laboratory may also be beneficial to proposing firms. If the application involves outside consultants, subcontracts, or involvement with a CRADA partner, these arrangements should be described in detail. **Applications must include letters from proposed consultants, subcontractors or CRADA cooperators indicating their willingness to serve in order for such participation to be considered during the application review and evaluation process.**
3. **Letters of Support** – General letters of support from potential end-users of the technology or from individuals/organizations that want to express support for the application.
4. **Duration Exceeds Normal Project Period** – The proposed duration of Phase II projects should normally not exceed 24 months, except in special, justified circumstances.
5. **Applicant is a Subsidiary** – A potential grantee that is a subsidiary must show that the parent company or parent companies are also a small business entity and the parent company or parent companies must provide documentation supporting their small business status. The parent company or companies cannot be a non-profit. The subsidiary must provide documentation to support its independent viable financial status.
6. **Statement as to Delinquency on Federal Debts by Applicants for Federal Assistance** – An applicant that is delinquent on Federal debts must attach, in PDF format, explanatory information detailing all relevant particulars concerning the Federal debt.
7. **Non-Domestic Performance Explanation** – In the budget justification, provide the purpose, the destination, method of travel, number of persons traveling, number of days, and estimated cost for each trip. If details of each trip are not known at the time of application submission, provide the basis for determining the amount requested. All Applicants **MUST** note that per the terms and conditions of the award “All foreign travel performed under this project must be approved in writing by USDA NIFA prior to departure. If foreign travel is authorized under this project, the approved budget will identify funds for this purpose. Where foreign travel is contemplated subsequent to the effective date of the project, a written request must be submitted to the USDA NIFA outlining the purpose of the proposed trip, the inclusive dates of travel, the destination, and estimated costs involved.”

4. R&R Senior/Key Person Profile (Expanded)

Applicants must fill out a profile for the PD and anyone who will be supported by the budget. Detailed information related to the questions on this form is available in Part V, 5 of the NIFA Grants.gov Application Guide. This section of the guide includes instructions about senior/key person profile requirements, and details about the biographical sketch, and the current and

pending support, and conflict of interest, including a link to a suggested template for the current and pending support. All biographical sketches must indicate the employment history of each PD and Co-PD for the last 10 years. Applicants must include the current and pending support form as an attachment in the application. The PD and Co-PDs must include a conflict of interest form. Templates for required forms can be found at <https://nifa.usda.gov/resource/application-support-templates>. **Applicants must include the current and pending support form as an attachment in the application. The PD and Co-PDs must include a conflict of interest form. Templates for required forms can be found at <https://nifa.usda.gov/resource/application-support-templates>.**

5. R&R Personal Data

As noted in Part V, 6 of the NIFA Grants.gov Application Guide, the submission of this information is voluntary and is not a precondition of award. Part V.6 also notes the importance and use of the information.

6. R&R Budget

Detailed information related to the questions on this form is available in Part V, 7 of the NIFA Grants.gov Application Guide.

A Research and Related Budget form must be completed for each year (or partial year) for which work is proposed under this program solicitation. **Applicants must ensure that the budget provided in the R&R Budget forms matches the requested budget amount found in Field 15(a) on the SF-424 form and that this number does not exceed the budget ceiling.**

Applicants must request a federal budget that is reasonable and must not exceed a ceiling of \$600,000 for 24 months. If an applicant requests a fee, the combined total of “Section I - Total Direct and Indirect Costs” and “Section J – Fee” on the Research & Related (R&R) Budget form must not exceed the ceiling of this full announcement. Budget requests that exceed the ceiling of \$600,000 will be excluded from review.

Applicants should note the when preparing the budget, USDA NIFA automatically withholds 50% of the grant funding and any requested indirect costs after the award. USDA NIFA will provide the remaining 50% of the funds after the PD submits an interim technical report as required under the grant terms and conditions. Applicants need to plan for this and ensure that the company has enough resources to cover the expenses to meet the aims of the project during the first year. The interim technical report is typically submitted at the half-way point of the project for SBIR staff to review and approve. Indirect costs will be provided after the USDA NIFA Oversight Branch has completed a review of requested indirect costs, including requests to use a de minimis rate, and has made a determination on the rate as required by law. Typically indirect costs are approved within 6 to 12 months depending on the negotiation process and if other Federal Agencies are cognizant.

Applicants should note that the USDA NIFA SBIR Program requires Phase II grantees to participate in a Phase II Commercialization Assistance Training Program (CATP). Currently, the USDA SBIR Program expects to cover \$10,000 of commercialization

assistance expenses for each awarded project, except for travel costs to attend a two (2) day USDA SBIR commercialization workshop that will be held in the Washington DC area and the time needed to complete the program requirements. On average the grantee will spend approximately 65 to 80 hours completing the CATP requirements, therefore the applicant may include in the proposed budget the travel and time needed to participate and complete the CATP. The USDA NIFA budgeted amount (\$10,000) must not be included in the requested budget submitted with the application since this amount is paid directly to the contractor.

Field C. Equipment Description - Performing organizations are expected to have appropriate facilities, suitably furnished and equipped. However, funding for items of equipment may be requested provided that they are specifically identified with the dollar amount and adequately justified, see Field K of the R&R Budget.

Field D1. Domestic Travel - Applicants must include in their budget, travel expenses to the Washington DC area for a two (2) day commercialization assistance workshop. For additional information on this section applicants must reference the NIFA Grants.gov Application Guide for directions.

Field D2. Foreign Travel Costs Funds Requested - Requests for foreign travel must be approved based on the justification provided in the application. In the budget justification, provide the purpose, the destination, method of travel, number of persons traveling, number of days and estimated cost for each trip. If details of each trip are not known at the time of application submission, provide the basis for determining the amount requested. All Applicants **MUST** note that per the terms and conditions of the award: “All foreign travel performed under this project must be approved in writing by USDA NIFA prior to departure. If foreign travel is authorized under this project, the approved budget will identify funds for this purpose. Where foreign travel is contemplated subsequent to the effective date of the project, a written request must be submitted to the USDA NIFA outlining the purpose of the proposed trip, the inclusive dates of travel, the destination, and estimated costs involved.”

Fields E 1-5. Participant/Trainee Support Costs - Applicants must reference the NIFA Grants.gov Application Guide for directions.

Fields F 1-10. Other Direct Costs - Applicants must reference the NIFA Grants.gov Application Guide for directions.

Field G. Direct Costs - Applicants must reference the NIFA Grants.gov Application Guide for directions.

Fields H 1-4. Indirect Costs - Applicants must reference the NIFA Grants.gov Application Guide for directions. Additional guidance on indirect cost calculation for application to USDA NIFA can be found at <https://nifa.usda.gov/indirect-costs>. USDA NIFA does not have a cap on Indirect Costs for SBIR grants.

Field J. Fee - Applicants must reference the NIFA Grants.gov Application Guide for directions. **If an applicant requests a fee, the combined total of “Section I - Total Direct and Indirect Costs” and “Section J – Fee” on the Research & Related (R&R) Budget form must not exceed the ceiling of this program solicitation.** Please see Field K (6) below.

Field K. Budget Justification – (PDF Format is Required) - A budget justification with supporting detail for each budget category as noted in items (1) through (5) of this subsection must be attached. **A budget justification is required for each entity for which a Research and Related Budget Form is submitted.**

- (1) **Salaries and Wages** - Indicate the number and kind of personnel for whom salary support is sought, including job tasks. For key personnel, also indicate the number of work months of involvement to be supported with USDA funds, and explain how the level of compensation was established (e.g., the hourly rate of pay, the monthly rate of pay, or the yearly rate of pay).
- (2) **Equipment** - Performing organizations are expected to have appropriate facilities, and be suitably furnished and equipped. However, funding for items of equipment may be requested provided that they are specifically identified with the dollar amount and adequately justified. The limit for Phase I of 10 percent does not apply to Phase II budgets; however, **Phase II equipment purchases must be adequately justified.** Equipment is defined as an article of nonexpendable, tangible personal property having a useful life of more than one year and an acquisition cost of \$5000 or more per unit. Awardees are usually allowed to retain title to equipment purchased with funding provided under a SBIR funding agreement. However, in some instances, USDA NIFA may direct the awardee to vest title to a third party. **Awardees should plan to lease expensive equipment.** The inclusion of equipment will be carefully reviewed with respect to need and appropriateness for the research proposed.
- (3) **Materials and Supplies** - The types of expendable materials and supplies required should be indicated in general terms with estimated costs.
- (4) **Travel** - The type and extent of travel and its relationship to the project should be specified. Funds may be requested for field work or for travel to professional meetings. Requests for foreign travel may be approved by USDA NIFA based on the justification provided in the application and the terms and conditions for the grant. In the budget justification, provide the purpose, the destination, method of travel, number of persons traveling, number of days, and estimated cost for each trip. If details of each trip are not known at the time of application submission, provide the basis for determining the amount requested.
- (5) **All Other Direct Costs** - Other anticipated direct costs not included above should be itemized. Examples include, but are not limited to, subcontracts and consultants. See Field 12 “Other Attachments” of the R&R Other Project Information form for required documentation associated with subcontracts and consultants. A budget and budget

justification stating sub-contractual and consulting costs and the rationale for the amount of the costs are required. In Phase II, a minimum of one-half (1/2) of the research or analytical work, as determined by budget expenditures, must be performed by the proposing organization. Consultants' rate of pay normally cannot exceed \$608/day for an 8 hour day.

(6) Fee - A reasonable fee, not to exceed seven percent of total Federal funds awarded (.07527 of Field I, Total Direct and Indirect Costs) is permitted under this program solicitation, but applicants are encouraged to minimize fee requests due to the small amount of funds available. **All fees are subject to negotiation with USDA. If a fee is requested, the amount should be indicated in Field J "Fee" on the R&R Budget form. If an applicant requests a fee, the combined total of "Section I - Total Direct and Indirect Costs" and "Section J – Fee" on the Research & Related (R&R) Budget form must not exceed the ceiling of this program solicitation. Budget requests that exceed the ceiling of this program solicitation will be excluded from review.**

(7) Indirect Costs - See Part V, section 7.9 of the NIFA Grants.gov Application Guide for information about requesting indirect cost.

(8) Cost Sharing - Cost sharing is permitted for applications under this program solicitation; however, cost sharing is not required nor will it be an evaluation factor in considering the competitive merit of applications submitted.

7. R&R Subaward Budget Attachment

Information related to the questions on this form is dealt with in detail in Part V, 8. of the NIFA Grants.gov Application Guide.

8. Supplemental Information Form

Detailed information related to the questions on this form is available in Part VI, 1 of the NIFA Grants.gov Application Guide.

a. Field 2. Program to which you are applying. This refers to the **SBIR topic area** to which you are submitting your USDA SBIR application. For example:

Program Code Name

Animal Production and Protection

Program Code

8.3

You must submit your Phase II to the same SBIR topic area as your Phase I award. MUST indicates that it is not negotiable. It is extremely important the Program Code Name and Program Code are spelled correctly and match exactly one of the topic areas for which you are applying. Failure to complete these fields correctly could significantly delay the review of your application.

- b. **Field 8. Conflict of Interest List.** See Part VI, 1.8 of the NIFA Grants.gov Application Guide for further instructions. A template can be found at <https://nifa.usda.gov/resource/application-support-templates>. A conflict of interest attachment is required for USDA NIFA SBIR applications. Title the attachment as ‘Conflict of Interest’ in the document header and save file as ‘ConflictofInterest’.

9. SBIR/Small Business Technology Transfer Program (STTR) Information

Information related to the questions on this form is dealt with in detail in Part VI, 3 of the NIFA Grants.gov Application Guide unless otherwise noted below.

Program Type – Select SBIR only. USDA does not offer a STTR program.

SBIR/STTR Type – Select Phase II. The USDA NIFA SBIR program does not offer a Fast-Track Option.

Field 1. Did you certify that at the time of award your organization will meet the eligibility criteria for a small business as defined in the funding opportunity announcement? – Enter yes or no.

Field 2. Does this application include subcontracts with Federal laboratories or any other Federal Government agencies? Enter yes or no. **If yes, insert the names of the Federal laboratories/agencies.**

Field 3. Are you located in a HUBZone? – Enter yes or no.

Field 4. Will all research and development on the project be performed in its entirety in the United States? – Enter yes or no. **If no, provide an explanation in an attached PDF file** (this is required information).

Field 5. Has the applicant and/or Project Director/Principal Investigator submitted applications for essentially equivalent work under other Federal program solicitations or received other Federal awards for essentially equivalent work? – Enter yes or no. **If yes, insert the names of the other Federal agencies** (this is required information).

Field 6. Disclosure Permission Statement: If this application does not result in an award, is the Government permitted to disclose the title of your proposed project, and the name, address, telephone number and e-mail address of the official signing for the applicant organization to organizations that may be interested in contacting you for further information (e.g., possible collaborations, investment)? – Enter yes or no.

Field 7. Commercialization Plan – (PDF format only) – This is required for a Phase II application submission.

The commercialization plan is limited to 10 pages.

NOTE: The USDA NIFA SBIR Program encourages applicants to only include information pertaining to the items listed below. Applicants must submit their attachments within the required page limits identified in each section of this program solicitation. It is the responsibility of the applicant to review the attachment for page limit and PDF compliance before submission.

The commercialization plan should provide a description of each of the following areas:

1. Introduction of the SBIR Project and Expected Outcomes: Describe, in layperson's terms, the proposed project and its key technology objectives. Clarify the need addressed, specifying weaknesses in the current approaches to meet this need. In addition, describe the commercial applications of the research and the innovation inherent in the application.
2. Company Information: Give a brief description of your company including corporate objectives, core competencies, size (annual sales level and number and types of employees for the last 5 years, if company has existed for more than 5 years), and any current products/services that have significant sales. Those grantees existing for less than five years should provide this information for the years they have been operational. Indicate your vision for the future and how you will grow/maintain a sustainable business entity. Include a short description of the origins of the company.
3. The Market, Customer, and Competition: Describe the national and/or global market and/or market segments (for the product, technology or service) you are targeting. Provide information on the size of the market(s) and a brief profile of the potential customer(s). Tell what significant advantages your innovation will bring to the market(s) (e.g., better performance, lower cost, faster, more efficient or effective, new capability). Explain the hurdles you will need to overcome in order to gain market/customer acceptance of your innovation. Briefly explain the plans you have for approaching your potential customers (i.e., your marketing and sales strategy). Describe the current competition and any potential competitors over the next several years. Include a schedule showing the projected needs (e.g., amount of additional investment, timeframe, etc.) from the end of Phase II until commercialization. Indicate any other potential commercial factors that are not described above.
4. Intellectual Property: Describe how you will protect the intellectual property that results from your innovation. Note any actions you may consider to attain at least a temporary competitive advantage. What is the company's prior record in this area? Please comment on the company's strategy to build a sustainable business through protection of intellectual property.
5. Revenue Stream: Describe the plans for generating a revenue stream and include the assumptions that form the basis for revenue projections. Will the revenue stream as described be profitable to the company or at least sustain the product through its life cycle?

6. Financing: How will you raise the necessary financing for Phase III commercialization? Show you have a plan for this funding in one or more of the following ways:
- a) A letter of commitment for follow-on funding;
 - b) A letter of intent or evidence of negotiations to provide funding, should the Phase II project be successful and the market need still exists;
 - c) A letter of support for the project and/or some in-kind commitment; and
 - d) A specific plan to secure Phase III funding. The progress of this plan must be commented on in the Phase II progress report.

Field 8. Documentation of Prior SBIR Phase II Awards – A small business firm that submits a Phase II application and has received more than 15 SBIR Phase II awards during the preceding 5 fiscal years must document the extent to which it was able to secure Phase III funding to develop concepts resulting from previous Phase II SBIR awards. In addition, the documentation must include the name of the awarding agency, date of award, funding agreement number, amount, topic or subtopic title, follow-on agreement amount, source and date of commitment, and current commercialization status for each Phase II award. USDA NIFA shall collect and retain the information at least until the General Accounting Office submits the report required under section 105 of the Small Business Research and Development Enhancement Act of 1992.

Field 9. Will the Project Director/Principal Investigator have his/her primary employment with the small business at time of award? – Check Yes or No.

Fields 10-11. STTR-Specific Questions – Do not respond to these questions. They are not applicable to the USDA SBIR program.

D. Submission Dates and Times

We recommend that you conduct an administrative review of the application before submission of it via Grants.gov to ensure that it complies with all preparation instructions including page limits. An application checklist is included in Part VII of the NIFA Grants.gov Application Guide to assist with this review.

Instructions for submitting an application are included in Part IV, Section 1.9 of the NIFA Grants.gov Application Guide.

Applications must be received by Grants.gov by **5 p.m. Eastern Time on March 2, 2017**. Applications received after this deadline will normally not be considered for funding.

If you have trouble submitting an application to Grants.gov, you should FIRST contact the Grants.gov Help Desk to resolve any problems. Keep a record of any such correspondence. See Part IV. A for Grants.gov contact information.

Applicants must allow additional time for electronic submission and plan ahead to allow time for correction of technical errors identified by Grants.gov. It is recommended that applicants begin submitting their completed application at least one day prior to the deadline. The USDA NIFA SBIR Program will rarely accept late applications. **Exceptions are only made for delays due to natural disasters or technical problems experienced by Grants.gov that impacts the entire applicant community.** Documentation of the problem will be required. Exceptions made for technical problems will be for Grants.gov system failures prior to the deadline. Applicants who have problems with their submissions to Grants.gov must call the Grants.gov help desk to resolve the problems and keep a record of the following:

1. Grants.gov Tracking Numbers
2. Case numbers provided by Grants.gov
3. Any correspondence with Grants.gov regarding the submission problem
4. Any correspondence with SAM and Dunn and Bradstreet during the registration process

Once the application is successfully submitted to Grants.gov the applicant must forward the information above via email to sbir@nifa.usda.gov. Information obtained from the case number and correspondence will be used to verify if the submission problem was due to a Grants.gov system failure that impacted the entire applicant community or due to a problem with the applicant. This information will be used to determine the final decision to accept or not accept a late application.

We send email correspondence to the AR regarding the status of submitted applications. We strongly encourage you to provide accurate email addresses, where designated, on the SF-424 R&R Application for Federal Assistance.

If the AR has not received correspondence **from NIFA** regarding a submitted application within 30 days of the established deadline, contact the Agency Contact identified in Part VII of the RFA and request the application number assigned to the application. **Failure to do so may result in the application not being considered for funding by the peer review panel. Once the application has been assigned an application number, you should cite this number on all future correspondence.**

D. Other Submission Requirements

You should follow the submission requirements noted in Part IV, Section 1.9 in the document entitled “NIFA Grants.gov Application Guide.”

It is anticipated that the evaluation of SBIR Phase II applications will require approximately four months from March 2, 2017, and no information on application status will be available until final selections have been made. Both successful and unsuccessful applicants will be notified of final award decisions within approximately 4 months.

For information about the **status of a submitted application**, see Part III, Section 6 of the NIFA Grants.gov Application Guide.

PART V—APPLICATION REVIEW REQUIREMENTS

A. General

We evaluate each application in a two-part process. First, we screen each application to ensure that it meets the administrative requirements as set forth in this RFA. Second, a technical review panel will evaluate applications that meet the administrative requirements.

We select external peer reviewers based upon their training and experience in relevant scientific, business, or commercialization fields, taking into account the following factors:

- the level of relevant formal scientific, technical education, extension experience, or business experience of the individual, as well as the extent to which an individual is engaged in relevant research and commercialization activities;
- the need to include experts from various areas of specialization within relevant scientific research and development fields;
- the need to include other experts (e.g., producers, range or forest managers/operators, and consumers) who can assess relevance of the applications to targeted audiences and to program needs;
- the need to include experts from a variety of organizational types (e.g., colleges, universities, industry, state and federal agencies, and private profit and non-profit organizations) and geographic locations;
- the need to maintain a balanced composition with regard to minority and female representation and an equitable age distribution; and
- the need to include reviewers who can judge the effective usefulness of each application to end users and the general public.

After each peer review panel has completed its deliberations and provided a recommendation, the responsible program staff of the USDA NIFA SBIR program will determine if the panel recommendations can be supported from currently available funds or be declined due to insufficient funds or unfavorable review.

The USDA NIFA SBIR program reserves the right to negotiate with the PD/PI and/or with the submitting organization or institution regarding project revisions (e.g., reductions in the scope of work, funding level, period, or method of support) prior to recommending any project for funding.

We will send copies of reviews, *not* including the identity of reviewers, and a summary of the panel comments to the PD after the review process has been completed.

B. Evaluation Criteria

We will use the evaluation criteria below to review applications submitted in response to this RFA:

Initial Screening Criteria

To avoid any misunderstandings, applicants should be aware that applications that do not satisfy all of the screening criteria will be returned to the proposing entity without review. Returned applications may not be resubmitted (with or without revision) under this solicitation. The initial screening criteria are the following:

- (A) The proposing firm must qualify as a small business concern.
- (B) The application must meet the Application Content and Format requirements as described in this RFA. This includes page length requirements, all required forms and all files in PDF.
- (C) The proposed budget must be within the dollar ceiling identified in this RFA.
- (D) The proposed Phase II research must fall within the topic area that the project was originally funded under as a Phase I.
- (E) An application must contain adequate scientific/technical information clearly stating the research plan and objectives. USDA NIFA reserves the right not to submit for review any application that it finds to have insufficient scientific/technical information.
- (F) It is clear that the project director will work a minimum of 51 percent of his/her time for the small business firm during the period of the grant and that the small business firm will conduct a minimum of one-half of the research effort. However the project director may spend less than 50 percent of his/her time on the Phase II project.

Phase II Application Evaluation Criteria

Only awardees in Phase I are eligible to participate and submit a Phase II application. This includes those awardees identified via a “novated” or “successor-in-interest” revised funding agreement. The primary evaluation criteria used by reviewers are listed below. Approximately equal consideration will be given to each criterion, **except for items (A), (B), and (C) which will receive twice the value of any of the other items:**

- (A) **Degree to Which Phase I Objectives were Met and Technical Feasibility Established:**
These evaluation criteria will be used for the review of all applications.
 1. Phase I project demonstrated novelty, innovation, uniqueness, and originality;
 2. Conceptual adequacy of the research and suitability of the hypothesis, as applicable;
 3. Clarity and delineation of Phase I objectives;
 4. Demonstration of feasibility through preliminary data; and
 5. Probability of success of the project to move into Phase II is appropriate given the level of scientific originality, and risk-reward balance.
- (B) **Phase II Scientific and Technical Feasibility:**
These evaluation criteria will be used for the review of all applications.

1. Project objectives and outcomes are clearly described, adequate, and appropriate. All project components (i.e., research and commercialization) are reflected in one or more project objectives;
2. Proposed approach, procedures, or methodologies are innovative, original, clearly described, suitable, and feasible;
3. Expected results or outcomes are clearly stated, measurable, and achievable within the allotted time frame;
4. Proposed research fills knowledge gaps that are critical to the development of new innovations to address the stated problem or issue;
5. Proposed research is up-to-date on the current state of the art (i.e., literature reviews have been completed).
6. Proposed research includes Agriculturally-related Manufacturing and/or Energy Efficiency and/or Alternative and Renewable Energy technologies.

(C) Commercial Potential: A separate Commercialization Plan is required. The commercial potential will be assessed based on how well the following criteria are presented:

1. Commercialization Plan demonstrates the company's ability to commercialize the innovation;
2. Commercialization Plan includes relevant and current market information for the innovation (i.e., stakeholder needs for the innovation, size of the market, potential customers, competition, etc.);
3. Commercialization Plan includes a strategy for commercializing the innovation including follow-on commitments from private sector or non-SBIR funding sources;
4. Plans for protection of intellectual property;
5. Projected revenue stream and assumptions; and
6. Record of commercializing new products and/or services during the last 5 years, especially from prior SBIR and STTR projects.

A company Commercialization Plan showing that the proposing firm has no prior Phase II awards will not affect the firm's ability to win an award. Such a firm's application will be evaluated for commercial potential based on its commercialization strategy.

(D) Importance of the Problem: Does the application provide sufficient justification for the importance of the problem? Is the proposed project in the public interest by satisfying one or more of the strategic goals listed in this RFA?

(E) Investigator and Resource Qualifications:

1. Roles of key personnel are clearly defined;
2. Key personnel have sufficient expertise to complete the proposed project, and where appropriate, partnerships with other disciplines and institutions are established;
3. PD and Co-PD biographic information/resumes provide relevant employment history;
4. Support personnel, facilities, and instrumentation are sufficient;

5. A clear plan is articulated for project management, including time allocated for attainment of objectives and delivery of products, maintenance of partnerships and collaborations, and a strategy to enhance communication, data sharing, and reporting among members of the project team;
6. Consultants, subcontractors, or CRADA cooperators that are involved in the project have provided letters verifying their willingness to participate in the project;
7. Personnel on subcontract(s) and consulting agreement(s) have defined roles and responsibilities.

(F) Budget: Is the budget appropriate for the proposed research plan? Is sufficient budget detail provided to indicate clearly how the funds would be utilized?

1. The budget is appropriate for the proposed project; and
2. There is sufficient budget detail to indicate clearly how the funds would be utilized

(G) Duplication:

1. There is no duplication of any ongoing or previous research by the small business firm or by other researchers; and
2. Application clearly indicates how the proposed technology would differ significantly from existing innovations.

Additional factors that will be considered in the review process are whether an application involves a CRADA with a USDA laboratory or contains a follow-on funding commitment for Phase III. In the event that two or more applications are of approximately equal merit, the existence of a CRADA with a USDA laboratory or a follow-on funding commitment for Phase III will be an important consideration to break the tie. The value of any commitment will depend upon the degree of financial commitment made by non-Federal investors, with the **maximum value resulting from a signed agreement with reasonable terms for an amount at least equal to the funding requested from USDA in Phase II.**

C. Conflicts of Interest, Confidentiality

During the peer evaluation process, we take extreme care to prevent any actual or perceived conflicts of interest that may impact review or evaluation. See http://www.nifa.usda.gov/business/competitive_peer_review.html for further information about conflicts of interest and confidentiality as related to the peer review process.

D. Proprietary Information

Information contained in unsuccessful applications will remain the property of the applicant. The Government may, however, retain copies of all applications. Public release of information in any application submitted will be subject to existing statutory and regulatory requirements. If proprietary information is provided by an applicant in an application, which constitutes a trade secret, proprietary commercial or financial information, confidential personal information or data affecting the national security, it will be treated in confidence, to the extent permitted by law. This information must be clearly marked by the applicant with the term “confidential proprietary

information,” and the following legend must appear on each PDF attachment submitted as a part of the application: “These data shall not be disclosed outside the Government and shall not be duplicated, used or disclosed in whole or in part for any purpose other than evaluation of this application. If a funding agreement is awarded to this applicant as a result of or in connection with the submission of these data, the Government shall have the right to duplicate, use or disclose the data to the extent provided in the funding agreement and pursuant to applicable law. This restriction does not limit the Government’s right to use information contained in the data if it is obtained from another source without restriction. The data subject to this restriction are contained on pages __ of this application.”

Any other legend may be unacceptable to the Government and may constitute grounds for removing the application from further consideration without assuming any liability for inadvertent disclosure. The Government will limit dissemination of such information to within official channels.

USDA NIFA, by law, is required to make the final decision as to whether the information is required to be kept in confidence. Information contained in unsuccessful applications will remain the property of the applicant. However, USDA NIFA will retain for three years one file copy of all applications received. Public release of information for any application submitted will be subject to existing statutory and regulatory requirements. The legislation reauthorizing the SBIR Program strengthened the protection of awardee firms relative to maintaining confidentiality of proprietary information for a period of four years after the end of the grant period. However, any application which is funded will be considered an integral part of the award and normally will be made available to the public upon request through the Freedom of Information Act, except for designated proprietary information.

The inclusion of proprietary information is discouraged unless it is necessary for the proper evaluation of the application. If proprietary information is to be included, it should be limited, set apart from other text on a separate page, and keyed to the text by numbers. It should be confined to a few critical technical items which, if disclosed, could jeopardize the obtaining of foreign or domestic patents. Trade secrets, salaries, or other information that could jeopardize commercial competitiveness should be similarly keyed and presented on a separate page. Applications or reports that attempt to restrict dissemination of large amounts of information may be found unacceptable by USDA.

E. Rights in Technical Data

Rights in technical data, including software developed under the terms of any funding agreement resulting from an application submitted in response to this solicitation, shall remain with the grantee. However, the Government shall have the limited right to use such data for Governmental purposes and shall not release such data outside the Government without permission of the grantee for a period of four years from completion of the project under which the data were generated. Effective at the conclusion of the four-year period, the Government shall retain a royalty-free license for Governmental use of any technical data delivered under the agreement, whether patented or not.

F. Copyrights

With prior written permission of the Authorized Departmental Officer, the grantee normally may copyright and publish (consistent with appropriate national security considerations, if any) material developed with USDA support. USDA receives a royalty-free license for the Federal Government and requires that each publication contain the following acknowledgment and disclaimer statement:

“The project was supported by the Small Business Innovation Research program of the U.S. Department of Agriculture, grant number #. Any opinions, findings and conclusions or recommendations expressed in this publication are those of the author(s) and do not necessarily reflect the views of the U.S. Department of Agriculture.”

The last sentence may be omitted from articles published in scientific journals.

G. Patents and Inventions

Allocation of rights to inventions shall be in accordance with 35 U.S.C. 202-206 and the Department of Commerce implementing regulations entitled “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms under Government Grants, Contracts and Cooperative Agreements” at 37 C.F.R. Part 401. These regulations provide that small businesses normally may retain the principal worldwide patent rights to any invention developed with USDA support. USDA receives a royalty-free license for Federal Government use, reserves the right to require the patentee to license others in certain circumstances, and requires that anyone exclusively licensed to sell the invention in the United States must normally manufacture it domestically. To the extent authorized by 35 U.S.C. 205, USDA NIFA will not make public any information disclosing a USDA-supported invention for a four-year period to allow the grantee a reasonable time to file an initial patent application. Additional information may be obtained by contacting:

Bart Hewitt, Director of Planning, Accountability, and Reporting
National Institute of Food and Agriculture, USDA
STOP 2213
1400 Independence Avenue, SW
Washington, DC 20250-2213
Telephone: (202) 720-5623
Facsimile: (202) 720-7714
bayhdole@nifa.usda.gov

SBIR awardees must report inventions to the awarding agency within two months of the inventor’s report to the awardee. The reporting of inventions must be made through submission to Interagency Edison (www.iedison.gov). Specific instructions for invention reporting are contained in the agency’s terms and conditions, a copy of which can be provided upon request.

H. Research Involving Special Considerations

A number of situations frequently encountered in the conduct of scientific research require the submission of special information for a particular project. Since some types of research targeted for SBIR support have high probability of involving human subjects at risk or vertebrate animals, special instructions follow:

If the proposed research will involve human subjects at risk or vertebrate animals, the application must so indicate by checking “Yes” on the RR_OtherProjectInfo form found in section IV. Further, in the event that the project is funded, the applicant may be required to have the research plan reviewed and approved by the appropriate review board or committee. It is suggested that applicants contact local universities, colleges, or nonprofit research organizations which have established such reviewing mechanisms to have this service performed.

Guidelines to be applied and observed when conducting such research are outlined below.

- (A) **Human Subjects at Risk** - Regulations issued by the Department of Agriculture to be used in safeguarding the rights and welfare of human subjects used in research supported with USDA grant funds are contained in 45 CFR Part 46 and USDA regulations set forth in 7 CFR Part 1c. All nonexempt research projects involving human subjects must be approved by an Institutional Review Board prior to commencing actual substantive work.
- (B) **Animal Care** - The performing organization must comply with the Animal Welfare Act (7 U.S.C., 2131-2156); Public Law 89-544, 1996 and the regulations issued by the Department of Agriculture in 9 CFR parts 1, 2, 3 and 4. In the case of domesticated farm animals housed under farm conditions, the grantee must adhere to the principles stated in the Guide for the Care and Use of Agricultural Animals in Agricultural Research and Teaching, Federation of Animal Sciences Societies, 1999. In the event a project involving the use of living vertebrate animals results in a grant award, funds will be released only after a qualified Institutional Animal Care and Use Committee has approved the project.

I. Grantee Commitments

Upon issuance of a research grant by USDA, the awardee will be required to make certain legal commitments through acceptance of the award document and the terms and conditions attached thereto, as well as any project-specific terms or conditions outlined.

J. Additional Information

- (A) This RFA is intended for informational purposes and reflects current planning. If there is any inconsistency between the information contained herein and the terms of any resulting SBIR funding agreement, the terms of the funding agreement are controlling.

- (B) Before the award of an SBIR funding agreement, USDA NIFA requires the submission of certain organizational management, personnel, and financial information to assure responsibility of the applicant, including certification that the proposing organization is in compliance with the Civil Rights Act of 1964. These forms will be provided to the small business concern by the Office of Grants and Financial Management, NIFA, prior to the forwarding of the funding agreement for acceptance. The information contained in both forms must normally be submitted on a one-time basis only. (If sufficient changes occur within the organization to warrant submission of new or additional information, additional forms should be requested by calling (202) 401-4986). It is anticipated that all Phase II awardees will be required to submit the above information. **Please note that NIFA will not issue an award until all requested organizational management and financial information has been received. Delaying or failing to submit this information could result in the application not being funded.**
- (C) If an applicant or a grantee is contemplating any type of transaction involving the entity (i.e. merger, spin-off or sale), it is advised that the applicant or the grantee contact one of the SBIR NPLs (see Part VII)5) for knowledge of how the transaction may affect a potential grant or the grant, as applicable.
- (D) USDA is not responsible for any monies expended by the applicant prior to the award of any funding agreement.
- (E) This RFA is not an offer by USDA NIFA and does not obligate USDA NIFA to make any specific number of awards. Also, awards under this program are contingent upon the availability of funds.
- (F) Unsolicited applications will not be accepted under the SBIR program.
- (G) The applicant must provide the total number of employees for the organization and its subsidiaries and/or parent company, if applicable.

K. Organizational Management Information

Specific management information relating to an applicant shall be submitted one-time, with updates on an as-needed basis. This requirement is part of the responsibility determined prior to the award of a grant identified under this RFA, if such information has not been provided previously under this or another NIFA program. We will provide you copies of forms recommended for use in fulfilling these requirements as part of the pre-award process. Although an applicant may be eligible based on its status as one of these entities, there are factors that may exclude an applicant from receiving federal financial and nonfinancial assistance and benefits under this program (e.g., debarment or suspension of an individual involved or a determination that an applicant is not responsible based on submitted organizational management information).

L. Application Disposition

An application may be withdrawn at any time before a final funding decision is made regarding the application. Each application that is not selected for funding, including those that are withdrawn, will be retained by USDA SBIR for a period of three years.

PART VI—AWARD ADMINISTRATION

A. General

Within the limit of funds available for such purpose, the NIFA awarding official shall make grants to those responsible, eligible applicants whose applications are judged most meritorious under the procedures set forth in this RFA. The date specified by the NIFA awarding official as the effective date of the grant shall be no later than September 30 of the federal fiscal year in which the project is approved for support and funds are appropriated for such purpose, unless otherwise permitted by law. The project need not be initiated on the grant effective date, but as soon thereafter as practical so that project goals may be attained within the funded project period. All funds granted by NIFA under this RFA may be used only for the purpose for which they are granted in accordance with the approved application and budget, regulations, terms and conditions of the award, applicable federal cost principles, USDA assistance regulations, and NIFA General Awards Administration Provisions at 7 CFR part 3430, subparts A through E.

B. Award Notice

The award document will provide pertinent instructions and information including, at a minimum, the information described in [2 CFR 200.210](#).

See <http://www.nifa.usda.gov/business/awards/awardterms.html> to view current NIFA award terms and conditions.

C. Administrative and National Policy Requirements

Several federal statutes and regulations apply to grant applications considered for review and to project grants awarded under this program. These may include, but are not limited to, the ones listed on the NIFA web page – <http://nifa.usda.gov/federal-regulations>.

NIFA Federal Assistance Policy Guide—a compendium of basic NIFA policies and procedures that apply to all NIFA awards, unless there are statutory, regulatory, or award-specific requirements to the contrary—is available at <http://nifa.usda.gov/policy-guide>.

Responsible and Ethical Conduct of Research

Refer to Part II, D for more information.

D. Expected Program Outputs and Reporting Requirements

The output and reporting requirements are included in the award terms and conditions (see <http://www.nifa.usda.gov/business/awards/awardterms.html> for information about NIFA award terms). If there are any program or award-specific award terms, those, if any, will be identified in the award.

SBIR Phase II Technical Reports

For all Phase II awards, an interim technical progress report must be submitted at approximately the mid-point in the project. As stated in the award terms, this report will release the final increment of funding on the project. In addition, a comprehensive final technical report must be submitted within 90 days following expiration of the Phase II grant. These reports will be submitted electronically per the award terms.

Please note: All technical reports are held confidential for a period covering four years after the termination of the project. **As such, proprietary information may be included in the interim and final technical reports when necessary to provide the USDA NIFA SBIR staff adequate information to evaluate the outcome of the project.**

REEReport

Grantees are to submit initial project information and annual and summary reports to NIFA's electronic, Web-based inventory system, REEReport, that facilitates both grantee submissions of project outcomes and public access to information on Federally-funded projects. The details of these reporting requirements are included in the award terms and conditions. More information about REEReport can be found at <https://nifa.usda.gov/resource/reerport-guide-project-directors>

Please note: Reports submitted via REEReport will be placed in the USDA Current Research Information System (CRIS) database. CRIS is an online public database meant to provide information to the general public on all awards made by USDA. **As such, proprietary information should not be included in these reports. Additionally a REEReport submission does not meet the requirements for the interim and final technical report as these are additional reports required under the terms and conditions for the grant.**

PART VII—AGENCY CONTACTS

Applicants and other interested parties are encouraged to contact:

Dr. Toby Ahrens (toby.ahrens@nifa.usda.gov)

Telephone: (202) 401-6050

8.8 Biofuels and Biobased Products

Dr. Charles Cleland (ccleland@nifa.usda.gov)

Telephone: (202) 401-6852

8.1 Forests and Related Resources

Dr. Karelyn Cruz (karelyn.cruz@nifa.usda.gov)

Telephone: (202) 401-6417

8.4 Air, Water, and Soil

Dr. Denis Ebodaghe (debodaghe@nifa.usda.gov)

Telephone: (202) 401-4385

8.12 Small and Mid-Size Farms

Mr. Brent Elrod (belrod@nifa.usda.gov)

Telephone: (202) 690-3468

8.6 Rural Development

Dr. Gene Kim (Gene.W.Kim@nifa.usda.gov)

Telephone: (202) 401-1108

8.7 Aquaculture

Dr. Rachel Melnick (rmelnick@nifa.usda.gov)

Telephone: (202) 401-4980

8.13 Plant Production and Protection – Engineering

Dr. Robert Nowierski (rnowierski@nifa.usda.gov)

Telephone: (202) 401-4900

8.2 Plant Production and Protection- Biology

Dr. Robert Smith (rsmith@nifa.usda.gov)

Telephone: (202) 401-4892

8.3 Animal Production and Protection

Dr. Jodi Williams (jwilliams@nifa.usda.gov)

Telephone: (202) 720-6145

8.5 Food Science and Nutrition

Questions of a general nature about this SBIR solicitation should be sent to sbir@nifa.usda.gov or can be directed to:

Mr. Scott Dockum (sdockum@nifa.usda.gov)

Telephone: (202) 720-6346

SBIR Program Coordinator

Mr. Elden Hawkes (sbir@nifa.usda.gov)

Telephone: (202) 401-4002

SBIR Program Specialist

PART VIII—OTHER INFORMATION

A. Use of Funds; Changes

1. Delegation of Fiscal Responsibility

Unless the terms and conditions of the award state otherwise, awardees may not in whole or in part delegate or transfer to another person, institution, or organization the responsibility for use or expenditure of award funds.

2. Changes in Budget or Project Plans

In accordance with [2 CFR 200.308](#), awardees must request prior approval from NIFA for the following program or budget-related reasons:

- i.** Change in the scope or the objective of the project or program (even if there is no associated budget revision requiring prior written approval).
- ii.** Change in a key person specified in the application or the federal award.
- iii.** The disengagement from the project for more than three months, or a 25 percent reduction in time devoted to the project, by the approved project director or principal investigator.
- iv.** The inclusion, unless waived by the federal awarding agency, of costs that require prior approval in accordance with 2 CFR 200 Subpart E—Cost Principles of this part or 45 CFR Part 75 Appendix IX, “Principles for Determining Costs Applicable to Research and Development under Awards and Contracts with Hospitals,” or 48 CFR Part 31, “Contract Cost Principles and Procedures,” as applicable.
- v.** The transfer of funds budgeted for participant support costs as defined in §200.75 Participant support costs to other categories of expense.
- vi.** Unless described in the application and funded in the approved federal awards, the subawarding, transferring or contracting out of any work under a federal award, including fixed amount subawards as described in §200.332 Fixed amount subawards. This provision does not apply to the acquisition of supplies, material, equipment, or general support services.
- vii.** Changes in the approved cost-sharing or matching provided by the non-federal entity.
- viii.** The need arises for additional federal funds to complete the project.

The awardee will be subject to the terms and conditions identified in the award. See <http://www.nifa.usda.gov/business/awards/awardterms.html> for information about NIFA award terms.

B. Confidential Aspects of Applications and Awards

When an application results in an award, it becomes a part of the record of NIFA transactions, available to the public upon specific request. Information that the Secretary of Agriculture determines to be of a confidential, privileged, or proprietary nature will be held in confidence to the extent permitted by law. Therefore, any information that the applicant wishes to have

considered as confidential, privileged, or proprietary should be clearly marked within the application. We will retain for three years a copy of an application that does not result in an award. Such an application will be released only with the consent of the applicant or to the extent required by law. An application may be withdrawn at any time prior to the final action thereon.

C. Regulatory Information

For the reasons set forth in the final Rule related Notice to 2 CFR Part 415, Subpart C, this program is excluded from the scope of the Executive Order 12372, which requires intergovernmental consultation with state and local officials. Under the provisions of the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35), the collection of information requirements contained in this notice have been approved under OMB Document No. 0524-0039.

D. Definitions

Please refer to [7 CFR 3430, Competitive and Noncompetitive Non-formula Financial Assistance Programs--General Award Administrative Provisions](#) and [7 C.F.R. 3403, Small Business Innovation Research](#) Program for applicable definitions for this NIFA grant program.

Ad hoc Reviewers

Experts or consultants, qualified by training and experience in particular scientific or technical fields to render expert advice on the scientific technical merit of the grant applications in those fields, who review on an individual basis one or several of the eligible applications submitted to this program in their area of expertise and who submit to the Department written evaluations of such applications.

Affiliate

This term has the same meaning as set forth in 13 CFR part 121—Small Business Size Regulations, section 121.103,. Further information about SBA's affiliation rules and a guide on affiliation is available at www.SBIR.gov and www.SBA.gov/size.

Applicant

The organizational entity that, at the time of award, will qualify as a small business concern and that submits a grant application for a funding agreement under the SBIR Program.

Authorized Departmental Officer

The Secretary or any employee of the Department who has the authority to issue or modify grant instruments on behalf of the Secretary.

Authorized Organizational Representative

The president, director, chief executive officer or other designated official of the applicant organization who has the authority to commit the resources of the organization. Also referred to as the Authorized Representative (AR).

Budget Period

Interval of time into which the project period is divided for budgetary and reporting purposes.

Commercialization

The process of developing marketable products, processes, technologies, or services and the production and delivery (whether by the originating party or others) of the products, processes, technologies, or services for sale to or use by the Federal government or commercial markets.

Covered Small Business Concern

A small business that:

(1) Was not majority-owned by multiple venture capital operating companies (VCOCs), hedge funds, or private equity firms on the date on which it submitted an application in response to a solicitation under the SBIR program; and

(2) Is majority-owned by multiple venture capital operating companies, hedge funds, or private equity firms on the date of the SBIR award.

Department

The United States Department of Agriculture.

Direct Costs

Costs that occur in direct support of a single project or that can be clearly identified, segregated and billed directly to the project via the companies' accounting system.

Essentially Equivalent Work

Occurs when (1) substantially the same research is proposed for funding in more than one grant application submitted to the same Federal agency; (2) substantially the same research is submitted to two or more different Federal agencies for review and funding consideration; or (3) a specific research objective and the research design for accomplishing an objective are the same or closely related in two or more applications or awards, regardless of the funding source.

Fee

The amount of profit a company will receive from the grant.

Funding Agreement

Any contract, grant or cooperative agreement entered into between any Federal agency and any small business concern for the performance of experimental, developmental or research work, including products or services funded in whole or in part by the Federal Government.

Grant

A financial assistance mechanism providing money, property or both to an eligible entity to carry out the approved project or activity, and substantial programmatic involvement by Government is not anticipated.

Grantee

The small business concern designated in the grant award document as the responsible legal entity to whom the grant is awarded under this part. Also referred to as an “awardee.”

Historically Underutilized Business Zone (HUBZone)

A small business concern meeting the following criteria:

(A) Located in a “historically underutilized business zone” or HUBZone area located in one or more of the following:

- (1) **A qualified census tract** (as defined in section 42(d)(5)(C)(i)(I) of the Internal Revenue Code of 1986); or
- (2) **A qualified “non-metropolitan county”** (as defined in section 143(k)(2)(B) of the Internal Revenue Code of 1986); or
- (3) **On an Indian Reservation-** Land within the boundaries of a federally recognized Indian Reservation.

(B) Owned and controlled by one or more U.S. Citizens; and

(C) At least 35 percent of its employees **must** reside in a HUBZone.

Indirect Costs

Costs which occur in support of more than one objective and therefore cannot be identified readily and specifically with a particular project, often called overhead or General & Administrative (G&A).

Innovation

A new or improved item having marketable potential including (1) development of new technologies;

(2) refinement of existing technologies; or (3) development of new applications for existing technologies.

Intellectual Property

The separate and distinct types of intangible property that are referred to collectively as “intellectual property,” including but not limited to: patents, trademarks, copyrights, trade secrets, SBIR technical data (as defined in this section), ideas, designs, know-how, business, technical and research methods, other types of intangible business assets, and all types of intangible assets either proposed or generated by a small business concern as a result of its participation in the SBIR program.

Joint Venture

An association of concerns with interests in any degree or proportion by way of contract, express or implied, consorting to engage in and carry out a single specific business venture for joint profit, for which purpose they combine their efforts, property, money, skill or knowledge, but not

on a continuing or permanent basis for conducting business generally. A joint venture is viewed as a business entity in determining power to control its management.

Manufacturing Related

Encompasses improvements in existing methods or processes as well as wholly new processes, machines, or systems. Four main areas include:

(A) Unit process level technologies that create or improve manufacturing processes, including:

1. Fundamental improvements in existing manufacturing processes that deliver substantial productivity, quality, or environmental benefits; or
2. Development of new manufacturing processes, including new materials, coatings, methods, and associated practices.

(B) Machine level technologies that create or improve manufacturing equipment, including:

1. Improvements in capital equipment that create increased capability, such as accuracy or repeatability, increased capacity through productivity improvements or cost reduction or increased environmental efficiency, such as safety, energy efficiency and, environmental impact; or
2. New apparatus and equipment for manufacturing, including additive and subtractive manufacturing, deformation and molding, assembly and test, semiconductor fabrication, and nanotechnology.

(C) Systems level technologies for innovation in the manufacturing enterprise, including:

1. Advances in controls, sensors, networks, and other information technologies that improve the quality and productivity of manufacturing cells, lines, systems, and facilities;
2. Innovation in extended enterprise functions critical to manufacturing, such as quality systems, resource management, supply change integration and distribution, scheduling, and tracking; or
3. Technologies that enable integrated and collaborative product and process development, including computer-aided and expert systems for design, tolerance development, process and materials selection, life-cycle cost estimation, rapid prototyping, and tooling.

(D) Environment or societal level technologies that improve workforce abilities, productivity, and manufacturing competitiveness, including:

1. Technologies for improved workforce health and safety, such as human factors and ergonomics; or
2. Technologies that aid and improve workforce manufacturing skill and technical excellence, such as educational systems incorporating improved manufacturing knowledge and instructional methods.

Outcomes

The measure of long-term, eventual, program impact.

Outputs

The measures of near-term program impact.

Peer Review Group

Experts or consultants, qualified by training and experience in particular scientific or technical fields to give expert advice on the scientific and technical merit of grant applications to those fields, who assemble as a group to discuss and evaluate all of the eligible applications submitted to this program in their area of expertise.

Program Solicitation

A formal request for applications whereby a Federal agency notifies the small business community of its Research or Research and Development (R/R&D) needs and interests in broad and selected areas, as appropriate to the agency, and requests applications from small business concerns in response to these needs and interests.

Project Director / Principal Investigator (PD/PI)

An individual designated by the applicant to provide the scientific and technical direction to a project supported by the funding agreement.

Prototype

A model of something to be further developed, which includes designs, protocols, questionnaires, software, and devices.

Project Period

The total length of time approved by the Department for conducting the research project as outlined in an approved grant award. Also referred to as the period of performance.

Research or Research and Development (R/R&D)

R/R&D means any activity which is:

- (1) A systematic, intensive study directed toward greater knowledge or understanding of the subject studied;
- (2) A systematic study directed at applying new knowledge to meet a recognized need; or
- (3) A systematic application of knowledge toward the production of useful materials, devices and systems or methods, including design, development and improvement of prototypes, and new processes to meet specific requirements.

Research Project Grant

The award by the Department of funds to a grantee to assist in meeting the costs of conducting for the benefit of the public an identified project, which is intended and designed to establish,

discover, elucidate, or confirm information or the underlying mechanisms relating to a research topic area identified in the annual solicitation of applications.

SBIR Participants

Business concerns that have received SBIR awards or that have submitted SBIR applications.

SBIR Technical Data

All data generated during the performance of an SBIR award.

SBIR Technical Data Rights

The rights a small business concern obtains in data generated during the performance of any SBIR award that an awardee delivers to the Government during or upon completion of a Federally-funded project and to which the government receives a license.

Small Business Concern (SBC)

A concern that meets the requirements set forth in 13 CFR 121.702 (available at <https://www.gpo.gov/fdsys/granule/CFR-2011-title13-voll/CFR-2011-title13-voll-sec121-702>).

Small Business Entity

A small business entity is typically defined as a sole proprietorship, partnership, corporation, and S corporation. A Limited Liability Company (LLC) is a business structure allowed by state statute.

Small and Mid-Size Farms

Small Farms are defined as farms or ranches with less than \$250,000 in annual agricultural sales. Mid-Size Farms are defined as farms or ranches with less than \$500,000 in annual agricultural sales.

Socially and Economically Disadvantaged Small Business Concern

A socially and economically disadvantaged small business concern is one:

- (1) Which is at least 51 percent owned by (i) an Indian tribe or a native Hawaiian organization or (ii) one or more socially and economically disadvantaged individuals; and
- (2) Whose management and daily business operations are controlled by one or more socially and economically disadvantaged individuals.

For purposes of this solicitation, a socially and economically disadvantaged individual is defined as a member of any of the following groups: Black Americans, Hispanic Americans, Native Americans, Asian-Pacific Americans, Subcontinent Asian Americans, other groups designated from time to time by the Small Business Administration (SBA) to be socially disadvantaged, or any other individual found to be socially and economically disadvantaged by the SBA pursuant to Section 8(a) of the Small Business Act, 15 U.S.C. 637(a).

Note: The certification of socially and economically disadvantaged small business is for statistical purposes only.

Subcontract

Any agreement, other than one involving an employer-employee relationship, entered into by an awardee of a funding agreement calling for supplies or services for the performance of the original funding agreement.

United States

The 50 states, the territories and possessions of the Federal Government; the Commonwealth of Puerto Rico; the District of Columbia; the Republic of the Marshall Islands; the Federated States of Micronesia; and the Republic of Palau.

Women-owned Small Business Concern

A women-owned small business concern is a SBC:

- (1) Which is at least 51 percent owned by one or more women; and
- (2) Whose management and daily business operations are controlled by one or more women.

Note: Certification of women-owned small business is for statistical purposes only.

E. Materials Available on the Internet

SBIR program information will be made available on the NIFA website at <https://nifa.usda.gov/program/small-business-innovation-research-program-sbir>. The following are among the materials available on the web page:

1. Phase I & Phase II Solicitations
2. USDA SBIR Eligibility Requirements
4. Small Business Innovation Research (SBIR) Grantee Resources
5. Advancing NIFA Basic Research Findings to Commercial Applications
6. Commercialization Plan Guidance for Phase II Applications
7. Government Agencies and Programs Promoting Public-Private Technology Transfer