

FY 2011 BIDDERS CONFERENCE
Pre-Seed Fund Capitalization Program
September 15, 2010

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- 1. How will funds for Dry Powder be evaluated? For Instance if a fund has approximately 9-12 months of Dry Powder, will that negatively affect the proposal ranking?**

Answer: Remaining “dry powder” could indicate that the fund does not have sufficient deal flow to deploy funds, or that the management team is too risk averse to invest in the available early stage opportunities present; in such cases the amount of “dry powder” could be viewed negatively. However, if that “dry powder” can be sufficiently explained the impact should be negligible. One of the evaluation criteria is based on successful fund management which would include making investments of grant funds during the designated project period. Failing to make investments, either with State funds or private funds (if no prior State award exists) could have a negative impact on the ranking of the proposal.

- 2. Does the application need to include university or private sector collaborators?**

Answer: All proposals submitted must have at least one collaborator; these may include university or private sector collaborators but may also come from other types of organizations.

- 3. Can Enhanced Services include developmental grants?**

Answer: The RFP language refers to Enhanced Management and Due Diligence that are associated with the execution and management of the grant not services provided to portfolio companies; activities might include audit and accounting fees for the escrow account. Grant funds in this program are not for entrepreneurial services.

- 4. What is the source of information in 4.1 (1) A-E on page 21**

“Past performance of the Lead Applicant for each Proposal and its team”...

- a. **Leverage ratio achieved**
- b. **Number of jobs created**
- c. **Cost of job created**
- d. **Average salary of Job created**
- e. **History of grant amendments related to original scope of work**

Answer: This information would be available from existing funds who have previously reported these types of metrics to ODOD. Applicants who have not had a grant from ODOD may use existing fund data to provide performance information that relates to these categories.

- 5. When is the ESP (RFP) going to be released and when will it be due? This has implications for timing of cost share commitments and cash flows.**

Answer: The Entrepreneurial Signature Program Continuity Initiative RFP was released on September 15, 2010; Letters of Intent are due on September 29th; proposals are due by 2pm on October 22nd.

6. In the past rounds, current cost share has been used in a certain time period. Is this criterion in the current RFP? Is there a scoring criterion?

Answer: A Lead Applicant may bid both current and future commitments of cost share. Cost share could be pledged to be available at a future date, but the commitment must be made to that date at the time of the grant execution. Cost share must be available to match each draw of state funds and it is the responsibility of the Lead applicant to insure that all cost share bid is received. The cost share timeline will be considered in the evaluation of your proposal and proposals with current cost share will be viewed favorably.

7. If we are attracting Foreign Firms to Ohio, Can European Union cost share as match be deposited into a Foreign Escrow agent and approved by ODOD?

Answer: We do not require that cost share be deposited into the escrow account where grant funds are deposited, so the decision by a cost share provider to deposit funds in a foreign escrow account would be acceptable to ODOD. We do require that investments be in a domestic company and Lead Applicants who propose to invest in Ohio companies will be viewed more favorably. Foreign money can come in as long as the grant or cost share money is not going out of the country.

8. Can you please talk about the change related to the no entrepreneurial services?

Answer: In the past Lead Applicants could submit proposals for entrepreneurial services, funds, or service and fund combinations. In FY11 ODOD is releasing an RFP specifically for ESP program activity continuation and a RFP specifically for funds because the OTF advisory board and commission didn't want to lose momentum gained in entrepreneurial support and wanted to think strategically in using the remainder of the original OTF dollars.

9. Who qualifies and a collaborator?

Answer: Collaborator has a broad definition and could be a variety of people an ESP, Incubator a university etc... It could a coach or mentor; a collaborator doesn't have to bring cost share.

Will grants be awarded for less than the asked amount?

Answer: It is possible that you can be awarded for less; we have done it in the past.

10. 10% of state grants can be used for due diligence and 10% can be used for enhanced services. Can additional funds be set aside from matching funds or must all funds be invested?

Answer: Funds from the cost share could be set aside for these services, but no more than 20% of the matching funds could be used. Ideally all match and grant funds will be invested.

11. Can we invest in Early Market entry companies?

Answer: Yes, however this program is to encourage investments in imagining, incubating and demonstrating stage companies; investments that are usually considered high risk. Investment in Early Market entry companies is acceptable and ODOD recognizes that each Lead Applicant will have a portfolio that may include varied risk levels.

12. Is it anticipated that the same award /capital RFP will be available next year?

Answer: We cannot answer that question with certainty at this time due to possible administrative changes and the development of a strategic plan for the OTF. However we do anticipate that support for these programs will continue.

If one decides not apply this round can they apply next round?

Answer: Yes you can apply when RFP is released

When are the Biomedical RFP's being released?

Answer: The RFP is in Nov/Dec and the Award will be in July (FY 2012)

Who does the Technical Review of the application?

Answer: TaraTec Corp.

13. Any difference in the scoring For -Profit versus Not- for- Profit?

Answer: No

14. Given the escrow requirement at the time of grant disbursement, how are gift or "in-kind" accounted for?

Answer: All cost- shares must be cash. In Kind or gift cost share does not count.

15. If matching funds come from an Investment club, is one commitment letter acceptable or do you need individual commitment letters from club members?

Answer: If the Lead Applicant represents all the members of an Investment Club one letter is sufficient.