

**NON-CONFIDENTIAL  
TEXAS IGNITION FUND (TIF)  
GRANT APPLICATION  
Instructions**

**Overview:**

The Texas Ignition Fund (TIF), a \$2.0M grant program, was approved by the U. T. System Board of Regents in December 2007 and is designed to stimulate commercialization of research discoveries at the 15 U. T. institutions by providing very early stage grants for the development and maturation of those discoveries into marketable intellectual property (IP), in particular to help bridge the gap between discovery and invention.

**Governance:**

The Ignition Fund Advisory Board (IFAB) will govern the TIF grant program. The IFAB will have final approval authority for all TIF grants and will review and assess performance of the overall TIF program every six months. The IFAB is composed of the Executive Vice Chancellor for Academic Affairs, Executive Vice Chancellor for Health Affairs, Vice Chancellor for Research and Technology Transfer, Associate Vice Chancellor for Technology Transfer, and Assistant Vice Chancellor for Commercial Development.

In addition to serving on the IFAB, several senior executives in the System Office of Research and Technology Transfer (RTT) will administer the TIF as follows:

- a. Select from a pool of experts, TIF Review Panelists (TRP) who will be individually charged with reviewing and recommending specific proposals for TIF funding. The TRP will be composed of independent experts designated by the IFAB in the relevant field of inquiry. Each proposal will be assigned an independent expert in the relevant field of inquiry to evaluate the technology's scientific merit and an independent entrepreneur or venture capitalist to evaluate the technology's potential market application(s).
- b. Coordinate TIF proposal reviews by the IFAB every two months (six times per year), including receipt and distribution of proposals to IFAB and TRP.
- c. Promptly notify applicants of IFAB's decisions to fund or not fund proposals.
- d. Expedite documentation and the transfer of grant funds.
- e. Monitor compliance with grant requirements and track TIF performance every six months.

**Goals:**

Each U. T. Institution may request, through its executive in charge of technology transfer, up to \$50K per application to accelerate the commercial development of a technology created at that institution and owned by the Board of Regents. TIF goals are to:

- a. Support a culture to promote innovation, translation and commercialization of new ideas and technologies on the campuses of the 15 University of Texas institutions.
- b. Nurture viable technologies to avoid abandonment due to a lack of commitment or seed capital.
- c. Create a robust infrastructure for developing discoveries arising out of U. T. System research, to support validation of discoveries, external mentorship and commercialization.

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### **Review Criteria and Application Checklist:**

Successful proposals must be responsive to the above goals and meet the requirements listed below. (Please refer also to the metrics RTT will track (page 3) to assess TIF performance over time.) Grants will be awarded on a competitive basis with an emphasis on commercial potential, subject to the IFAB review process that will include assessments by the two selected TRP.

1. The executive in charge of technology transfer at the institution must approve and sign the proposal.
2. The Responsible University Official or Authorized University Official in the sponsored grant and contract office at the institution must sign the proposal and may transmit the proposal upon approval by the executive in charge of technology transfer.
3. The stated purpose of the project must be “Proof of Concept” leading to a commercial application. Preference will be given to proposals with potential to result in formation of a new startup company. Proposals to simply advance research of an idea will not be funded.
4. Regional business and capital community contact(s) must be documented (institutions, industry partners, successful entrepreneurs, angel and venture investors). For example, a letter(s) confirming that contact has been made and awareness of the project is established could satisfy this requirement.
5. All TIF proposals will be treated as “Non-confidential” and should be submitted in the form of the TIF Grant Application provided with these instructions, not to exceed seven (7) pages in total length including the background information and the front page application form. Please provide documentation of business and community contacts separately.
6. Expenditures of TIF grant funds must be for eligible costs as outlined below. A detailed line item budget is not required; however, applicants must estimate and describe expected costs.
7. Proposed milestones must be measurable and timely for performance assessment.

### **Eligible Costs:**

Requests will be considered for amounts up to \$50K. System institutions should make good faith efforts to contribute to the costs for intellectual property protection of the technology, depending upon the resources available. Patent costs may be funded only in an extreme need-based determination. Grant funds should be used to advance the commercial development of a discovery or invention. No indirect costs are allowed. Thus, funds may be spent for the following:

- a. Direct costs of supplies, equipment, instrument use fees, and other necessary and allowable expenses required to demonstrate “proof of concept,” “reduction to practice,” or prototype product development.
- b. As appropriate, personnel costs (undergraduate and graduate students, post doctoral fellows, technicians or other research staff) required to demonstrate “proof of concept,” “reduction to practice,” or prototype product development or business plan development.
- c. As appropriate, business plan costs (marketing survey, feasibility).

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- d. In limited circumstances the IFAB may consider grants up to \$100K to include salary support for faculty to commit time and effort to start their own company, to company formation by external management teams, or to conduct research to achieve “proof of concept” or “reduction to practice” of a specific discovery.

### **Process:**

A faculty member or researcher must collaborate with the technology transfer officer(s) at his/her institution, and each institution must implement a review process to screen faculty proposals.

1. Technology transfer officers at each System institution will evaluate IP disclosed by faculty for its potential to be commercialized through the formation of a startup company.
2. The Responsible University Official or Authorized University Official in the sponsored grant and contract office at the institution will sign and submit a qualifying faculty proposal, approved and signed by the technology transfer officer at the institution, to RTT for competitive review.
3. Submissions must be received by RTT at [rtt@utsystem.edu](mailto:rtt@utsystem.edu) with authorized signatures, electronically in PDF file format using the Non-Confidential TIF Grant Application form, at least six (6) weeks in advance of an IFAB decision deadline in order to be reviewed by IFAB members and assigned TRP members.
4. The IFAB will review and select applications for approval and funding every two months to ensure timely consideration of proposals from System institutions.
5. TRPs selected by RTT will review and assess scientific merit and potential commercial market applications of technologies.
6. RTT Staff will promptly communicate to applicants whether or not the IFAB approves their respective proposals. Grantee institutions must execute a contract with U. T. System and establish an appropriate account to receive the grant funds.
7. Upon receipt of the executed contract, account information, and other documentation as required, RTT will promptly authorize the transfer of approved grant funds to specific institution(s) to be expended in compliance with the terms of the contract, following normal grant administration and compliance procedures.

### **Intellectual Property Ownership:**

The University of Texas System Board of Regents will retain ownership of IP generated from TIF grants.

### **Compliance, Reporting and Performance Assessment:**

RTT will review and assess overall performance of the TIF program on a six-month fiscal year schedule. Grantees are required to submit to RTT, within six (6) weeks following the expiration of their respective TIF Grant, a final report accounting for expenditure of the funds and a final technical report documenting achievement of milestones in compliance with contract terms, as well as evidence of the following metrics:

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### **1. Commercialization activities**

- Licenses executed
- Startup companies formed
- Income generated from royalties, milestones, upfront payments, equity and other instruments.

### **2. Protection of intellectual property**

- Patent, copyright, and trademark applications
- Patents issued
- Copyrights and trademarks registered

### **3. Amount of external funding received**

- Extramural research and other types of grant awards (e.g. SBIR,STTR)
- Angel and venture capital investments
- Texas Emerging Technology Fund (TETF) awards

## **APPLICATION MATERIALS:**

1. A TIF Grant Application form is available in Word document file format. A complete application (maximum length of seven (7) pages) must be submitted to RTT at [rtt@utsystem.edu](mailto:rtt@utsystem.edu) with authorized signatures, electronically in PDF file format.
2. Documentation of business and community contacts must accompany this application.