



Pilot Clean Tech Demonstration Grant Program Frequently Asked Questions (FAQs)

Question 1: Regarding the required documentation for the application, where can I find the attached templates?

Answer: The templates can be found on the program page on the CSIT website at:
<https://www.njeda.com/csit/>

Question 2: Is there a target Technology Readiness Level (TRL)?

Answer: Yes, the proposed project must be between TRL 6 (Prototype system verified-system/process prototype demonstration in an operational environment (beta prototype system level) to TRL 8 (System incorporated in commercial design - actual system/process completed and qualified through test and demonstration (pre-commercial demonstration)).

Question 3: What is the reason for both CRL and TRL scores when only a TRL score is required?

Answer: The TRL calculator tool will indicate both the TRL and CRL score based on the answers provided. Though there are no CRL score requirements for the program, the information will provide context to the commercialization readiness of the innovation.

Question 4: As far as the employee W2 documentation, say the company is currently bootstrapped with no W2 employees (i.e., working for free or evenings/weekends). But under the grant, an employee would be hired full time. Is it acceptable for the W2 documentation to be "N/A"?

Answer: If there are currently no paid employees, the applicant should provide as appropriate a Shareholder Agreement, K-1 or letter indicating the names of the individuals working, hours worked and a note that there is no compensation.

Question 5: Do provisional patents count towards IP?

Answer: Yes, please include information on provisional patents, they will count towards the IP

consideration.

Question 6: Will you send out the slides after the presentation?

Answer: A recording of the webinar and the presentation slides will be uploaded on the CSIT program page at <https://www.njeda.com/csit/>

Question 7: What is the estimated award/project start date?

Answer: We anticipate making awards in Q3 2023.

Question 8: We note that the technical qualification requirements are to have at least two (2) full time employees and Fifty percent or more of the work of its employees, including founders and contractors, is conducted in NJ (calculated on an FTE basis – 35 hrs. per week). Is the requirement at the time of application or time of award?

Answer: The requirement is to have the employee located in NJ at the time of application and throughout the review period.

Question 9: For the company website, we own our domain but are trying to keep details offline while we capitalize the company. Is the existence of the website part of the scoring process?

Answer: No, the existence of a company's website is not considered as part of the scoring process.

Question 10: Can one small business submit two different applications for two different technologies?

Answer: Yes, a company may submit an application for two separate projects and technologies, and each project must separately meet the eligibility requirements for employees.

Question 11: For Fifty percent or more of the work of its employees, including founders and contractors, is conducted in NJ (calculated on an FTE basis – 35 hrs. per week). Is there a prejudice as far as whether that is technical or commercial?

Answer: No, there is no prejudice on whether the work conducted in NJ is technical or commercial.

Question 12: Since funding amount is limited to \$250k, this cannot fund a full-time employee on this project alone for up to 24 months including other project costs. Is the requirement for work done in NJ allowed to be funded by other sources such as federal grants?

Answer: Yes, the work done in NJ can be funded from other sources such as federal grants.

Question 13: What reasonable accommodations do you plan on providing for individuals with intellectual disabilities.

Answer: If an applicant identifies as an individual with a disability, please send an email to csitcleandemo@njeda.com With details and arrangements will be made for accommodation

Question 14: For the Milestones and Budget worksheet; under "External Service" it states Type. What are the Types that are valid to list?

Answer: External services refer to the costs associated with using outside parties or vendors for specific activities under the project. These can include but not limited to (i) expenses associated with demonstration costs done by strategic partners.

Question 15: Does a company need a New Jersey presence to apply for the Pilot Clean Tech Demonstration Grant or can we move there after receiving funding?

Answer: Each Applicant to the Pilot Clean Tech Demonstration Grant Pilot Program must meet the following eligibility criteria at the time of application and throughout the review process.

- Authorized and in good standing to conduct business in New Jersey as evidenced by a current New Jersey tax clearance certificate.
- Have no more than 50 full-time equivalent employees ("FTEs") calculated on a 35-hour work week) at time of application.
- Have a minimum of two (2) Full-time employees
- Fifty percent or more of the work of its employees, including founders and contractors, is conducted in NJ (calculated on an FTE basis – 35 hrs. per week).
- The Pilot Demonstration Project must be conducted in NJ. The Pilot Demonstration Project is defined as the core project posed by the Applicant.
- Company has less than five million dollars (\$5,000,000) in previous calendar year sales revenue.
- The proposed project must be between TRL 6 (Prototype system verified-system/process prototype demonstration in an operational environment (beta prototype system level) to TRL 8 (System incorporated in commercial design - actual system/process completed and qualified through test and demonstration (pre-commercial demonstration)).

Question 16: If a university faculty member is an affiliate of a company, can the company apply for the Pilot Clean Tech Demonstration Grant program?

Answer: An applicant, or any person who controls the applicant, or owns or controls more than 1% of the stock or units of the applicant, an officer or employee of any agency, authority, or other instrumentality of the State of New Jersey is ineligible for this program.

An agency, authority, or other instrumentality of New Jersey includes:

- Any of the principal departments in the Executive Branch of the New Jersey state government, or a division, board, bureau, office, commission or other instrumentality within or created by such a department, or
- An interstate agency to which New Jersey is a party, or
- Any independent New Jersey authority, commission, instrumentality, or agency.
- A state university.

Question 17: Our company has received a sub-awardee from another company that has received a federal grant. Is the amount of subaward of the federal grant to our company excluded from the revenue determination for eligibility for the Pilot Clean Tech Demonstration Grant Program?

Answer: The amount of the federal grant that is a subaward to your company is not included as part of the revenue total for your company.

Question 18: The eligibility requirements state that an applicant must have less than \$5,000,000 in prior year revenue in order to eligible to apply. Our company has slightly more than \$5,000,000 of revenue on an accrued basis and on our federal tax return for the prior year but on a cash basis we have revenue of less than \$5,000,000. Are we eligible to apply?

Answer: The federal tax return is used as the source of revenue verification for the Pilot Clean Tech Demonstration Grant program.

Question 19: Is the two full time employees working 35 hours per week as part of the eligibility requirements also calculated on a full-time equivalent basis as with the requirement for 50% or more of the work of its employees and contractors conducted in NJ (calculated on an FTE basis – 35 hrs. per week).

Answer: No – The full-time employees are not calculated on a full time equivalent/FTE basis.

Question 20: My business is a Delaware C-Corp, and I am not sure how to go about applying. The business is based in NJ and all the employees are based in NJ.

Answer: A company that is located in New Jersey and has all of its employees located in New Jersey is may be eligible to apply for the Pilot Clean Tech Demonstration Grant. The company must be registered to do business in NJ. Please review the Notice of Funding for the required documentation.

Question 21: Our company is still in the process of completing our Minority Ownership Certification. It appears that the certification will not be issued by the submission deadline, but I would like to proceed and submit the application. Please advise.

Answer: If an Applicant has attempted to obtain the missing NJ state documents and has not received them by the extension time, the Applicant may provide correspondence or receipts that demonstrate the attempt to obtain the missing documents to enable the application to be deemed complete for scoring

AG Approved 11/14/2022

purposes only. The required missing documentation MUST be submitted before any recommendation of an award will be made with respect to that Applicant.

Question 22: Is a NJ university license agreement required if our company has not entered into any such agreements to date?

Answer: No – A NJ university license agreement is not required to apply for this Grant.

Question 23: If our company was formed in 2022 and we have not yet paid taxes what documentation should we provide? Also, if we have no paid employees what documentation is required?

Answer: If taxes have not yet been paid for the company please provide a signed letter from the CEO indicating what the level of revenue was in the last year. If there are no paid employees for the company please provide documentation that indicates that the individuals are working without compensation – for example: company formation documents showing shareholders, offer agreements to individuals, K-1, or letter indicating that individuals are working for no cash compensation. Indicate the number of hours worked per week for each individual.

Question 24: Is laboratory RENT of a qualified facility (NJIT Venture Link?) included in the ineligible expense category?

Answer: Rental expenses are considered general overhead expenses under the Pilot Clean Tech Demonstration Grant program and therefore ineligible.

Question 25: I'm a certified disabled owned business enterprise (DOBE), certified by Disability In. Will this designation be recognized like MBE and WBE certifications are?

Answer: At this time, the DOBE certification is not recognized in terms of qualifying for the MBE/WBE bonus points.

Question 26: Will a recording of this webinar be available to review?

Answer: Yes, the webinar recording will be posted on CSIT's website. It will be on the program page for the Pilot Clean Tech Demonstration Grant.

Question 27: Can the team include members who are not working on the project currently but have an agreement with the company to work if funding is approved?

Answer: Team members who are not currently working on the project cannot be counted as employees to qualify for eligibility. They can be a part of the company's team but will NOT be considered on the employee log. All employees noted on the Employee Log must be working at the company at the time of the application and throughout the application review period. You may list new employees that will join if the project is funded on the section on the application that lists project team members.

Question 28: What is the background of those within CSIT that will be reviewing the applications from a Technical and Economic standpoint? Who is our audience? This could affect how we

frame the answers to the Application Questions.

Answer: Subject matter experts will be used as part of the evaluation process to provide technical input into the innovation. CSIT and NJEDA staff scoring the applications, do have necessary technical and economic skills.

Question 29: Are Catalyst grant applicants eligible for Pilot Clean Tech Demonstration Grant program?

Answer: CSIT Catalyst Seed grant applicants can only propose non-clean tech projects. Pilot Clean Tech Demonstration Grant applicants can only propose Clean tech/clean energy projects.

Question 30: Is 35 person-hour per week the minimum required for the program?

Answer: In order to be eligible for the Pilot Clean Tech Demonstration Grant program, applicants must meet the below eligibility criteria at the time of application and throughout the review period:

- Authorized and in good standing to conduct business in New Jersey as evidenced by a current New Jersey tax clearance certificate.
- Have no more than 50 full-time equivalent employees ("FTEs") calculated on a 35-hour work week) at time of application.
- Have a minimum of two (2) Full-time employees
- Fifty percent or more of the work of its employees, including founders and contractors, is conducted in NJ (calculated on an FTE basis – 35 hrs. per week).
- The Pilot Demonstration Project must be conducted in NJ. The Pilot Demonstration Project is defined as the core project posed by the Applicant.
- Company has less than five million dollars (\$5,000,000) in previous calendar year sales revenue.
- The proposed project must be between TRL 6 (Prototype system verified-system/process prototype demonstration in an operational environment (beta prototype system level) to TRL 8 (System incorporated in commercial design - actual system/process completed and qualified through test and demonstration (pre-commercial demonstration).

Question 31: How does a worker's current full time primary employment affect the requirement that the worker devote at least 50% of their time to the proposed application project?

Answer: If an employee is noted on the log, to be working at the company and dedicating hours on the project; documentation of proof of the hours spent working on the project must be provided.

Question 32: Does the current company structure have to include paid employees? (Can employees currently work for zero wages?)

Answer: No, founders/CEOs that are dedicating time on the project but not taking compensation can be counted as employees. Please note that documentation proof will have to be provided to

show that they have equity in the company and are dedicating time working on the project.

Question 33: If the founder is presently working full-time, but retires from primary employment prior to start of proposed project execution, can founder then take over fulfillment of the $\geq 50\%$ of time requirement?

Answer: The eligibility criteria for the program must be met at the time of application and through the review period.

Question 34: Do the eligibility requirements have to be met from opening of application window or from final accepted submittal of completed application?

Answer: Refer to Question 33.

Question 35: Does the 30-minute virtual presentation have to avoid any material not given in the application? (For example, there are no options for visuals in the application. Would it be extraneous additional information to include explanatory photos and/or video in the presentation?)

Answer: Instructions for the virtual presentation including structure of presentation will be provided at a later date after CSIT reviews all submitted applications.

Question 36: In addition how much of the budget proposed for the project may be spent on other expenses?

Answer: No more than 10% of the budget proposed for the Project, in the aggregate, may be spent on:

- IP patent prosecution and licensing-related expenses

Question 37: How are Funds Disbursed?

Answer: Funds will be dispersed to selected grantees on a milestone basis. Each milestone will have deliverables, which must be submitted and approved by CSIT before receiving the funding for that specific milestone.

Sixty percent (60%) of the approved Project budget request will be disbursed upon execution of the Grant Agreement following the award.

Additional Disbursement:

12-months

- Thirty percent (30%) will be disbursed based on completed interim milestones stated in the proposal with an approved interim Project Completion report.

24-months

- Final ten percent (10%) of the budget will be disbursed upon completion of the First Economic Impact and Final Project Completion report. approved Project

Completion report to CSI

Question 38: When are the pre-application and full-application Portal open?

Answer: It is anticipated that pre-application will be available on Monday, December 5th, 2022 at 10AM EST to Friday, December 30th 2022 at 5PM EST.

It is anticipated that full application will be available on Monday, December 12th, 2022 at 10AM EST to Friday, February 3rd 2023 at 5PM EST. These dates are subject to change and will be posted on the CSIT webpage at: [website].

Question 39: When is the CSIT Webinar being held?

Answer: The webinar will be hosted during the week of November 30th, 2022 and will be posted on the CSIT's webpage. For more details about webinar and other details, visit www.njeda.com/csit.

Question 40: When are submitted applications reviewed for document and completeness and compliance?

Answer: Submitted applications are reviewed for document and completeness and compliance on rolling basis. Following the completeness review, applicants with missing documentation will receive an email notification from CSIT to submit or re-submit any missing or incomplete required documentation by 5PM. on the 10th business day following the day on which it receives such notification (Extension Time).

Question 41: Where should applicants submit missing documents electronically?

Answer: Applicant's should submit missing documentation electronically to csitcleantechdemo@njeda.com with the email subject line "Pilot Clean Tech Demonstration Grant Program-Missing Documentation Submission- [Company Name]".

Question 42: What is the minimum score to be considered for an award?

Answer: the application must receive an aggregate minimum score of 30 points on Innovation, Market opportunity, Feasibility, and Economic & Environmental Impact.

