

# COVID-19 PENNSYLVANIA DISCOVERIES: RESPONDING TO SARS-COV-2 THROUGH INNOVATION & COMMERCIALIZATION

Program Guidelines | October 2020



# Table of Contents

---

<b>Section I – Statement of Purpose</b>	<b>1</b>
<b>Section II – Background</b>	<b>1</b>
<b>Section III – Eligibility and Requirements</b>	<b>1</b>
A. Grant Amount	1
B. Eligible Applicants	1
C. Match Requirement	1
<b>Section IV – General Program Requirements</b>	<b>2</b>
A. Eligible Expenditures	2
B. Ineligible Uses of Funds	2
C. Compliance Requirements	2
<b>Section V – Other Requirements</b>	<b>3</b>
A. Conflict of Interest Provision	3
B. Nondiscrimination	3
C. Program Records	3
D. Financial Audit	3
<b>Section VI – Application Process</b>	<b>4</b>
A. Application Evaluation	5
B. Procedure for Accessing Funds	5
<b>Section VII – Program Inquiries</b>	<b>5</b>

## **Section I – Statement of Purpose**

---

The Act of May 29, 2020 (Act 2A of 2020), known as the COVID-19 Emergency Supplement to the General Appropriation Act of 2019, appropriated \$10,000,000 from the COVID-19 Response Restricted Account to the Department of Health. Through a Notice of Subgrant, the Department of Community and Economic Development will administer this program through its Office of Technology & Innovation for the rapid advancement of vaccines, treatments & therapies by qualified biotech in response to SARS-CoV-2 (COVID-19).

## **Section II – Background**

---

The Coronavirus Aid, Relief, and Economic Security (CARES) Act was signed into law on March 27, 2020. The \$2 trillion economic relief package aims to protect the American people from the public health and economic impacts of COVID-19. The CARES Act provides economic assistance for local governments and American workers, families, and small businesses.

Pennsylvania has long been a world leader in the development of groundbreaking science and the advancement of new, life-sustaining technologies. In response to the devastating effects of COVID-19, the Pennsylvania Department of Community & Economic Development (DCED) – in conjunction with the Pennsylvania Department of Health (DOH) – is seeking to support the rapid advancement of safe, effective and commercially available vaccines, treatments and therapeutics to respond to this novel and deadly coronavirus.

## **Section III – Eligibility and Requirements**

---

### **A. Grant Amount**

Funding under this program is \$10,000,000. No single grant award shall exceed \$1,000,000.

### **B. Eligible Applicants**

DCED will accept proposals from the following Pennsylvania-based organizations who demonstrate both financial need as well as a well-defined pathway to the accelerated commercialization of a new vaccine, treatment or therapy in direct response to the fight against COVID-19.

- Colleges & Universities
- For-profit companies
- Academic Medical Centers
- Non-profit research institutions
- Economic development organizations

### **C. Match Requirement**

A \$1:\$1 match is required for this program. Match may include cash, in-kind, local, state, federal or private/foundation funding, company match.

## **Section IV – General Program Requirements**

---

### **A. Eligible Expenditures**

Eligible expenditures must have been incurred during the period from March 1, 2020, through November 30, 2020. Funds not expended on or before November 30, 2020 must be returned to the Department of Community & Economic Development.

Funds shall be used to accelerate the advancement of safe, effective and commercially available vaccines, treatments and therapeutics that have a direct correlation to COVID-19. Examples of such funding uses include, but are not limited to, the following:

- Purchase or lease of specialized equipment and advanced instrumentation to be used for COVID-19 related research and commercialization efforts
- Investment in facilities and research infrastructure in new and/or updated laboratory space
- Reasonable expenses affiliated with licensing, clinical trials and/or other regulatory requirements required to bring a product(s) to market
- Seed grants to Pennsylvania-based biotech companies
- Professional services.
- Personnel costs for directly related research activities not to exceed 50% of requested funds. Unrecovered personnel costs may be used as match.
- Administrative fees allowable up to 10% (includes indirect expenses and fees associated with an audit)

### **B. Ineligible Uses of Funds**

Funds may not be used for the following:

1. Costs unrelated to an approved proposal, including indirect administrative expenses such as utilities, and/or professional services such as property maintenance.
2. Lobbying services or fines or reparations resulting from lawsuits, citations, or regulatory actions.
3. Foreign travel.
4. Costs incurred outside of the activity period identified in the formal contract between DCED and the applicant.

### **C. Compliance Requirements**

Fund payments are subject to the following requirements in the Uniform Guidance (2 C.F.R. Part 200): 2 C.F.R. § 200.303 regarding internal controls, 2 C.F.R. §§ 200.330 through 200.332 regarding subrecipient monitoring and management, and subpart F regarding audit requirements.

## **Section V – Other Requirements**

---

### **A. Conflict of Interest Provision**

An officer, director, member, or employee of an applicant who is a party to or has a private interest in a project shall disclose the nature and extent of the interest to the governing body of the applicant and may neither vote on action of the applicant concerning the project nor participate in the deliberations of the applicant concerning the project. Additionally, the applicant's board members and directors must complete an annual financial disclosure statement.

### **B. Nondiscrimination**

No assistance shall be awarded to an applicant under this program unless the applicant certifies to DCED that they will not discriminate against any employee or against any person seeking employment by reason of race, gender, creed, color, sexual orientation, gender identity or expression, or in violation of the Pennsylvania Human Relations Act, which prohibits discrimination on the basis of race, color, religious creed, ancestry, age, sex, national origin, handicap or disability, or in violation of any applicable local, state, or federal laws. All contracts for work to be paid with program assistance must contain the commonwealth's official nondiscrimination clause.

### **C. Program Records**

The applicant must maintain full and accurate records with respect to the activities and must ensure adequate control over related parties in the project. DCED requires access to such records, as well as the ability to inspect all work, invoices, materials, and other relevant records at reasonable times and places. Upon request of DCED, the applicant must furnish all data, reports, contracts, documents, and other information relevant to the project.

### **D. Financial Audit**

#### **Audit Guidelines for Federally Funded Contracts exceeding \$750,000**

A Recipient or Sub-Recipient that expends \$750,000 or more in federal awards during its fiscal year is required to provide the appropriate single or Program-Specific Audit in accordance with the provisions outlined in 2 CFR § 200.501.

## Section VI – Application Process

---

Applications must be received no later than July 24, 2020 and submitted to DCED via e-mail to jeleinbach@pa.gov as outlined below.

**Part A. Project Narrative.** The application shall be no more than 15 pages (one sided), double spaced, Times New Roman 12. The application shall describe a scope of work that does not exceed a nine-month project period and must include the following items:

- A. Cover Sheet listing applicant, main contact with full contact information, project title, funds requested and applicant’s state house and senate members and their respective district numbers.
- B. Table of Contents.
- C. Executive Summary identifying the project and its projected outcomes and impacts (no more than one page).
- D. Detailed description of the proposed project.
- E. Detailed description of the role of each applicant or partner applicants.
- F. Outline of the major milestones and anticipated completion dates (The use of a Gantt Chart or similar format is preferred but not mandatory).
- G. Proposed performance metrics, targets, and anticipated outcomes of both qualitative and quantitative terms to evaluate success of proposed projects.

**Part B. Appendices.** The following information shall be submitted with the proposal, marked “Appendices” and shall not be included as part of the 15-page limit.

**Appendix A. Budget and Budget Narrative.** The budget narrative must describe and discuss each budget line item over the entire project period reflecting the requested funds along with any leveraged funds allocated to the project. Budget line-items should include materials and supplies, laboratory and test fees, professional services, equipment, seed grants, and administrative costs (up to 10%) that include audit.

**Appendix B. Financial Need.** Financial need shall be demonstrated and must state whether or not the project can proceed without the investment of these funds. To further demonstrate the need for these funds, applicant is encouraged to identify what steps it has taken to secure other sources of funding.

**Appendix C. Personnel/Staffing Plan.** A personnel/staffing plan must be submitted for each applicant and partner applicant. Applicants must submit a personnel plan listing all positions that will be charged to the budget for the nine-month project period. The personnel plan must include the names, position titles, salaries and the percentage of time dedicated to the project. Personnel costs for directly related research activities may not exceed 50% of requested funds. Unrecovered personnel costs may be used as match.

**Appendix D. Match Commitment Letters** (one page each). Each letter should include a short description of the individual or entity providing the match, the nature of the match, and documentation identifying that the match can be used for purposes of this proposal. Match must be used within the contract period.

**Appendix E. Project Support Commitment Letters.** Letters pledging support to the proposed project (one page each). Letters shall be directed to Secretary Dennis Davin, Department of Community & Economic Development, 400 North Street, Harrisburg PA 17120-0225.

**Announcement of Awards:** If an application is approved for funding, a commitment letter will be issued to the applicant with instructions on how to submit an electronic on-line Single Application for Assistance.

Following the execution of a grant agreement, funds will be disbursed to grantees based on the approved budget.

## **A. Application Evaluation**

Applications will be reviewed and evaluated based on the information provided in the application, any subsequent information submitted to the department, as well as the Applicant's ability to demonstrate its role in the development of a vaccine, treatment and/or therapy.

## **B. Procedure for Accessing Funds**

Following acceptance of the application, a grant agreement will be sent to the applicant for execution. Upon execution, the agreement must be returned to the DCED. All grant funds must be expended by November 30, 2020.

# **Section VII – Program Inquiries**

---

Program inquiries may be directed to any one of the following:

Department of Community & Economic Development Customer Service Center  
Commonwealth Keystone Building  
400 North Street, 4th Floor  
Harrisburg PA 17120-0225

Telephone: 888-223-6837 or 717-787-8158

Sheri R. Collins  
Sr. Director  
Office of Corporate Relations  
717-720-1396  
Email: shcollins@pa.gov

Jennifer T. Leinbach  
Executive Director  
Office of Technology & Innovation  
717-720-7388  
Email: jeleinbach@pa.gov