



## **Missouri Technology Corporation**

# **Regional Node Grant Program Guidelines**

**2024**

**Timeline:**

Application Period Open - Thursday, March 21, 2024

Final Submission Deadline - Wednesday, April 24, 2024

Presentation to Investment Committee - Late June 2024

Award Notifications - Early August 2024

## 1. Introduction and General Information

### 1.1. About the Missouri Technology Corporation

The Missouri Technology Corporation ("MTC") is a public-private partnership created by the Missouri General Assembly to promote entrepreneurship and foster the growth of new and emerging high-tech companies. The MTC is governed by a 15-member board of directors, which is appointed by Missouri's Governor, Speaker of the Missouri House, and President Pro Tem of the Missouri Senate. The President of the University of Missouri System and the Director of the Department of Economic Development are *ex officio* members of the board.

### 1.2. Submission of Proposals

Proposals must be submitted no later than **11:59 p.m. CDT on Wednesday, April 24, 2024**, to be considered. Late proposals will not be accepted. It is the responsibility of the applicant to ensure that MTC receives all required materials by the deadline. Final Grant Narratives should be submitted by completing the application in Google Forms (direct link below) and submitting all required supporting documents. Submissions that do not include all aspects of the proposal requirements as outlined in Section 3 may not be considered for funding at MTC's discretion.

[Direct Link to online application](#)

Note: Key names used throughout this document and in the application are as follows:

- Applicant Organization (fiscal agent)
- Core/Primary Node Members (financial beneficiaries)
- Node Participants/Affiliates (non-financial beneficiaries)

## 2. Program Description

### 2.1. Program Overview

In February of 2022, MTC released a report from TEconomy Partners, LLC ("TEconomy") entitled Catalyzing Innovation: Strategies for Missouri to Drive Innovation and Entrepreneurship (the "[Catalyzing Innovation Report](#)"). The report was informed by a robust, six-month planning process with guidance from a 16-member, statewide steering committee and from over 500 individuals across the state.

Based on a data-driven analysis of the insights collected, TEconomy identified five bold and compelling strategies and 16 action items to catalyze the state's innovation and entrepreneurship ecosystems to drive economic development over the next decade.

These strategies are:

- **Strategy One: Fund** – Deploy greater levels of investment capital to help meet the demands of the growing entrepreneurial base.
- **Strategy Two: Grow and Scale** – Increase access to quality entrepreneurial support services throughout Missouri to ensure companies can grow and scale.
- **Strategy Three: Launch and Cultivate** – Take advantage of Missouri's research strengths by converting intellectual assets into market opportunities.
- **Strategy Four: Inspire** – Encourage more Missourians to participate in innovation and entrepreneurship.
- **Strategy Five: Connect** – Overcome physical and cultural barriers to better connect Missouri's communities with each other and with the world.

Since the release of the Catalyzing Innovation report, MTC has been focused on the development of new competitive grant programs designed to enhance entrepreneurial capacity throughout the state. Specifically, MTC is establishing grant programs designed to support (a) entrepreneurs' access to affordable physical workspaces across the state, (b) the development of regional nodes across the state to allow entrepreneurs direct access to resources in their regions, and (c) the continued growth of programs and organizations designed to provide resources critical to the success of the state's entrepreneurs.

To support the second goal of the development of regional nodes across the state to allow entrepreneurs direct access to resources in their regions, MTC launched a Regional Node Planning Grant Program in the summer of 2023. The Regional Node Grant Program is intended to provide funds for the implementation or execution of each region's strategy for the establishment or continued operations of regional entrepreneurial nodes. Recipients of a Regional Node Grant are not required to have applied for or been awarded a Regional Node Planning Grant.

## 2.2. Goals and Objectives

MTC is seeking to award grant-based financial support for the creation of regional "nodes" which are intended to incentivize more of Missouri's communities to successfully coalesce their assets in support of innovation and entrepreneurship through coordinated partnerships among entrepreneurial service organizations within the node. A successful node will serve as a front door for the regional entrepreneurial community, allowing entrepreneurs to more easily access the resources they need to launch or grow their businesses, thereby expanding the state's entrepreneurial capacity.

As a result of having access to quality support and services, regardless of location and company stage, regional nodes are intended to not only maximize the number of

technology-based, high-growth potential startups but also encourage growth and scale within the state. In addition, regions will be able to use the grant-based funding to support all of their entrepreneurs and businesses, regardless of industry sector or business stage.

Regional nodes strive to create an inclusive atmosphere where member organizations can collaborate beyond their individual capabilities. Partnerships formed through the regional nodes will spur economic development and growth in the region.

MTC expects Applicant Organizations to use the grant-based funding to either support the operations of an existing regional node or to launch a new regional node to support innovation and entrepreneurship.

### **2.3. Intended Use of Funds**

Regional nodes are intended to be “front doors” offering direct and unencumbered access for current and aspiring entrepreneurs to access regional resources offered by the node members. Grant funding should be used to develop the node’s infrastructure and operations, including but not limited to funding for a portion of the salaries of the node’s leadership team and direct node staff members, marketing costs to promote awareness of the node and its partner organizations, and investment in tools such as software to improve digital access to entrepreneurial resources and service providers in the region.

The Regional Node Grant Program is not intended to provide financial support for any of the node member organization’s programmatic activities. Organizations interested in seeking funding for programmatic activities aimed to expand entrepreneurial capacity are encouraged to submit proposals for MTC’s [MOBEC Grant Program](#).

### **2.4. Eligibility & Applicant Requirements**

The Regional Node Grant requires one entity to be designated as the primary applicant and fiscal agent (referred to as the Applicant Organization). MTC will communicate directly with the Applicant Organization throughout the application process and active grant period. The Application Organization will enter into the grant agreement with MTC and receive the grant funding. The Applicant Organization must either be a non-profit entrepreneurial support organization or a public or private non-profit Missouri research institution, including institutions of higher education.

Each grant proposal submitted for consideration is required to identify at least three partner organizations, which may include the Applicant Organization (referred to as primary node members). The node members should be categorized as follows: Applicant

Organization (fiscal agent), core/primary node members (financial beneficiaries), and node participants/affiliates (non-financial beneficiaries). The primary node members are required to be actively engaged in the proposed activities of the regional node and submit letters of commitment. Primary node members are not required to be non-profit organizations or public or private non-profit Missouri research institutions. Applicant Organizations must clearly identify in both the application and grant proposal any partner organizations that will be receiving a portion of the grant funding.

As noted above, Applicant Organizations that did not receive a Regional Node Planning Grant are eligible to apply for the Regional Node Grant Program. Applicants that applied for funding under the Regional Node Planning Grant Program may submit an application with different partner organizations.

MTC will prioritize Applicant Organizations that serve contiguous regions (*i.e.*, counties served should be adjacent) and have minimal overlap (both geographically and in terms of primary node members) with other Applicant Organizations. As a reference, a map of the counties included in awarded Regional Node Planning Grants is included in Appendix A. As primary node members are obligated to provide commitment letters, MTC expects that organizations focused on specific regions will not be involved in multiple nodes as primary members.

If MTC receives applications from multiple Applicant Organizations indicating that their node regions cover the same geographic territory, MTC may require such Applicant Organizations to revise their application materials to reduce or eliminate duplicative coverage.

Applicant Organizations awarded grant funding will be required to submit the following corporate governance documents prior to the execution of the grant agreement:

- A State of Missouri certificate of good standing for the Applicant Organization;
- A certificate of authority for the Applicant Organization to conduct business in the State of Missouri (applicable for non-Missouri corporate entities); and
- A current Missouri tax clearance certification.

Each of the certifications identified above must be dated within 30 days of the effective date of the grant agreement.

## **2.5. Term of the Program**

The grant period (2 years) commences on September 1, 2024 and terminates on August 31, 2026. All grant activities must be completed prior to August 31, 2026, and applications must include specific timing for the expenditure of the grant funds.

## 2.6. Budget Restrictions

The request for financial support should be specific and narrowly tailored to the plan outlined in the application submitted to MTC and reflect the actual funding needs of the Applicant Organization for the development of the node.

The maximum grant award amounts as determined based on the size and complexity of the region the node will represent are outlined below:

Population Node Represents	Maximum Grant Award
200,000 or less	\$100,000
200,000 - 500,000	\$150,000
500,000 – 1,000,000	\$200,000
1,000,000 or more	\$250,000

**Applicant Organizations must demonstrate an actual, conditional, or anticipated third-party cost-sharing commitment to match the requested MTC grant funding that equals at least the amount requested in the application.** Applications may propose to satisfy a portion of the cost-sharing requirement through in-kind cost-support, but in-kind matching funds generally will be evaluated less favorably.

**Proposed budget requests for indirect cost reimbursement must limit the indirect cost recovery allocation to no more than 5% of the total amount of funding requested.**

MTC intends to prioritize applications that utilize grant funding for permissible direct expenditures without reimbursement for indirect costs. No indirect costs to support the general activities of the Applicant Organization may be reimbursed with grant funds.

## 3. Proposal Submission Requirements

### 3.1. General Proposal Requirements

- (i) Each Applicant Organization must complete the Grant Application and submit a digital copy (PDF) of the Grant Proposal and the required supporting documents by the submission deadline. Hard copy submissions or submissions received after the submission deadline will not be considered. A link to the Grant Application can be found on [MTC's website](#).
- (ii) All Grant Proposals must include the subject matter outlined below in Section 3.2.

- (iii) Any information included in the proposal that an Applicant Organization wishes to request to be treated as confidential during the evaluation process should be clearly marked as confidential. All proposals submitted will become public records once the awarding process is completed.

## 3.2. Proposal Form and Content

### 3.2.1. Cover Letter

The cover letter should include the name and contact information of the Applicant Organization, the amount of funding being requested, a brief overview of the Applicant Organization, identification of the region the node will serve, and a summary of the impact and associated outcomes of the grant. The cover letter may not exceed one page in length and should be included in the Grant Proposal, but is not included in the 15-page Grant Proposal limit.

### 3.2.2. Grant Proposal

Each proposal should include sections that clearly and concisely address the topics below and should not exceed fifteen (15) pages. Please clearly label each section with the title in parentheses. Applications without a Grant Proposal will not be considered.

- (i) Abstract. A brief summary or overview of the entire grant proposal, including clearly identifying the region the node will serve.
- (ii) Node Leadership Team. A description of the node's intended leadership team, comprising individuals from both the Applicant Organization and collaborating partner organizations. This segment must distinctly specify the organization each member of the leadership team represents.
- (iii) Node Members. An overview of the node members including the Applicant Organization, highlighting their entrepreneurial programs and efforts, historical successes, and economic development impact on the region. This section should also identify the role that each partner organization will have in developing and managing the regional node and identify why the Applicant Organization is the primary applicant organization/fiscal agent.
  - a. Indicate which regional node members will be core/primary node members (financial beneficiaries) and node participants/affiliates (non-financial beneficiaries).
- (iv) Planning Grant Activities. For Applicant Organizations awarded a Regional Node Planning Grant, an overview of the strategy planning process along with activities funded through the grant.
- (v) Regional Ecosystem. An overview of the regional entrepreneurial ecosystem that the node will serve, including a general assessment of regional strengths, weaknesses, opportunities, and threats.

- (vi) Node Activities. A detailed description of the proposed activities of the regional entrepreneurial node. Including an explanation of how the node will strengthen partnerships and eliminate silos across institutions and service providers that operate within the entrepreneurial ecosystem.
- (vii) Critical Milestones. A description of any milestones that the Applicant Organization proposes applicable to the MTC and matching funding.
- (viii) Impact. A description of the economic development impact and anticipated outcomes resulting from the successful launch of a regional node.
- (ix) Program Budget. A brief narrative outlining the specific use of funds, as well as details regarding the source and status of matching funds specified in the Program Budget Form.
- (x) Future Finance Strategy. A description of the Applicant Organization's funding plan to sustain the regional node after the MTC and matching funds are exhausted.

### **3.2.3. Program Budget**

Complete a proposed budget using the Program Budget Form that is available on the [MTC website](#). The Program Budget Form should include the source and status of all matching funds and provide an itemized summary/overview of the planned expenses for each budget category. Note, that a brief narrative describing the specific use of funds and the source and status of the matching funds included on the Program Budget Form must be included in the Grant Proposal (Section 3.2.2.ix).

The Program Budget Form should be included in the Grant Proposal as Appendix 1 but is not included in the 15-page proposal limit.

**Grant Proposals must utilize the designated Project Budget Form.** Applicant Organizations are advised against altering the Project Budget Form or adjusting page settings when converting it to a PDF.

### **3.2.4. Summary of Projected Economic Impact**

Summarize the projected economic impact for the regional entrepreneurial node to be funded using the Summary of Projected Economic Impact Form that is available on the [MTC website](#). The form requires a detailed description of the assumptions and methodology used to project the economic impact.

The Summary of Projected Economic Impact Form should be included in the Grant Proposal as Appendix 2 but is not included in the 15-page proposal limit.

Grant Proposals are required to utilize the provided Summary of Projected Economic Impact Form. Please do not create a new form.



### 3.2.5. Affirmation and Signature Page

The Affirmation and Signature Page Form is available on the MTC website at [www.missouritechnology.com](http://www.missouritechnology.com).

The Affirmation and Signature Page should be included in the Grant Proposal as Appendix 3 but is not included in the 15-page proposal limit.

### 3.2.6. Required Supporting Documents

#### Governance and Organization Supporting Documents

- Attach copies of the following for the Applicant Organization:
  - Articles of incorporation
  - Organizational chart \*
  - List of officers, directors, and management team \*
  - List of advisory board members \*
  - List of organizations of any corporate type that own in whole or in part the Applicant Organization \*
  - List of organizations of any corporate type that the Applicant Organization owns in whole or in part \*

\* Documents may be submitted as a single combined PDF file or up to five (5) individual files.

#### Financial Related Supporting Documents

- Attach financial statements for the three most recently completed fiscal years of the Applicant Organization.
- Attach the most recent balance statement and profit & loss statement for the Applicant Organization at the time this application is submitted.
- Attach pro forma financial projections for the Applicant Organization for at least a three-year period.

Note, Applicant Organizations that are applying as a private or public university, or as part of a larger organization, are required to submit the requested financial documents, including pro forma, for the program seeking funding. Without the financials for the program seeking financial support, the grant proposal cannot achieve a maximum score in the Finance Plan and Sustainability scoring categories.

Example 1. An Innovation Center or an entrepreneur support organization directly associated with a university should submit the

requested financial documents for the Innovation Center or entrepreneurial support organization and not for the university.

Example 2. An entrepreneurial support organization that is part of a larger national entrepreneurial support organization should submit the requested financial documents for the programs in Missouri and not for the national organization.

#### **Letters of Commitment**

- Each grant proposal submitted for consideration is required to include at least three partner organizations (including the Applicant Organization) that will be required to engage in the activities of the regional node. Partner organizations are required to submit letters of commitment in the application.

#### **3.2.7. Additional Supporting Documents**

The Applicant is encouraged to include additional supporting documents, including but not limited to letters of support for collaborators or commitment letters from the source of any matching funds.

The documents described in Sections 3.2.1 through 3.2.5 should be combined into a single file and uploaded as a PDF. Supporting documents described in Sections 3.2.6 and 3.2.7 should be uploaded as individual files - preferably in PDF format.

**All files submitted should be named using the following naming convention - OrgName\_documenttitle i.e., MTC articlesofincorporation.**

#### **4. Evaluation Criteria**

Grant Proposals submitted by eligible Applicant Organizations will be evaluated based upon the five criteria outlined below:

- **Alignment with Goals and Objectives:** Proposals will be assessed on the relative strength of how the Applicant Organization and Node Members will coalesce regional assets to best support innovation and entrepreneurship within the region served. The assigned score will reflect the coordinated effort to collaboratively develop and launch a node that will eliminate silos, creating a node where the sum of the partners is greater than the individual parts. Proposals will also be evaluated based on alignment with the strategies included in

the [Catalyzing Innovation report](#) and the ability to support the launch and growth of technology-based high-growth potential startups.

- **Grant Proposal:** Grant Proposals will be assessed on the relative strength of the Applicant Organization's proposal. The assigned score will reflect the proposal's feasibility and clarity, including the underlying logical and factual support.
- **Applicant Experience:** Grant Proposals will be assessed on the relative strength of the Applicant Organization and Node Members' experience and prior success, including the proposed leadership team of the node. The assigned score will reflect the strength of the team's experience and ability to achieve the outcomes described in the Grant Proposal.
- **Impact:** Grant Proposals will be assessed on the relative strength of the Applicant Organization's anticipated impact and associated outcomes from receiving a Regional Node Grant. The assigned score will reflect the potential for economic impact relative to the region in which it is located, the likelihood of the Applicant Organization achieving the projected economic impact within the context of the submitted proposal, and an assessment of the rationale and methodology used to project the economic impact.
- **Finance Plan:** Grant proposals will be assessed on the relative strength of the Applicant Organization's finance plan. The assigned score will reflect the nature of the matching funds (secured, committed, cash vs. in kind), how the funds will be utilized, the appropriateness of the budget in relation to the proposed activities, and the feasibility of the financial plan. Matching funds are assessed by MTC based on their capacity to be independently verified in their support for the project or organization. The competitiveness of matching sources is typically evaluated on the following scale:
  - Highly competitive: This refers to funds that are secured from local, regional, or federal partners/organizations specifically for the operations of the regional node.
  - Competitive: This category includes cash on hand, programmatic revenue, and non-programmatic revenue.
  - Least competitive: This refers to in-kind funds received from either a first or third-party source.

## 5. Reporting

If awarded funding through the Regional Node Grant Program, bi-annual reports will be required – a six-month report covering September 1 through February 28, due by March 31, and a six-month report covering March 1 through August 31, due by September 30. Forms providing structure for these reports will be provided once the grant is awarded.

Additionally, annual economic development reporting will be required once a year beginning in the summer of 2025 (FY25 Annual Reporting) and required for 3 years after the grant period ends.

## 6. Additional Notes

In order to submit an online application, you will need to have a Google account. Anyone with a Gmail email address has a Google account. However, you do not need a Gmail email address to have a Google account. If you do not have a Google account, you can create one with your existing non-Gmail email address.

Questions related to the Regional Node Grant Program, including eligibility or online application issues, should be directed to Nate Marschalk ([nate.marschalk@missouritechnology.com](mailto:nate.marschalk@missouritechnology.com)).

Awards authorized by MTC are contingent upon the Applicant Organization entering into a binding contractual agreement with MTC. The binding contract will require that the MTC be given appropriate oversight of its award.

## Appendix A: Counties Included in Awarded Regional Node Planning Grants

