

# University of South Florida Research Foundation

## Seed Capital Accelerator Program

### Process Guidelines

#### **Overview:**

As an integral part of the research commercialization efforts of the University of South Florida (USF) Research & Innovation, the University of South Florida Research Foundation Seed Capital Accelerator Program (Seed Accelerator) provides early stage loan funding to selected startup ventures based on USF technologies. These companies are participating in the Tampa Bay Technology Incubator program (TBTI) as clients or are expected to become clients of the TBTI upon receipt of Seed Accelerator program funding. These companies have also agreed to provide experiential learning, internship, and employment opportunities for USF students when possible.

The Seed Capital Accelerator Committee (Committee) of the University of South Florida Research Foundation (USFRF) was expressly created to evaluate and approve these ventures for seed investment. The Program provides up to \$50,000 of loan funding to enable start-ups to quickly improve the odds of overcoming immediate obstacles to commercialization that would provide a measurable outcome and return on investment (ROI) in the near term.

The value of the Committee members' participation is to leverage relevant expertise to assess the applicant firm's commercialization potential, capability for business development, and to consider opportunities for expanded engagement with USF programs and services. The Committee is a special committee of the USF Research Foundation Board of Directors and will make the final award decision, including the amount and timing of funding offered. The participation and perspective of the Committee, TBTI, and the Technology Transfer Office Patents & Licensing (TTO) is particularly important due to the expected long-term relationships created between the applicant firm, USF, and USFRF.

## **Application and Review Process Steps:**

- Initial candidate meeting with the TTO Licensing Manager (LM) to review application process. A template of the loan agreement and convertible note will be provided to the candidate upon receipt of application. The terms of the agreements are non-negotiable.
- Submission of completed application to TTO Director for initial review.
- Application is reviewed for completeness and threshold criteria. Credit check and criminal background check performed at this time.
- TTO will work with TBTI to collect information relevant to the Committee's review.
- Upon staff recommendation, based on completeness of the application and threshold criteria being met, applications will be recommended for company presentation to the Committee. USFRF, at its discretion, may determine not to forward candidates for presentation based on their credit or background check.
- Presentation documents must be provided to the TTO in advance and a preliminary presentation to staff will be conducted with feedback provided.
- Presentation will be scheduled and materials provided to Committee.
- Committee will vote on funding decision. Committee decisions will be provided to applicants.

## **Company Presentations:**

Candidates for funding from the Seed Accelerator must make a presentation on their company and the funding opportunity to the Committee. These presentation meetings will be scheduled in person or telephonically with estimated time allotments as follows:

- Company presentation 10 minutes
- Questions on presentation and technology 10 minutes

Discussion about the candidates' merits can continue as time allows after all presentations are completed.

## **Decision Process:**

The Committee will take into consideration input from Committee members attending the presentations, any caveats or concerns expressed by Committee members, as well as the presence of institutional, program, or other substantial factors presented by TBTI or the TTO. The final award decision will be made by the Committee and any conditions on approval or additional information being sought or required will be documented at this time.

## **Notification and Acceptance:**

Candidates awarded funding from the Seed Accelerator will be notified of their status. The award letter will include the following information:

- Congratulatory statement
- Statement of award amount
- Conditions, including required diligence documents [such as TBTI membership, and the completion of the loan agreement and convertible note(s)].
- Contact person for next steps and documentation.
- Stated time deadline for acceptance of award and completion of funding documentation (~ 60 days from date of award letter).

Arrangements with candidate to proceed to agreement closing will be finalized pending diligence acceptance and execution of required documents. Unless unusual conditions exist, all steps and agreements should be completed within the timeframe given in the award letter. Under certain circumstances, the closing may be postponed for up to six months by approval of the USFRF President. Failure to make payments due under the license agreement, for security deposits, rent, program dues, etc. can be grounds for rejection from the Seed Accelerator and the TBTI.