

REQUEST FOR PROPOSALS (RFP)

RFP Number: DEVTEC007

The Ohio Department of Development, Office of Technology Investments, is requesting proposals for:

Contractor Services for Ohio Third Frontier's Open Innovation Incentive (OII) Program

RFP Issued: February 24, 2012
Inquiry Period Begins: February 24, 2012
Inquiry Period Ends: March 16, 2012
Proposals Due: March 20, 2012 at 2:00PM

Submit Proposals by email to:

Nathaniel Trombley, Agency Procurement Officer
Ohio Department of Development
Budget & Finance Office
Procurement@development.ohio.gov
(614) 466-5626

This RFP consists of five (5) parts and three (3) attachments, totaling forty-five (45) consecutively numbered pages. Please verify that you have a complete copy.

Please submit all inquiries about this RFP through the State Procurement web site at www.ohio.gov/procure. Please refer to Part Three of this RFP, "General Instructions", for instructions on submitting inquiries through the State Procurement web site. All responses to inquiries submitted by Proposers will be posted on the State Procurement website for viewing by all prospective Proposers.

PART ONE: EXECUTIVE SUMMARY

PURPOSE

The Ohio Department of Development's (Development) Office of Technology Investments is requesting proposals from contractors to provide evaluation services and other forms of technical assistance related to review of proposals submitted for funding under the Ohio Third Frontier (OTF) Open Innovation Incentive (OII) Program. Development is requesting proposals to provide evaluation services in State fiscal year (FY) 2012 and technical assistance services in FY 2012 and FY 2013.

The OTF Programs cover the following technology areas: Advanced Materials (related to advanced polymers, ceramics, composites, carbon fibers and nanotubes, and specialty metals and alloys); Aeropropulsion Power Management; Fuel Cells and Energy Storage; Medical Technology (related to imaging, surgical instruments/equipment, implant devices, and regenerative medicine); Software Applications for Business and Healthcare; Sensing and Automation Technologies; Situational Awareness and Surveillance Systems; and, Solar Photovoltaics.

SCOPES OF WORK

The final scope of services will be negotiated at the time of selection and will include (but will not be limited to) the following:

The contractor(s) selected will (1) perform OTF Program proposal evaluations and (2) provide technical assistance services to Development pertaining to the OTF Program RFPs and other technology-based economic development activities under OTF.

- **OTF Programs – Proposal Evaluations Services**

The proposals to be evaluated are in response to OTF Program RFPs issued by Development. All Program information is available at www.thirdfrontier.com.

Open Innovation Incentive (OII)

The reviews will consist of evaluations of proposals as described in the draft OII RFP in attachment III of this document. Please note that the OII RFP is in draft form and may change at any time. Please continue to check <http://www.thirdfrontier.com/OII.htm> for updates.

Proposals to be evaluated will be from Open Innovation (OI) Intermediary organizations. These organizations are expected to connect Ohio middle market companies (Seekers) in need of external innovations necessary to solve the technical challenges encountered with the next generation or new products, processes, or services with solution providers (Solvers). The OI Intermediaries are expected to provide a range of services to Ohio

Seekers as described in the draft OII RFP. Each OI Intermediary proposal is limited to twenty nine (29) pages, including a maximum of five (5) one-page biographical sketches and a maximum of 5 one-page letters of reference.

The evaluations will consist of a two-stage review. The first stage will involve down-selecting applicants to a group of finalists. The second stage will involve an interview with the finalists to allow an opportunity for the evaluator to ask specific questions of the applicants in order to make funding recommendations.

List of OII Proposal Evaluation Services to be provided by Contractor

1. Prepare a written description of evaluation methodology based on evaluation criteria listed in the Program RFP issued by Development.
2. Participate in bidders' conference or equivalent informational forums conducted for prospective applicants. Bidders' conferences are held only in conjunction with an open RFP. Other informational conferences will be covered under the technical assistance hours.
3. Maintain communications with Development regarding status of review process.

Contractor will perform the following services:

4. Perform evaluation of proposals for funding under the OII Program. The evaluation criteria are Program-specific and are set by Development. The OII evaluation criteria are listed in the draft OII RFP in attachment III of this document. Please note that the OII RFP is in draft form and may change at any time. Please continue to check <http://www.thirdfrontier.com/OII.htm> for updates.
5. Conduct initial reviews of proposals. Following the initial reviews, contractor will provide a briefing for Development staff regarding the contractor's recommendations to identify which proposals are recommended to move forward to the interview stage. The contractor will conduct interviews with the selected applicants. Following the conclusion of the interviews, contractor will provide a briefing to Development staff regarding the contractor's recommendations to identify which proposals meet the RFP requirements for funding.
6. Prepare a Final Report explaining the proposal review process, the evaluation results for each proposal reviewed, and a summary of the proposal evaluation findings. The report should include insightful summaries of strengths and weaknesses for proposals recommended for funding and for all other proposals reviewed. These reports will be shared with the Ohio Third Frontier Commission, other appropriate oversight entities, and applicants, and are also considered to be public documents. The summaries should be of high-quality and suitable for publication to a broad, diverse audience.
7. Prepare high-quality presentation and written-handout materials to be used at Ohio Third Frontier Commission or other meetings. Content should include: an explanation of the evaluation process; relevant non-proprietary information on the evaluation methodology; and the funding recommendations.

8. Participate in Ohio Third Frontier Commission or other meetings to present proposal evaluation methodology, results, and funding recommendations as requested by Development. There are four Ohio Third Frontier Commission meetings, scheduled quarterly, in each fiscal year. Additional meetings may be scheduled if needed; however, not all meetings incorporate funding recommendations. There could be up to four "other" meetings in each fiscal year.
9. Conduct debriefings for applicants with non-funded proposals.

- **Technical Services**

At the direction of Development, the selected contractor(s) will also provide the following services in addition to the Proposal Evaluation services, which are to be quoted separately:

1. Prepare written statements about modifications to proposals and/or grant agreement issues. The evaluators may recommend funding for a project contingent upon a change to the proposal or contingent upon a condition to the award to be included in the grant agreement.
2. Prepare written suggestions for improving the RFP and evaluation process. This task is to be performed upon request and is included in the planned technical assistance hours. If a recommendation for improvement is identified in the review process, Development will request that it be presented in writing.
3. Provide technical assistance to Development related to Open Innovation, as well as broader technical assistance related to technologies, commercialization process, entrepreneurship, program design, market research, technology-based business attraction and any other related assistance requested by Development. This occurs throughout the year and is included in the technical assistance hours. Please note that Open Innovation technical assistance may include organizing Open Innovation conferences for Ohio Seekers and Solvers in collaboration with Development and other partners.

PROPOSAL REQUIREMENTS

In no more than ten (10) pages firms choosing to respond to this RFP are asked to format their proposal(s) within the following order and content:

1. Provide a general description of the company's background, nature of business activities, and experience, identifying and substantiating that the company is well-qualified to provide the requested services.
2. The Proposer's plan should respond to each evaluation factor in Part Four: Evaluation of Proposals and describe or demonstrate the following:
 - An understanding of Development's requirements.
 - The approach that will be used to evaluate proposals received in response to OII

Program RFP issued by Development.

- The management plan that describes the steps involved in the reviews, how reviewers will be selected and assigned, and how quality control will be achieved. Describe the process for managing the reviews and how problems will be resolved, if encountered, to ensure deadlines are met.
- Describe the qualifications of the team, both organizational experience and individuals who will be assigned to the project.

3. Development will award a cost-incurred contract based upon the successful applicant’s quoted hourly rate and number of hours needed to provide each of the requested services. A detailed separate project budget is to be provided for FY 2012 OII Program and for the FY 2012 and FY 2013 technical services.

Following are the estimated number of proposals anticipated and the number of hours of technical assistance to be requested.

- **Open Innovation Incentive (OII):** Development anticipates one application cycle in FY 2012, and anticipates receiving up to fifteen (15) applications.

The project budget must include the requested information for completing 15 application reviews, including services 1 – 9. Please note that the “TOTAL COST” line item must match in the first two tables. The cost estimate should assume proposals are 29 pages in length, and all interviews and meetings will occur in Columbus. All costs should also be clearly described in narrative form.

| | |
|--|--|
| Personnel | |
| Travel | |
| Supplies | |
| Other Expenses & Fees | |
| TOTAL COST IF 15 PROPOSALS RECEIVED | |

| | |
|--|--|
| Total Fixed Costs Not Tied to Number of Proposals | |
| Cost per Proposal | |
| TOTAL COST IF 15 PROPOSALS RECIEVED | |

| | |
|--|--|
| Cost per Proposal if 5-10 Proposals Received | |
| Cost per Proposal if 16-20 Proposals Received | |
| Cost per Proposal if 20-25 Proposals Received | |

| | |
|-------------------------------------|--|
| Personnel Hours per Proposal | |
| Personnel Hourly Rate | |
| Total Personnel Hours | |

- **Technical Assistance:** Development anticipates requesting up to a total of 100 hours of technical assistance in FY 2012 and up to 100 hours in FY 2013.

FY 2012

| | |
|-----------------------|--|
| Personnel Hourly Rate | |
| Funds Requested | |

FY 2013

| | |
|-----------------------|--|
| Personnel Hourly Rate | |
| Funds Requested | |

Note: Any reimbursement of travel expenses made by Grantee in connection with the Contract shall be subject to the travel reimbursement rates, limitations, restrictions, and exclusions imposed by Ohio Administrative Code 126-1-02 and any other rules imposed by the Ohio Office of Budget and Management, as such rules may be amended from time to time.

4. Letters from individuals who are familiar with the Proposer’s relevant experience and qualifications pertaining to the OII Program, including OI expertise, and the ability to assess the capabilities of OI Intermediary organizations to meet Development’s requirements. No more than five (5) letters are to be included.
5. Confirm that the Proposer(s) is able to sign a Non-Disclosure Agreement prior to conducting the evaluation, if required.
6. Confirm that the Proposer(s) has the resources necessary to evaluate up to 15 OII proposals during FY 2012.
7. Proposers must detail the process they will use to identify, disclose to Development and manage conflicts of interest with proposals forwarded to them by Development for review or requests from Development for technical assistance.

The following guidelines are to be used in identifying a conflict of interest. Conflicts of interest extend to immediate family members of the principals of the firm and employees of the firm assigned to the project. The identification of a conflict of interest needs to take into account:

- All names under which the firm, employees of the firm, or immediate family do business;
- All fee simple and leasehold interests to which the firm or employee of the firm holds legal title to or a beneficial interest in real property located within the state;
- Any business relationship or investment that the firm, employee of the firm, or anyone else for the benefit of the firm or employee of the firm had during the

preceding year (from the contract date) that is valued at greater than one thousand dollars;

- Any office or fiduciary relationship held by the firm or employee of the firm during the year preceding the contract date; and
- Income that the firm or employee of the firm receives or expects to receive from an applicant for a Development program for which the firm has been engaged to evaluate proposals, whether or not the applicant was previously funded by a Development program, and/or any of identified collaborators of any program applicant.

Applicants must provide affirmation that they understand that if selected to perform evaluations, and a conflict of interest arises that they cannot manage internally, the applicant(s) will be required to train a secondary contractor, selected by Development, in the use of the applicant's evaluation tool(s) and methodology. The secondary contractor will evaluate the proposal and submit the result of its evaluation to be incorporated into the rank-ordered listing. The secondary contractor may be required to perform the same services in Section 3 as appropriate. The secondary contractor selected by Development will be required to sign a non-disclosure agreement with Development's proposal evaluation contractor to help protect trade secret information of Development's proposal evaluation contractor. Payment of costs of the secondary contractor will be the responsibility of Development.

8. Proposers must provide affirmation that they will comply with Ohio Ethics Laws to the extent applicable and will not provide services in connection with grant proceeds that result from a proposal evaluated by the proposer(s). **Proposers must also provide a signed Affirmation and Disclosure form included in Appendix 2 of this RFP.**

No Contract Funds May be Spent Offshore

Executive Order 2011-12K "Governing the Expenditure of Public Funds for Offshore Services" prohibits the use of any public funds within the control of an executive agency to purchase services which will be performed outside of the United States.

To be considered by the Ohio Department of Development, a bid response must be accompanied by an Affirmation and Disclosure in the form attached to this RFP and a signed Standard Terms and Conditions Form (Appendix 2). Both of these forms must be signed at the end by an authorized representative of the proposer. Any bid response received that does not include a completed, signed copy of this form will be immediately disqualified.

A copy of the Executive Order and the Affirmation and Disclosure form are included in this RFP on the following pages. Additional information about the Executive Order is posted on the Department of Administrative Services State Procurements Help & Reference page at http://procure.ohio.gov/pdf/EO201112K/EO201112K_Announcement.pdf.



JOHN R. KASICH
GOVERNOR
STATE OF OHIO

Executive Order 2011-12K

Governing the Expenditure
of Public Funds for Offshore Services

WHEREAS, State of Ohio officials and employees must remain passionately focused on initiatives that will create and retain jobs in the United States in general and in Ohio in particular, and must do so especially during Ohio's continuing efforts to recover from the recent recession.

WHEREAS, allowing public funds to pay for services provided offshore has the potential to undermine economic development objectives in Ohio.

WHEREAS, the expenditure of public funds for services provided offshore may deprive Ohioans and other Americans of critical employment opportunities and may also undermine efforts to attract businesses to Ohio and retain them in Ohio, initiatives in which this State has invested heavily.

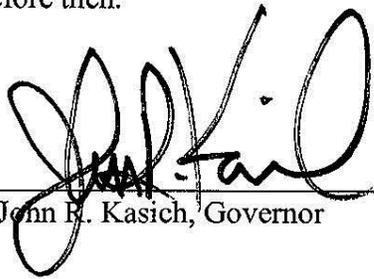
NOW THEREFORE, I, John R. Kasich, Governor of the State of Ohio, by virtue of the authority vested in me by the Constitution and the laws of this State, do hereby order and direct that:

1. No State Cabinet Agency, Board or Commission ("Executive Agency") shall enter into any contract which uses any public funds within its control to purchase services which will be provided outside the United States. This Executive Order applies to all purchases of services made directly by an Executive Agency and services provided by subcontractors of those providing services purchased by an Executive Agency.
2. This Executive Order will be personally provided, by the Director, Chair or other chief executive official of each Executive Agency, to the Chief Procurement Officer or other individual at that entity responsible for contracts for services.
3. The Department of Administrative Services, through Ohio's Chief Procurement Officer, shall have in place, by July 1, 2011, procedures to ensure all of the following:
 - a. All agency procurements officers (APOs), or the person with equivalent duties at each Executive Agency, have standard language in all Executive Agency contracts which:
 - i. Reflect this Order's prohibition on the purchase of offshore services.

- ii. Require service providers or prospective service providers to:
 - 1. Affirm that they understand and will abide by the requirements of this Order.
 - 2. Disclose the location(s) where all services will be performed by any contractor or subcontractor.
 - 3. Disclose the locations(s) where any state data associated with any of the services they are providing, or seek to provide, will be accessed, tested, maintained, backed-up or stored.
 - 4. Disclose any shift in the location of any services being provided by the contractor or any subcontractor.
 - 5. Disclose the principal location of business for the contractor and all subcontractors who are supplying services to the state under the proposed contracts.
 - b. All APOs confirm that all quotations, statements of work, and other such proposals for services affirm this Order's prohibition on the purchase of offshore services and include all of this Order's disclosure requirements.
 - i. Any such proposal for services lacking the affirmation and disclosure requirements of this Order will not be considered.
 - ii. Any such proposal where the performance of services is proposed to be provided at a location outside the United States by the contractor or any subcontractor will not be considered.
 - c. All procurement manuals, directive, policies, and procedures reflect the requirements of this Order.
 - d. All APOs have adequate training which addresses the terms of this Order.
4. Nothing in this Order is intended to contradict any state or federal law. In addition, this Order does not apply to:
- a. Services necessary to support the efforts of the Department of Development to attract jobs and business to the state of Ohio;
 - b. Academic, instructional, educational, research or other services necessary to support the international missions of Ohio's public colleges and universities; or
 - c. Situations in which the Director of the Department of Administrative Services, or the Director's designee, shall determine that it is an emergency or that it is necessary for the State to waive some or all of the requirements of this Order. The Director shall establish standards by which Executive Agencies may request a waiver of some or all of the requirements of this Order and by which such requests will be evaluated and may be granted.
5. Executive Order 2010-09S is hereby rescinded.

I signed this Executive Order on June 21, 2011 in Columbus, Ohio and it will expire on my last day as Governor of Ohio unless rescinded before then.





John R. Kasich, Governor

ATTEST:

Jon Husted, Secretary of State

PART TWO: STRUCTURE OF THIS RFP

Parts

| | |
|------------|-------------------------|
| Part One | Executive Summary |
| Part Two | Structure of this RFP |
| Part Three | General Instructions |
| Part Four | Evaluation of Proposals |
| Part Five | Contract Award |

Attachments

Appendix 1 - Agreement for Services

- Development's standard, or boilerplate, personal service contract document, including terms and conditions
- This sample document is provided only for convenience and the terms and conditions contained therein are subject to change without notice

Appendix 2 - Standard Affirmation and Disclosure Form, Standard Terms and Conditions

- Standard Affirmation and Disclosure Form must be signed by an authorized official of Proposer's organization and must be included for any proposal to be scored

Appendix 3 - Open Innovation Incentive (OII) Program RFP

- Please note that the OII RFP is in draft form and may change at any time. Please continue to check <http://www.thirdfrontier.com/OII.htm> for updates.

PART THREE: GENERAL INSTRUCTIONS

The following sections provide a calendar of events, details on how to respond to this RFP and how to get more information about this RFP. All responses must be complete and in the prescribed format.

Calendar of Events & On-line Information

The schedule for this RFP is given below and is subject to change. Development may change this schedule at any time. If Development changes the schedule before the Proposal Due Date, it will do so through an announcement on the State Procurement web site area for this RFP at the following link: <http://procure.ohio.gov/proc/index.asp>. The web site announcement will be followed by an addendum to this RFP, which also will be made available through the same State Procurement web site.

It is each prospective Proposer's responsibility to check the State Procurement web site's question-and-answer area for this RFP for current information and the calendar of events scheduled through award of any contract.

Other than by adherence to the RFP Inquiry process, set forth below, no contact related to this RFP shall be made with Development until a contract award is announced. Notwithstanding this prohibition, Development, at its sole discretion, may request additional information as part of the review process outlined below.

Firm Dates

| | |
|------------------------|------------------------------|
| RFP Issued: | February 24, 2012 |
| Inquiry Period Begins: | February 24, 2012 |
| Inquiry Period Ends: | March 16, 2012 |
| Proposal Due Date: | March 20, 2012, by 2:00 p.m. |

Estimated Dates

| | |
|------------------------------|------------------|
| Contract Award Notification: | Spring 2012 |
| Issuance of Purchase Order: | To be determined |

Proposal Submittal

Proposals must be submitted in the following manner:

- Proposals must be submitted via e-mail by no later than March 20, 2012 by 2:00 p.m. to Procurement@development.ohio.gov.
- Proposals are to be formatted on 8.5 x 11-inch paper.
- Margins must not be less than ¾ of an inch on all sides.
- Font must be 10 point or larger with no more than 6 lines of text per inch.
- All pages must be numbered consecutively using the format "Page [#] of [total number of pages]" (e.g., Page 2 of 20).

- The Proposal title and Proposer(s) name (acronyms are acceptable) must appear at the bottom of each page.

Proposers are advised there will be no opportunity to correct mistakes or deficiencies in their submitted materials after the Proposal Due Date. Proposals that are incomplete or otherwise missing required information may not be evaluated.

It is the Proposer's responsibility to ensure timely submission of a complete Proposal. Late Proposals will not be scored. Development is under no obligation to consider a Proposal which is received after the Proposal Due Date or that is incomplete. Proposals that are not submitted in the format requested will not be scored.

No supplementary or revised materials will be accepted after the Proposal Due Date unless specifically requested by Development.

All costs incurred in the preparation of the Proposal shall be borne by the Proposer alone, and Development shall not contribute, in any way, to the cost of the preparation of the Proposal.

Any and all documents developed by the Proposer during the course of this project will be provided to Development upon request and will become the property of Development, and the Proposer shall not assert any claims arising under copyright or otherwise inconsistent with the transfer of ownership of such documents.

All information submitted in response to this RFP shall be a public record unless a statutory exception exists that would protect the information from release to the public. Any information submitted with the Proposal which the Proposer reasonably believes to be a trade secret, as that term is defined in Section 1333.61 of the Ohio Revised Code, may be designated as such by marking the information as follows: the phrase "trade secret," marked with two asterisks on each side, must be placed at the beginning and end of the trade secret information (example: ** TRADE SECRET **). In addition, the trade secret information shall be underlined. Information determined to be a trade secret under the laws of the State of Ohio may be protected as trade secrets by Development in accordance with Ohio law.

Development reserves the right to:

- Accept or reject any and all Proposals and/or bids if Development determines that it is in the best interests of the State to do so.
- Rebid this RFP, requesting new Proposals from qualified firms.
- Waive or modify minor irregularities in Proposals received.
- Negotiate with Proposer(s), within the requirements of this RFP, to best serve the interests of the State of Ohio.
- Require the submission of modifications or additions to Proposals as a condition of further participation in the selection process.
- Fund any Proposal in full or in part; any assignments of work by Development under the scope of this RFP will be made dependent on need and the availability of adequate, specific funding.
- Not make an award at the end of the evaluation process; this RFP is not to be interpreted or construed to guarantee that one or more Proposers submitting responses will be awarded contracts.
- Adjust the RFP Calendar of Event dates for whatever reason it deems appropriate.
- Contact Proposer to clarify any portion of the Proposer's submittal.

If, during the review process, Development determines that it is necessary to make further distinctions between certain Proposers, Development may request certain selected Proposers to make a presentation to staff and reviewers.

In accordance with federal and state statutes and Development policy, no person shall be excluded from participation or subject to discrimination in the RFP process on the basis of race, color, age, sex, national origin, military status, religion, or disability.

Inquiries

Prospective Proposers may make inquiries or seek clarifications regarding this RFP any time during the inquiry period listed in the RFP Calendar of Events. To make an inquiry, prospective Proposers must use the following process:

1. Access the State Procurement web site at <http://www.ohio.gov/procure>.
2. From the Navigation Bar on the left, select "Find it Fast."
3. Select "Doc/Bid/Schedule #" as the Type.
4. Enter the RFP Number found on Page 1 of this document.
5. Click the "Find It Fast" button.
6. On the document information page, click the "Submit Inquiry" button.
7. On the document inquiry page, complete the required "Personal Information" section by providing the following:
 - a. First and last name of the prospective Proposer's representative who is responsible for the inquiry;
 - b. Name of the prospective Proposer;

- c. Representative's business phone number; and
- d. Representative's e-mail address.
8. Type the inquiry in the space provided, making certain to include the following:
 - a. A reference to the relevant part of this RFP;
 - b. The heading for the provision under question; and
 - c. The page number of the RFP where the provision can be found.
9. Click the "Submit" button.

Prospective Proposers submitting inquiries will receive an immediate acknowledgement by e-mail that their inquiry has been received. **The prospective Proposer who submitted the inquiry will not receive an e-mail response to the question, but will need to view the response on the State Procurement web site where it will be posted for viewing by all prospective Proposers.**

Prospective Proposers may view inquiries using the following process:

1. Access the State Procurement web site at <http://www.ohio.gov/procure>.
2. From the Navigation Bar on the left, select "Find it Fast."
3. Select "Doc/Bid/Schedule #" as the Type.
4. Enter the RFP Number found on Page 1 of this document.
5. Click the "Find It Fast" button.
6. On the document information page, click the "View Q & A" button to display all inquiries with responses submitted to date.

Development will try to respond to all properly posed inquiries within 48 hours, excluding weekends and state holidays. Development will not respond to any inquiries received after 2:00 p.m. on March 16, 2012. Prospective Proposers who attempt to seek information or clarifications verbally will be directed to reduce their questions to writing in accordance with the terms of this RFP and state purchasing policy. No other form of communication is acceptable, and use of any other form of communication or any attempt to communicate with Development staff or any other agency of the State to discuss this RFP may result in the Proposer being deemed ineligible.

PART FOUR: EVALUATION OF PROPOSALS

Evaluation Process

Development’s evaluation process of responses submitted to this request may consist of up to four distinct phases:

1. Development’s initial review of all proposals for timely submission;
2. An evaluation committee review of the proposals for defects and scoring;
3. Development’s request for more information (interviews, presentations, and/or demonstrations); and,
4. Negotiations.

At its sole discretion, Development will determine whether phases three and/or four are necessary under this RFP, reserving the ability to eliminate or add phases three or four at any time during the evaluation process. Development may add or remove sub-phases to phases 2 through 4 at any time if Development believes doing so will improve the evaluation process.

Proposal Evaluation Criteria

Development staff, or reviewers selected by Development, will evaluate the submittals based upon the following criteria:

| Evaluation Criteria | Weight |
|---|------------------|
| <p>Experience and qualifications of proposed project manager and other key staff. This includes the breadth and depth of staff knowledge and capabilities in the following areas:</p> <ul style="list-style-type: none"> • Open Innovation and the Open Innovation process; • Challenges and obstacles middle market companies face with Open Innovation; • Impact on middle market companies resulting from engaging in Open Innovation; • The role of Open Innovation Intermediaries and their capabilities and services; • Evaluation of Intermediary organizations to assess their strengths and weaknesses and their ability to meet Development’s requirements; and • Matchmaking methods for technology Seekers and Solvers to include experience or knowledge of what methods work as well as those that don’t; <p>Demonstrated knowledge of technology-based economic development, the</p> | <p>45 points</p> |

| | |
|---|-------------------|
| Ohio Third Frontier, and other Ohio technology-based economic development programs. | |
| <p>The thoroughness and appropriateness of the approach outlined in the work plan that will be used to evaluate proposals received in response to the OII RFP issued by Development. This includes:</p> <ul style="list-style-type: none"> • Proposal evaluation methodology; • Reasonableness of cost estimates for performing the various levels of proposal reviews; • Feasibility and reasonableness of proposed schedule for performing the various levels of proposal reviews; and • Capabilities in technical writing and document preparation. <p>Contractor’s ability to adapt readily to changes initiated by Development to tasks or instructions, or increases or shifts in workload.</p> | 35 points |
| <p>Recognition of the importance of protecting against potential conflicts of interest and protecting confidentiality of materials received from applicants. The process used to identify, disclose to Development, and manage conflicts of interest with proposals or requests for technical assistance.</p> | 20 points |
| Total | 100 points |

PART FIVE: CONTRACT AWARD

Contract Award Process

It is Development's intention to award one or more contracts under the scope of this RFP and as based on the RFP Calendar of Events schedule, so long as Development determines that doing so is in the State's best interests and Development has not otherwise changed the award date.

Any award decision by Development under this RFP is final. After Development makes its decision under this RFP, all Proposers will be notified in writing of the final evaluation and determination as to their Proposals.

Development will issue a notice of contract award to the selected Proposer(s), and finalized contract terms and conditions will be forwarded for signature. Once three executed copies of the contract are submitted by the Proposer(s), and pending any further approvals that may be required (e.g., State Controlling Board), Development will fully execute the contract.

Once the contract is fully executed, Development will issue to the Proposer(s) one (1) copy of the signed instrument for its/their files.

Number of Awards

Development anticipates making at least one award depending on programs' needs and the fit of the Proposer(s) to the scope of this RFP.

Funding Approval Threshold

In the event that contractual expenditures with the selected Proposer(s) will exceed \$50,000 in spending under any contract that results from this RFP, or that otherwise exceed \$50,000 in aggregate spending across all contracts between the contractor and Development, the contract will be subject to the approval of the State of Ohio Controlling Board.

Appendix 1:

Development's Standard Agreement for Services

This sample document is provided only for convenience and the terms and conditions contained herein are subject to change without notice

AGREEMENT FOR SERVICES

This Agreement for Services (“**Agreement**”) is made and entered into by and between the **State of Ohio, Department of Development** (“**Sponsor**”), and _____ (“**Contractor**”). This Agreement shall have Ohio Department of Development Agreement Control Number of _____ 12-_____.

1. Statement of Work. Contractor shall undertake and complete the work and activities set forth in Exhibit I, “Scope of Work,” which is attached hereto, made a part hereof, and incorporated herein by reference as if fully rewritten herein. Contractor shall consult with the personnel of Sponsor and with other appropriate persons, agencies, or instrumentalities as necessary to ensure a complete understanding of the work and satisfactory completion thereof.

2. Sponsor’s Instructions. Sponsor may, from time to time as it deems appropriate and necessary, communicate specific instructions and requests to Contractor concerning the performance of the work described in this Agreement. Upon such notice and within a reasonable time, Contractor shall comply with such instructions and fulfill such requests to the satisfaction of Sponsor. It is expressly understood by the parties that the instructions and requests are for the sole purpose of performing the specific tasks requested and to ensure satisfactory completion of the work described in this Agreement. However, they are not intended to amend or alter the terms of this Agreement or any part thereof.

3. Term and Location of Performance.

(a) Term. This Agreement shall be binding upon both parties, and the work described in this Agreement shall commence on _____ and all activities under this Agreement shall be completed not later than _____, on which date this Agreement shall expire. In the event that the work hereunder is to be done in separate phases, each phase shall be completed within the time prescribed in Exhibit I.

(b) Location of Performance. Contractor affirms that it has read and understands Executive Order 2011-12K issued by Ohio Governor John R. Kasich, that it shall abide by those requirements in the performance of this Agreement, and that it shall perform no services required under this Agreement outside of the United States. The Executive Order is provided as an attachment.

(c) Change of Performance Location. Contractor also affirms, understands, and agrees to immediately notify Sponsor of any change or shift in the location(s) of services performed by Contractor or its subcontractors under this Agreement, and no services shall be changed or shifted to a location(s) outside of the United States.

4. Compensation. In consideration of the promises of Contractor herein, Sponsor agrees to pay Contractor at the rates set forth in Exhibit I on a reimbursement basis upon Sponsor’s receipt and approval of proper invoices. Contractor shall not be compensated for services rendered hereunder except as expressly set forth herein. The total compensation to be paid to Contractor under this Agreement shall not exceed _____ Thousand and No/100 Dollars (\$_____,000.00).

5. Proper Invoicing Method. Contractor shall be required to submit proper invoices that are itemized and show all of the following:

- (a) Performance of the service described in Exhibit I;
- (b) Date or dates of the rendering of the service;
- (c) An itemization of the things or service done, the material supplied or the labor furnished; and
- (d) The sum due pursuant to that invoice in relation to the total compensation owed under the Agreement.

The adequacy and sufficiency of such invoices shall be determined solely by Sponsor. If Sponsor determines that an invoice is inadequate or insufficient, or determines that further documentation or clarification is required for a particular invoice, the burden of providing the required information or documentation is on Contractor. Costs incurred by Contractor which are associated with providing the required additional information or documentation and costs which are related to defending an inadequate or insufficient invoice shall not be charged to Sponsor and shall not be

considered an allowable expense under this Agreement. Failure to comply with this section shall delay payment to Contractor under this Agreement.

6. Contractor's Expenses. Contractor shall solely be responsible for all office, business, and personnel expenses associated with the performance of this Agreement.

7. Travel Expenses. If contemplated under this Agreement, Contractor, its employees or agents, shall be reimbursed for travel expenses in amounts not to exceed the maximum rates as set forth in Ohio Administrative Code Section 126-1-02, as updated from time to time.

8. Termination.

(a) General. Sponsor may terminate this Agreement upon thirty (30) days written notice to Contractor if Sponsor determines that the product or services to be provided as further described in Exhibit I is inadequate for the intended use or cannot be feasibly adapted for the intended use. In addition, either Sponsor or Contractor may terminate this Agreement for just cause upon thirty (30) days written notice to the other party. Upon notice of termination, Contractor shall cease all work under this Agreement and shall take all necessary or appropriate steps to limit disbursements and minimize costs in ceasing all work. Contractor shall be required to furnish a report setting forth the status of all activities under the Agreement including, but not limited to, the work completed and the payments received by Contractor and such other information as Sponsor may require. Subject to any claim for damages arising from Contractor's breach, Contractor shall be entitled to compensation for work completed through the date Contractor received notice of termination upon submission and approval of proper documentation or invoices.

(b) Services Performed Outside the U.S.

(i) Sponsor is not obligated and shall not pay for any services provided under this Agreement that Contractor or any of its subcontractors performed outside of the United States. If services are performed outside of the United States, such activities will be treated as a material breach of this Agreement, and Contractor shall immediately return to Sponsor all funds paid for those services.

(ii) In addition, if Contractor or any of its subcontractors perform any such services outside of the United States, Sponsor may, at any time after the breach, terminate this Agreement for such breach, upon written notice to Contractor. If Sponsor terminates the Agreement, Sponsor may buy substitute services from a third party, and Sponsor may recover the additional costs associated with acquiring the substitute services.

(iii) If Contractor or any of its subcontractors prepares to perform services or changes or shifts the location(s) of services performed by Contractor or its subcontractors under this Agreement to a location(s) outside of the United States, but no services are actually performed outside of the United States, Contractor shall promptly, but in no event later than 10 days, change or shift the location(s) of services performed to location(s) within the United States. Sponsor may recover liquidated damages in the amount of 1% of the value of the contract for every day past the time permitted to change or shift the location(s) to the United States.

9. Records Maintenance and Access.

(a) Maintenance of Records. Contractor shall establish and maintain for at least three (3) years after the last day of the Term of the Agreement or earlier termination of this Agreement its records regarding this Agreement, including, but not limited to, financial reports, job creation and retention statistics, and all other information pertaining to Contractor's performance of its obligations under this Agreement. Contractor also agrees that any records required by Sponsor with respect to any questioned costs, audit disallowances, litigation or dispute between Sponsor and Contractor shall be maintained for the time needed for the resolution of such question or dispute.

(b) Inspection and Copying. At any time during normal business hours and upon not less than twenty-four (24) hours prior written notice, Contractor shall make available to Sponsor, its agents or other appropriate State agencies or officials all books and records regarding this Agreement which are in the possession or control of Contractor, including, but not limited to, records of personnel. Sponsor, its agents and other appropriate State agencies and officials may review, audit and make copies of such books and records, and any such inspection of books and records will be undertaken in such a manner as not to interfere unreasonably with the normal business operations of Contractor. Contractor shall, at its own cost and expense, segregate records to be made available for inspection pursuant to this Section 9(b) from Contractor's other records of operation.

10. Certification of Funds. It is expressly understood by the parties that none of the rights, duties, and obligations described in this Agreement shall be binding on either party until all applicable statutory provisions of the Ohio Revised Code, including but not limited to section 126.07, have been complied with and until such time as all necessary funds are made available and forthcoming from the appropriate state agencies, and, when required, such expenditure of funds is approved by the Controlling Board of the State of Ohio, or in the event that federal funds are used, until such time that Sponsor gives Contractor written notice that such funds have been made available to Sponsor by Sponsor's funding source. Sponsor shall provide Contractor with written evidence of the Controlling Board action within 30 days after the date on which the Controlling Board considered the appropriation request.

11. Equal Employment Opportunity. Pursuant to Ohio Revised Code Section 125.111, Contractor agrees that Contractor, any subcontractor, and any person acting on behalf of Contractor or subcontractor, shall not discriminate, by reason of race, color, religion, sex, age, disability, military status, national origin, or ancestry against any citizen of this state in the employment of any person qualified and available to perform the work under this Agreement. Contractor further agrees that Contractor, any subcontractor and any person acting on behalf of Contractor or subcontractor shall not, in any manner, discriminate against, intimidate, or retaliate against any employee hired for the performance of work under this Agreement on account of race, color, religion, sex, age, disability, military status, national origin or ancestry. Contractor represents that it has a written affirmative action program for the employment and effective utilization of disadvantaged persons and will file a description of that program and a progress report on its implementation with the equal employment opportunity office of the department of administrative services.

12. Indemnification. Contractor agrees to indemnify and to hold the Sponsor and State of Ohio harmless and immune from any and all claims for injury or damages arising from this Agreement and Contractor's performance of the obligations or activities in furtherance of the Project which are attributable to the Contractor's own actions or omissions or those of its trustees, officers, employees, subcontractors, suppliers, third parties utilized by the Contractor, or joint venturers while acting under this Agreement. Such claims shall include, but are not limited to, any claims made under the Fair Labor Standards Act or under any other federal or state law involving wages, overtime, or employment matters and any claims involving patents, copyrights, and trademarks. Contractor shall bear all costs associated with defending the Sponsor and the State of Ohio against any claims. Notwithstanding the foregoing, Contractor's obligation to indemnify and hold Sponsor and the State of Ohio harmless shall be limited to actions and omissions which constitute gross negligence or violations of law and in no event shall the aggregate liability of the Contractor to the Sponsor or the State of Ohio for indemnification under this Agreement exceed the amount of compensation paid to the Contractor hereunder.

13. Conflict of Interest. No personnel of Contractor, subcontractor of Contractor or personnel of any such subcontractor, or public official who exercises any functions or responsibilities in connection with the review or approval of any work completed under this Agreement shall, prior to the completion of such work, voluntarily or involuntarily acquire any personal interest, direct or indirect, which is incompatible or in conflict with the discharge or fulfillment of his functions or responsibilities with respect to the completion of the work contemplated under this Agreement. Any such person, who, prior to or after the execution of this Agreement, acquires any personal interest, involuntarily or voluntarily, shall immediately disclose his interest to Sponsor in writing. Thereafter, such person shall

not participate in any action affecting the work under this Agreement unless Sponsor determines that, in light of the personal interest disclosed, his participation in any such action would not be contrary to the public interest.

14. Drug-Free Workplace Compliance. In the event that work performed pursuant to the terms of this Agreement will be done while on state property, Contractor hereby certifies that all of its employees, while working on state property, will not purchase, transfer, use or possess illegal drugs or alcohol or abuse prescription drugs in any way.

15. Adherence to State and Federal Laws, Regulations.

(a) General. Contractor agrees to comply with all applicable federal, state, and local laws related to the Contractor's performance of the obligations of this Agreement. The Contractor accepts full responsibility for payments of all unemployment compensation, insurance premiums, workers' compensation premiums, all income tax deductions, social security deductions, and any and all other taxes or payroll deductions required for all employees engaged by Contractor in the performance of the requirements of this Agreement.

(b) Ohio Ethics Laws. In accordance with Executive Order 2011-03K, Grantee, by its signature on this document, certifies: (1) it has reviewed and understands Executive Order 2011-03K, (2) has reviewed and understands the Ohio ethics and conflict of interest laws including, without limitation, Ohio Revised Code §§ 102.01 *et seq.*, §§ 2921.01, 2921.42, 2921.421 and 2921.43, and §§ 3517.13(I) and (J), and (3) will take no action inconsistent with those laws and the order, as any of them may be amended or supplemented from time to time. Grantee understands that failure to comply with the Ohio ethics and conflict of interest laws, is in itself, grounds for termination of this Agreement and the grant of funds made pursuant to this Agreement and may result in the loss of other contracts or grants with the State of Ohio.

(c) Ohio Elections Law. Contractor affirms that, as applicable to Sponsor, no party listed in Division (I) or (J) of Section 3517.13 of the Ohio Revised Code or spouse of such party has made, as an individual, within the two previous calendar years, one or more contributions totaling in excess of \$1,000.00 to the Governor or to his campaign committees.

(d) Declaration Regarding Material Assistance/Non-assistance to a Terrorist Organization. If applicable, Contractor must certify compliance with Ohio Revised Code Section 2909.33.

16. Unresolved Findings. Contractor warrants that it is not subject to an unresolved finding for recovery under O.R.C. 9.24. If this warranty is deemed to be false, this Agreement is void *ab initio* and the Contractor must immediately repay to the Sponsor any funds paid under this Agreement.

17. Declaration Regarding Material Assistance/Non-assistance to a Terrorist Organization. If applicable, Contractor must certify compliance with Ohio Revised Code Section 2909.33.

18. Miscellaneous.

(a) Governing Law. This Agreement shall be governed by the laws of the State of Ohio as to all matters, including but not limited to matters of validity, construction, effect and performance.

(b) Forum and Venue. All actions regarding this Agreement shall be forumed and venued in a court of competent subject matter jurisdiction in Franklin County, Ohio.

(c) Entire Agreement. This Agreement and its exhibits and any documents referred to herein constitute the complete

understanding of the parties and merge and supersede any and all other discussions, agreements and understandings, either oral or written, between the parties with respect to the subject matter hereof.

(d) Severability. Whenever possible, each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provisions of this Agreement.

(e) Conflict of Provisions. Should it be determined that a provision within this Agreement conflicts with a provision set forth in Exhibit I, the License and Service Agreement, then the language of Exhibit I, License and Service Agreement shall control as being the more specific terms and conditions of the Agreement.

(f) Notices. All notices, consents, demands, requests and other communications which may or are required to be given hereunder shall be in writing and shall be deemed duly given if personally delivered or sent by United States mail, registered or certified, return receipt requested, postage prepaid, to the addresses set forth hereunder or to such other address as the other party hereto may designate in written notice transmitted in accordance with this provision.

In case of Sponsor, to:

Ohio Department of Development
Office of Budget and Finance
P.O. Box 1001
Columbus, Ohio 43216-1001
Attention: Manager, Office of Budget and Finance
Fax No.: (614) 466-6744

In case of Contractor, to:

[ADDRESS]
Attention: \
Fax No.:

Notwithstanding the foregoing, ordinary communications regarding the status of services being provided by Contractor may be sent by electronic mail to the designated representatives of Sponsor and Contractor.

(g) Amendments or Modifications. Either party may at any time during the term of this Agreement request amendments or modifications. Requests for amendment or modification of this Agreement shall be in writing and shall specify the requested changes and the justification of such changes. Should the parties consent to modification of the Agreement, then an amendment shall be drawn, approved, and executed in the same manner as the original agreement.

(h) Forbearance. No act of forbearance or failure to insist on the prompt performance by Contractor of its obligations under this Agreement, either express or implied, shall be construed as a waiver by Sponsor of any of its rights hereunder.

(i) Pronouns. The use of any gender pronoun shall be deemed to include all the other genders, and the use of any singular noun or verb shall be deemed to include the plural, and vice versa, whenever the context so requires.

(j) Headings. Section headings contained in this Agreement are inserted for convenience only and shall not be deemed

to be a part of this Agreement.

(k) Assignment. Neither this Agreement nor any rights, duties, or obligations described herein shall be assigned or subcontracted by Contractor without the prior express written consent of Sponsor.

IN WITNESS WHEREOF, the parties have executed this Agreement For Services on the last day and year set forth below.

CONTRACTOR:

SPONSOR:

[CONTRACTOR]

**State of Ohio
Department of Development**

Christiane Schmenk
Director
Ohio Department of Development

By: _____

By: _____

Printed Name: _____

Printed Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Appendix 2:

Standard Affirmation and Disclosure Form and Standard Terms and Conditions

The Standard Affirmation and Disclosure Form must be filled out and returned with a bid response in order for it to be eligible for scoring.

STANDARD AFFIRMATION AND DISCLOSURE FORM
EXECUTIVE ORDER 2011-12K

Governing the Expenditure of Public Funds on Offshore Services

All of the following provisions must be included in all invitations to bid, requests for proposals, state term schedules, multiple award contracts, requests for quotations, informal quotations, and statements of work. This information is to be submitted as part of the response to any of the procurement methods listed.

By the signature affixed hereto, the Contractor affirms, understands and will abide by the requirements of Executive Order 2011-12K. If awarded a contract, both the Contractor and any of its subcontractors shall perform no services requested under this Contract outside of the United States.

The Contractor shall provide all the name(s) and location(s) where services under this Contract will be performed in the spaces provided below or by attachment. Failure to provide this information may subject the Contractor to sanctions. If the Contractor will not be using subcontractors, indicate "Not Applicable" in the appropriate spaces.

1. Principal location of business of Contractor:

 (Address)

 (City, State, Zip)

Name/Principal location of business of subcontractor(s):

 (Name)

 (Address, City, State, Zip)

 (Name)

 (Address, City, State, Zip)

2. Location where services will be performed by Contractor:

 (Address)

 (City, State, Zip)

Name/Location where services will be performed by subcontractor(s):

 (Name)

 (Address, City, State, Zip)

 (Name)

 (Address, City, State, Zip)

3. Location where state data will be stored, accessed, tested, maintained or backed-up, by Contractor:

_____ (Address)

_____ (Address, City, State, Zip)

Name/Location(s) where state data will be stored, accessed, tested, maintained or backed-up by subcontractor(s):

_____ (Name)

_____ (Address, City, State, Zip)

Contractor also affirms, understands and agrees that Contractor and its subcontractors are under a duty to disclose to the State any change or shift in location of services performed by Contractor or its subcontractors before, during and after execution of any Contract with the State. Contractor agrees it shall so notify the State immediately of any such change or shift in location of its services. The State has the right to immediately terminate the contract, unless a duly signed waiver from the State has been attained by the Contractor to perform the services outside the United States.

On behalf of the Contractor, I acknowledge that I am duly authorized to execute this Affirmation and Disclosure form and have read and understand that this form is a part of any Contract that Contractor may enter into with the State and is incorporated therein.

By: _____
Contractor

Print Name: _____

Title: _____

Date: _____

STANDARD TERMS AND CONDITIONS

EXECUTIVE ORDER 2011-12K

Governing the Expenditure of Public Funds on Offshore Services

The Contractor affirms to have read and understands Executive Order 2011-12K and shall abide by those requirements in the performance of this Contract. Notwithstanding any other terms of this Contract, the State reserves the right to recover any funds paid for services the Contractor performs outside of the United States for which it did not receive a waiver. The State does not waive any other rights and remedies provided the State in this Contract.

Appendix 3:

Open Innovation Incentive (OII) Program RFP

Please note that the OII RFP is in draft form and may change at any time. Please continue to check <http://www.thirdfrontier.com/OII.htm> for updates.



Department of
Development

John R. Kasich, Governor

Christiane Schmenk, Director

Ohio Third Frontier Open Innovation Incentive

Fiscal Year 2012
Request for Proposals (RFP)

- RFP Released –
- Bidders' Conference –
- Written Questions –
- Proposals due by 12:00 PM –
- Review and Award approximately –



RFP Administered by:
The Ohio Department of Development
Technology and Innovation Division
77 South High Street, 25th Floor
Columbus, OH 43215

TABLE OF CONTENTS

| | | |
|-------|---|----|
| 1 | OHIO THIRD FRONTIER STATEMENT OF SOLICITATION | 3 |
| 1.1 | Background | 3 |
| 1.2 | Request for Proposals Issuance | 4 |
| 1.3 | The RFP Process and Awards Process..... | 4 |
| 2 | PROGRAM DESCRIPTION..... | 5 |
| 2.1 | Purpose | 5 |
| 2.2 | Goal and Objective..... | 5 |
| 2.3 | Eligibility..... | 6 |
| 2.3.1 | Technology Subject Matter | 6 |
| 2.3.2 | Lead Applicant..... | 6 |
| 3 | GENERAL PROPOSAL REQUIREMENTS..... | 7 |
| 3.1 | General Instructions | 7 |
| 3.2 | Trade Secret Information..... | 8 |
| 3.3 | Order and Content of Proposal Sections | 9 |
| 3.3.1 | Application Information Page | 9 |
| 3.3.2 | Trade Secret Information | 9 |
| 3.3.3 | Lead Applicant Information | 9 |
| 3.3.4 | Table of Contents | 9 |
| 3.3.5 | Scope of Work Plan..... | 9 |
| 3.3.6 | Experience and Qualifications..... | 11 |
| 3.3.7 | Budget Narrative | 12 |
| 3.3.8 | Letters of Reference..... | 12 |
| 3.4 | Page Limitations..... | 13 |
| 4 | EVALUATION CRITERIA..... | 13 |
| 5 | APPENDICES..... | 14 |

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Ohio Third Frontier Open Innovation Incentive

Fiscal Year 2012
Request for Proposals (RFP)

1 Ohio Third Frontier Statement of Solicitation

1.1 Background

The Ohio Third Frontier (OTF) represents an unprecedented and bipartisan commitment to expand Ohio's technological strengths and promote commercialization that leads to economic prosperity throughout Ohio. Designed to support world-class, commercializable research programs, nurture early-stage companies, and foster technology development that makes existing industries more productive, the OTF creates opportunity through innovation. In targeted areas of technology, the multi-year State of Ohio initiative supported with over \$2 billion is catalyzing the growth of existing and emerging industry clusters throughout the state by:

- Improving the capacity of Ohio's entrepreneurial ecosystem to deliver services and attract capital necessary to create and grow scalable technology-based enterprises;
- Increasing the technical capabilities and business competencies of Ohio value chains within key existing and emerging driver industries and pursue targeted attraction to fill gaps; and,
- Cultivating a highly collaborative and innovative environment that encourages Ohio's community of technology seekers and solvers to regularly exchange new knowledge in pursuit of targeted market driven commercial opportunities.

For more information about OTF, please see www.thirdfrontier.com.

Consistent with the strategic goals, OTF investments represent a balanced portfolio of programming that proactively identifies opportunities throughout the Technology Commercialization Framework (Framework). As a result, all OTF Programs share a common goal — to promote technology-based economic development within Ohio by funding activities that move technology from idea to market. This goal requires the State to design programs, evaluate proposals and projects, leverage resources, and provide management oversight within the context of the Framework. It is expected that every proposal seeking OTF funding will clearly demonstrate its understanding of the Framework, and will be able to articulate its scope of work within the Framework's model.

For more information about the guiding principles contained within the Framework, please see:

<http://www.thirdfrontier.com/Documents/RecentPublications/TechCommFramework-Complete.pdf>.

1.2 Request for Proposals Issuance

This Request for Proposals (RFP) is being issued for funds to be awarded under OTF. This RFP will be released by publication on the OTF website at [\[insert OTF Program link\]](#).

The OTF Commission reserves the right to fund any proposal in full or in part, to request additional information to assist in the review process, to reject any or all proposals responding to this RFP, and to re-issue the RFP and accept new proposals if OTF Commission determines that doing so is in the best interests of the State of Ohio. Issuing this RFP does not bind the State to make an award of OTF Funds. Any award of OTF Funds in respect to this RFP will be subject to availability of funds as provided in Ohio Revised Code Section 126.07.

The Ohio Department of Development (Development) administers this RFP. Development reserves the right to adjust the dates for this RFP for whatever reason it deems appropriate. Development's Office of Technology Investments will administer all funds awarded under this RFP.

1.3 The RFP Process and Awards Process

The RFP process will consist of the following steps:

- Release of RFP
- Questions & Answers (Q&A)
- Submittal of Proposals

Each of these steps is discussed in [Appendix A – RFP Process, Awards Process and Mandatory Compliance](#).

The Awards Process will consist of the following steps:

- Proposal Review and Evaluation Procedures
- Award Decision
- Award and Agreement Preparation and Execution

Each of these steps is discussed in [Appendix A – RFP Process, Awards Process and Mandatory Compliance](#).

All questions regarding this RFP must be submitted in writing via e-mail to OII2012@development.ohio.gov with a subject line of "OII Q&A".

2 Program Description

2.1 Purpose

Open Innovation is a relatively new paradigm where organizations externally source innovations instead of relying solely on internal Research and Development (R&D) for technology/product innovations. It enables companies to effectively direct limited resources and increase productivity by tapping into external ideas, knowledge, and expertise without re-inventing the wheel. The practice of Open Innovation was pioneered by Procter & Gamble (P&G) starting in 2000 through the highly successful P&G Connect and Develop system, and has seen increasing adoption by companies over the last decade.

While companies on the scale of P&G have been more likely to engage in Open Innovation, middle market companies which may lack internal R&D capabilities and could benefit from external innovations have not yet engaged at the same level. The purpose of the OTF Open Innovation Incentive (OII) is to assist Ohio middle market companies new to Open Innovation to engage in the process, leading to an accelerated time to market of Ohio technology products, processes, or services, and increased national and global competitiveness of Ohio industry.

With the rising prominence of Open Innovation over the last decade, this period has seen the advent of Open Innovation Intermediaries, or entities which connect companies in need of assistance with solving specific innovation challenges (Seekers) with solution providers (Solvers). In addition to providing a number of services to facilitate the Open Innovation process, these Intermediaries typically employ online marketplaces for Seekers and Solvers. Development is seeking Proposals from Open Innovation Intermediaries for the services requested in this RFP.

2.2 Goal and Objective

The goal of the OII is to incentivize and assist Ohio middle market companies (Seekers) in externally sourcing innovations needed to overcome specific technical obstacles encountered with the development of a next-generation or new product, service, or process, thus accelerating the time to market and resulting in positive economic activity in Ohio. A Seeker must be an Ohio for-profit company, while a solution provider (Solver) may be located in Ohio or outside the state.

In order to achieve this goal and overcome the potential barriers to Open Innovation for Ohio middle market companies, the OII objective is to assist Ohio Seekers with a portion of the transactional costs of utilizing the services of one or more Open Innovation Intermediaries selected through this RFP. The remaining transactional costs and the full cost of the solution are to be borne by the Seeker.

This RFP seeks Proposals from Open Innovation Intermediaries to provide the services outlined in Section 3.3.5. Development may select multiple Intermediaries to provide these services.

2.3 Eligibility

2.3.1 Technology Subject Matter

Preference will be given to Seeker innovation challenges in targeted technology focus areas. As such, the Intermediaries are asked to describe organizational capabilities and track record in some or all of the following areas:

- Advanced Materials related to advanced polymers, ceramics, composites, carbon fibers and nanotubes, and specialty metals and alloys
- Aeropropulsion Power Management
- Fuel Cells and Energy Storage
- Medical Technology related to imaging, surgical instruments/equipment, implant devices, and regenerative medicine
- Software Applications for Business and Healthcare
- Sensing and Automation Technologies
- Situational Awareness and Surveillance Systems
- Solar Photovoltaics

2.3.2 Lead Applicant

A Lead Applicant is the entity that submits a proposal and will be legally and financially responsible for the administration of any resulting award of OTF funds. The Lead Applicant will be responsible for the administration of the proposal should it be awarded.

The Lead Applicant must be an established Open Innovation Intermediary organization with an existing broad and deep network of Solvers, a widely utilized online marketplace for Seekers and Solvers, and a strong track record of successfully executed deals between Seekers and Solvers resulting in positive business impacts for the Seeker organization.

The Lead Applicant must have a Principal Place of Business in Ohio. A Principal Place of Business is a facility located in the State of Ohio where the Lead Applicant, who is registered with the Secretary of State to conduct business in Ohio, maintains physical operations managed by a senior representative of the Lead Applicant who is authorized to make decisions and to obligate the Lead Applicant and its resources. This facility must be owned by the Lead Applicant or be subject to a long-term lease.

A Lead Applicant which does not have a Principal Place of Business in Ohio at the time of Proposal submission will be required to do so by the time a Grant Agreement with Development is executed. In this case, the Lead Applicant is

expected to provide a plan and a timeline in the Proposal for setting up a Principal Place of Business in Ohio.

Lead Applicants that become Grantees must maintain eligibility while the Grant is open. A Grantee that loses eligibility forfeits its award and may be required to repay the State of Ohio the full amount of the monies it has received, plus interest.

2.4 Funding

Development anticipates awarding up to \$8 million in Grants through the FY12 OII. Development may select multiple Intermediaries, on a highly competitive basis, taking into account the efficiency of the budget proposed by the Intermediaries and with a goal of selecting at least two (2) and no more than four (4) Intermediaries.

2.5 Term of Project

The Project is the plan of activity or activities that make up the total scope of work for which an award of OTF funds is requested and for which a proposal is approved. The term of OII Grant Agreements will be up to three (3) years. The Project Period during which the work funded by the Grant will take place will be no more than two (2) years. For an additional two years of the Grant, semi-annual reports detailing the progress and the economic impact metrics discussed in Section 3.3.5 will be required.

3 General Proposal Requirements

3.1 General Instructions

Proposals must be submitted in the following manner:

- Proposals are to be submitted electronically in PDF format to OII2012@development.ohio.gov with subject line "OII Proposal Submission".
- Proposals must be received by Development by the specified date and time. It is the Lead Applicant's responsibility to ensure timely submission of a complete Proposal based on all requirements of this RFP.
- Proposals are to be submitted on 8.5 x 11-inch paper.
- Margins must not be less than $\frac{3}{4}$ of an inch on all sides, with the exception of the form(s) found in Appendix B – Application Forms of this RFP.
- Font must be 11 point or larger with no more than 6 lines per inch.
- All pages must be numbered consecutively using the format "Page [#] of [total number of pages]" (e.g., Page 2 of 25).

- The Proposal title and Lead Applicant name must appear at the bottom of each page.
- Proposals should not include color figures that cannot be understood when photocopied in black and white.
- The first page of the Proposal must be the Application Information Page.
- Do not include a cover or cover letter other than the Application Information Page.

3.2 Trade Secret Information

All Lead Applicants are strongly discouraged from including in a Proposal any information that the Lead Applicant considers to be a “trade secret,” as that term is defined in Section 1333.61(D) of the Ohio Revised Code. All information submitted in response to this RFP is public information unless a statutory exception exists that exempts it from public release. If any information in the Proposal is to be treated as a trade secret, the Proposal must:

- Identify each and every occurrence of the information within the Proposal with an asterisk before and after each line containing trade secret information and underline the trade secret information itself.
- Check the “This Application Does include information considered a ‘trade secret’” box on the Applicant Information Page.
- Include a page immediately after the Application Information Page that lists each page in the Proposal that includes trade secret information and the number of occurrences of trade secret information on that page.

To determine what qualifies as trade secret information, refer to the definition of “trade secret” in the Ohio Revised Code at 1333.61(D), which is reproduced below for reference:

- (D) “Trade Secret” means information, including the whole or any portion or phase of any scientific or technical information, design, process, procedure, formula, pattern, compilation, program, device, method, technique, or improvement, or any business information or plans, financial information, or listing of names, addresses, or telephone numbers, that satisfies both of the following:
- (1) It derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use.
 - (2) It is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

Development requires non-disclosure agreements from all non-Development persons who may have access to Proposals containing trade secret information, including evaluators.

3.3 Order and Content of Proposal Sections

3.3.1 Application Information Page

The first page of the Proposal must be the completed Applicant Information Page found in Appendix B – Application Forms to this RFP.

3.3.2 Trade Secret Information

This section of the Proposal must disclose any trade secret information included in the Proposal. This page is only required and must be included if there is any information to be treated as a trade secret in the Proposal. Follow the instructions in Section 3.2 of this RFP.

3.3.3 Lead Applicant Information

Complete and include the Lead Applicant Contact Information Page. One individual may serve in more than one capacity.

3.3.4 Table of Contents

Prepare a Table of Contents with detail for two levels of headings in the Proposal. This section should also include a list of Charts, Figures, and Tables that appear in the Proposal with a page number for each.

3.3.5 Scope of Work Plan

In the order provided, this section of the Proposal's narrative must contain information that addresses the subject matter delineated below.

Introduction and Company Information. Describe the Lead Applicant's background, nature of business activities, business model, and experience. The Lead Applicant should identify and substantiate that it is well-qualified to provide the services described in this RFP.

The Lead Applicant should include information regarding the typical profile of its customers, such as the type and size of the Seeker organizations it serves, and the type of Solvers which have typically been most successful in addressing the innovation challenges (e.g. for-profit small businesses, institutions of higher education, etc.). Discuss the breadth and depth of the Lead Applicant's active Solver network, and relate this to the Technology Subject Matter in Section 2.3.1.

Furthermore, the Lead Applicant should include any defining characteristics and typical stage of development of its innovation challenges, and should relate this information to the Technology Subject Matter in Section 2.3.1 and the Commercialization Framework referenced in Section 1.

The Lead Applicant should provide insight into its typical monthly deal flow over the past year in the form of challenges posted, the percentage of challenges solved, the average timeframe between challenge posting and Seeker/Solver agreement execution, impacts on the Seekers' organizations resulting from solving the challenges, and any other pertinent information.

Project Plan. Lead Applicants should provide a detailed plan to address the following services, where applicable:

- As part of the Intermediary's online marketplace, provide a clearly indicated and easily accessible venue, incorporating the Ohio Third Frontier brand, where innovation challenges from Ohio Seekers can be posted. This information should assist Ohio Solvers in easily identifying Ohio challenges, as well as help encourage additional Ohio Seekers to participate. Please note that in addition to this Development may, at its discretion, provide its own separate online venue containing aggregate information such as links to each Ohio innovation challenge posted on an Intermediary website for ready access to Ohio Solvers, educational information regarding Open Innovation, conference notifications and materials, Open Innovation success stories, etc.
- Create and implement a strategy for wide recruitment of new Ohio middle market Seekers into the marketplace.
- Confirm the eligibility of each Seeker as a registered for-profit Ohio company.
- Evaluate the proposed Seeker-issued innovation challenges to assess the likelihood that solving the challenge will create Ohio economic impacts, and that this will occur within a reasonable timeframe.
- Provide a brief written justification to Development for each approved and non-approved innovation challenge. Please note that these will be public documents and as such must be of high-quality and comply with trade secret policies outlined in Section 3.2.
- Assist Seekers in refining and targeting innovation challenges.
- Assist Seekers by engaging networks of targeted potential Solvers, and screening and identifying the most promising solutions. Create and implement a strategy to engage current and potential Ohio Solvers.
- Facilitate intellectual property (IP) negotiations and contractual agreements for Seekers who require assistance in this area, if applicable.
- Report semi-annual progress data to Development during the Project Period, including but not limited to:
 - Number of innovation challenges posted by Ohio Seekers after the award date
 - Number of Ohio Seekers who have posted innovation challenges after the award date, including both current and new Intermediary clients
 - Number of Ohio Seekers who have posted their first innovation challenge after the award date
 - Number of agreements successfully executed between Seekers and Solvers, and average and median time between challenge posting and agreement execution

- Average, median, minimum, and maximum size of challenge
- Technology focus areas of solved challenges and location of Solvers (name of State if within U.S., name of country if outside of U.S.)
- Report economic impact metrics semi-annually to Development during the Project Period and for two years beyond the Project Period, including but not limited to jobs created and revenues generated as a result of solving the challenge. In addition, whenever possible, provide anecdotal success stories to Development.
- Maintain on-going communications with Development regarding program status.
- If requested by Development, periodically participate in Ohio Third Frontier Commission or other meetings to present information regarding the program and the results. There are four Ohio Third Frontier Commission meetings, scheduled quarterly, in each fiscal year, and additional meetings may be scheduled as necessary. In addition, the Intermediary may be asked to take part in Open Innovation conferences to educate and facilitate engagement of Ohio entities in Open Innovation.

3.3.6 Experience and Qualifications

This section of the Proposal's narrative must contain information that addresses the subject matter delineated below.

Organizational Capabilities. Provide a description of relevant organizational experience and capabilities in sufficient detail to evaluate whether the Lead Applicant has the direct experience and capabilities needed to effectively deliver the services requested in Section 3.3.5. Discuss the Lead Applicant's expertise and experience pertaining to the Technology Subject Matter listed in Section 2.3.1. The Lead Applicant should also describe its track record including elements such as successfully executed deals between Seekers and Solvers and the Seeker organizational impacts.

Demonstrated Leadership Assets. Identify the Program Manager and other Key Personnel who will lead the OII, their roles and responsibilities, and the rationale for their selection for key positions. Address how the Key Personnel will monitor and maintain progress, control quality, and resolve problems.

Management Plan. Discuss plans for internal means of communication, coordination of data and information management, evaluation and assessment of progress, allocation of funds and personnel, and other specific issues relevant to the proposed activities. Discuss the strategy for obtaining the Ohio economic impact metrics from Seekers.

Biographical Sketches. Biographical information is limited to no more than five (5) individuals whom the Lead Applicant considers key to the success of the OII. Biographical sketches shall be no more than one (1) page each and one sketch must be included for each Key Personnel up to the total of five (5) individuals.

3.3.7 Budget Narrative

The budget narrative must clearly describe all sources and uses of funds for the Project, which cannot exceed two (2) years. The Lead Applicant is to provide a detailed budget, forecast, and related explanations that are consistent with the level of resources being requested.

Development will fund up to fifty (50) percent of Intermediary transactional costs while the remaining fifty (50) percent of transactional costs and one-hundred (100) percent of solution costs will be the responsibility of the Seeker. Transactional costs are the fees a Seeker would normally pay to an Intermediary in exchange for its services, and exclude solution costs. Solution costs are paid by the Seeker to its selected Solver in exchange for providing the winning solution, and include all costs pertaining to Intellectual Property and any contractual/collaboration costs for a Solver's services.

The Lead Applicant must provide the following proposed budget information:

- Cost per transaction for those services outlined in Section 3.3.5 which fall within the normal scope of Intermediary activities. Each of these services must be clearly listed and the scope of each service clearly explained in the budget narrative. Make sure to include the following budget details:
 - Personnel hours per transaction, hourly rate, and cost per transaction;
 - Cost structure of the transactions (e.g. flat fee, percent royalties, fee on the front end followed by a success fee on the back end);
 - Estimated number of transactions during the first 6 months, 12 months, 18 months, and the full Project Period; and
 - Total estimated transactional cost.
- Cost of providing those services outlined in Section 3.3.5 which fall outside the normal scope of Intermediary activities. Each of these services must be clearly listed and the scope of each service clearly explained in the budget narrative. Examples of these services may include incorporating a Third Frontier venue into the Intermediary's online marketplace, assessing the likelihood of Ohio economic impacts and providing a brief written justification for each approved and non-approved challenge, collecting and reporting progress data and economic impacts to Development, etc. An estimate of the personnel hours needed per each innovation challenge and the hourly rate should be provided for each of these services.

3.3.8 Letters of Reference

A maximum of five (5) letters from organizations who are familiar with the Lead Applicant's expertise and project management is required. Each letter is to be no more than one (1) page and should state when the Lead Applicant

provided services to the supportive organization and the nature and outcome of those services.

3.4 Page Limitations

Any pages beyond the page limits listed below will be eliminated from the Proposal before it is sent for review and evaluation. Except as otherwise noted, appendices or other methods to augment the information presented in the Proposal are not allowed. Reference to web-based information to supplement the Proposal is not permitted, and such references will not be considered in the evaluation.

Work Plan – Up to 4 pages for the Introduction and Company information; Up to 8 pages for the Project Plan

Experience and Qualifications – Up to 3 pages

Biographical Sketches – No more than 5 pages (A maximum of 5 biographical sketches of Key Personnel with each bio limited to 1 page)

Budget Narrative – Up to 4 pages

Letters of Reference – A maximum of 5 letters, no more than 1 page for each letter. Letters may not have attachments or appended materials of any kind.

4 Evaluation Criteria

Only the most meritorious proposals are sought for funding. Proposals will be evaluated based on responsiveness to all the requirements of this RFP and on the Lead Applicant's response to any additional information that may be requested. Implicit in those requirements and evaluation criteria is the quality of the Proposal and budget.

The following criteria have been designated with the highest relevance to and weighting for OII:

- Alignment of the Proposal with the OII purpose, goals, objectives, eligibility, and funding as described in Section 2.
- Experience and credentials as an established and recognized Open Innovation Intermediary with an existing and widely utilized marketplace for Seekers and Solvers.
- Experience and qualifications of proposed Project Manager and other key staff assigned to the Project.
- Track record in the form of successfully executed deals between Seekers and Solvers and the resulting impact on the Seekers' organizations, and the percent (%) of posted innovation challenges which result in successful deals.
- Strategy to recruit as many new Ohio middle market Seekers into the marketplace as possible, while ensuring that the challenges are meaningful and impactful to the Seeker organization and the Ohio economy.

- Process of assessing whether economic impacts will likely occur in Ohio in a reasonable timeframe if the innovation challenge is solved.
- Methodology in engaging targeted networks of potential Solvers and facilitating the screening process to assist in identifying the top solutions. Breadth and depth of the existing Solver network.
- Strategy to reach out to current and potential Ohio Solvers.
- Strategy for IP transfer.
- Core competence and track record in facilitating IP negotiations, contractual agreements, and disbursement of funds between Seekers and Solvers.
- Methodology and ability to track the programmatic data and the Ohio economic impact metrics required by Development.
- Reasonableness of the cost estimates for providing the requested services, and reasonableness of the overall budget and cost structure.

The evaluation criteria are designed to support the mission and goals of OTF and its various programs.

5 APPENDICES

A. RFP Process, Awards Process and Mandatory Compliance

B. Application Forms