

**SUPPORTING STATEMENT FOR PAPERWORK REDUCTION SUBMISSION**  
**Grantee Reporting Requirements for NSF SBIR/STTR Program**

**SUPPLEMENTARY INFORMATION**

**Title of Collection:** Grantee Reporting Requirements for NSF SBIR/STTR Program

**Type of Request:** Intent to seek approval to establish an information collection

**Section A. Justification**

This request is for approval of a bi-annual report requirement for SBIR/STTR Phase II grantees intended to monitor project progresses, and outcomes, as well as to ensure compliance requirements are met for NSF investments in the two Congressionally-mandated innovation programs: [Small Business Innovation Research \(SBIR\) program](#) and the [Small Business Technology Transfer \(STTR\) program](#).

The SBIR and STTR programs are two of the five major programs in the NSF Division of Industrial Innovation and Partnerships (IIP) of the Engineering Directorate. These two programs are designed to stimulate technological innovation in the private sector by strengthening the role of small business, increasing the commercial application of federally supported research results, as well as fostering and encouraging participation by socially and economically disadvantaged and women-owned small businesses.

IIP also manages the [Partnerships for Innovation \(PFI\)](#) program, which stimulates innovation by building partnerships across the scientific, engineering, and business community, the [Industry-University Cooperative Research Centers \(IUCRC\)](#) program, which fosters partnerships to advance technological innovation through public-private partnerships, and [Innovation Corps \(ICorps\)](#) program, which is another Congressionally-mandated program that equips scientists with the entrepreneurial tools needed to transform discoveries with commercial realization potential into innovative technologies.

Both the NSF SBIR and NSF STTR programs have two phases: Phase I and Phase II. Phase I is a 6-12 month experimental or theoretical investigation that allows the awardees to determine the scientific, technical, and commercial merit of the idea or concept. Phase II further develops the proposed concept, building on the feasibility project undertaken in Phase I, with a goal of working toward the commercial launch of the new product, process, or service being developed. Phase II awards have an expected period of performance of 24 months, but can be extended by certain supplemental funding opportunities by up to an additional three years.

The bi-annual report will be required every six months for the life of the Phase II award. We will use this report to collect information on the technical progress of the funded

NSF work, which allows the managing Program Director to monitor the project and ensure that the award is in good standing. The report will request a discussion of progress on other company aspects that will allow NSF to assess the broader and commercial impacts, both of which are core to our review criteria. This report will also be used to ensure awardee compliance with both SBIR/STTR-wide and NSF-wide compliance requirements. Finally, the report will be used to collect data that is required by the SBIR Policy Directive.

Summaries of these reports could be used in responding to queries from Congress, the public, NSF's external merit reviewers who serve as advisors, including Committees of Visitors, and NSF's Office of the Inspector General. These data are needed for effective administration, program and project monitoring, evaluation, and for measuring attainment of NSF's program and strategic goals, as identified by the President's Accountable Government Initiative, the Government Performance and Results Act Modernization of 2010, Evidence-Based Policymaking Act of 2018, and NSF's Strategic Plan.

### **A.1 Circumstances Requiring the Collection of Data**

To fulfill its monitoring and management responsibilities, and to answer queries from Congress, OMB, SBA, and NSF management, IIP needs current and standardized information about the short-and long-term outcomes of SBIR/STTR Phase II awards. Significant project oversight is especially important given that most SBIR/STTR awards at NSF go to start-up companies that are both small and new to government funding. These companies need more guidance and more oversight than do more established organizations with more governmental experience.

This information is specifically important to support compliance checking and internal assessments by SBIR/STTR Program Directors.

Collection of these data has several purposes, including:

- Providing a source of information on the outcomes of the research investments in terms of advancements in science, technology, and society impact in NSF-funded projects, in compliance with Foundation responsibilities to monitor scientific and technical resources enabling NSF to monitor the effectiveness of NSF-sponsored projects and identify outputs of projects funded under NSF awards for management and for reporting to the Administration and Congress.

The bi-annual report has been created based on the NSF SBIR/STTR program design, as well as theory of change or management needs. The data collected from the report is focused on initiative-specific and program-specific qualitative indicators. The items on the report elicit participants' details and activities, outputs (i.e., R&D activities, research milestones, technical progresses), outcomes and impacts (i.e., investment/fundraising activities, technical and/or commercial successes).

### **A.2 Purposes and Use of the Data**

The information collected under this request is required for effective program administration, compliance checking, program and project monitoring, and for measuring attainment of NSF's program goals as laid out in NSF's Strategic Plan.

The objective of this clearance is threefold: 1) to allow managing SBIR/STTR Program Directors to monitor the project and ensure that the Phase II award is in good standing, 2) to ascertain that the awardee complies with both SBIR/STTR-wide and NSF-wide requirements, such as lifecycle program certifications and requirements of our Phase II cooperative agreement instrument, and finally, 3) to collect data that is required by the Small Business Administration (SBA) [SBIR Policy Directive](#).

The information from the reports will be primarily used by SBIR/STTR Program Directors for project and program monitoring and effective administration. Some of the data collected will be used for SBA reports, NSF internal reports, assessing program impact and allowing the program staff to consider changes which would improve program efficiency or impact.

### **A.3 Use of Information Technology to Reduce Burden**

All of the collections included under this clearance request will utilize electronic forms to minimize data errors and respondent burden. In some cases, Program Directors may contact the respondent for clarifications or follow-up questions, and will update the data gathered from these conversations accordingly.

### **A.4 Efforts to Identify Duplication**

The *Grantee Reporting Requirements for NSF SBIR/STTR Program* does not duplicate efforts undertaken by NSF, other federal agencies, or other data collection agents.

### **A.5 Small Business**

In the *Grantee Reporting Requirements for NSF SBIR/STTR Program*, IIP will collect information from small businesses. These businesses are partners to current awardees or are run/owned by current awardees. The only impact of this data collection on the business will be the time required for respondents to gather the information, complete the form, and/or have conversations with managing Program Directors for clarifications.

### **A.6 Consequences of Not Collecting the Information**

Data collected for the *Grantee Reporting Requirements for NSF SBIR/STTR Program* will be used to monitor projects, manage the SBIR and STTR programs, inform program evaluations, provide SBA and Congress with information about government-supported activities, and report for GPRA and other requirements.

If the information were not collected, IIP would be unable to 1) verify and validate compliance requirements, 2) meet its accountability requirements or assess the degree to which projects and Phase II awards are meeting their goals over time, and 3) document progress and outcomes of the Phase II projects.

#### **A.7 Special Circumstances Justifying Inconsistencies with Guidelines in 5 CFR 1320.6**

Data collected for the *Grantee Reporting Requirements for NSF SBIR/STTR Program* will comply with 5 CFR 1320.6. First, a valid OMB control number will be displayed at the beginning of the electronic form. Second, as the reporting requirement is mandatory, the NSF SBIR and STTR Programs will communicate clearly—by ways of proposal solicitations, the NSF SBIR/STTR website, and program announcements—that such collection of information will be treated as a means for proving and satisfying a condition for the receipt of the Phase II grant.

NSF SBIR and STTR Phase II grantees will be asked to submit this report bi-annually, or occasionally at shorter intervals for data collected during the life of the award.

#### **A.8 Federal Register Notice and Consultation Outside the Agency**

The agency's notice, as required by 5 CFR 1320.8(d), was published in the *Federal Register* on February 21, 2020, at 85 FR 10196, and no comments were received.

#### **A.9. Payments or Gifts to Respondents**

Not applicable

#### **A.10. Assurance of Confidentiality**

Respondents will be informed that any information on specific individuals is maintained in accordance with the Privacy Act of 1974. Every data collection instrument will display both OMB and Privacy Act notices.

Respondents will be told that data collected are available to NSF officials and staff, and contractors hired to manage the data and data collection software. Data will be processed according to federal and state privacy statutes. The system will limit access to personally identifiable information to authorized users. Data submitted will be used in accordance with criteria established by NSF for monitoring research and education grants and in response to Public Law 99-383 and 42 USC 1885c.

#### **A.11 Questions of a Sensitive Nature**

In the *Grantee Reporting Requirements for NSF SBIR/STTR Program*, information from respondents, including name, affiliated organization, and email address are requested.

These data are collected to track recipients of their roles in an organization, levels of efforts, and expenditures.

Individual-level data that are collected will be provided only to managing Program Directors, NSF senior management, and supporting staff conducting analyses using the data as authorized by NSF. Any public reporting of data will be in aggregate form, and all personal identifiers will be removed.

## **A.12 Estimates of Response Burden**

### ***A.12.1. Number of Respondents, Frequency of Response, and Annual Hour Burden***

**Table 1. Respondents, Responses, and Annual Hour Burden**

<b>Collection Title</b>	<b>No. of Respondents</b>	<b>Annual No. of Hours/Respondent</b>	<b>Annual Hour Burden</b>
<i>Grantee Reporting Requirements for NSF SBIR/STTR Program</i>	300	16	4800
<b>Total</b>	300	16	4800

As shown in Table 1 above, the annual response burden for the collections under this request is 4,800 hours.

For life-of-award monitoring, the data collection burden to awardees will be limited to no more than 8 hours of the respondents' time in each instance, but will most likely be an average of 4-6 hours of the respondents' time in each instance.

The respondents are Principal Investigators (PIs) of the awards, and/or founders, co-founders, or other key personnel of the businesses.

### ***A.12.2. Estimates of Annualized Cost to Respondents for the Hour Burdens***

The following table shows the annualized estimate of costs to PI/Founder/Co-Founder/Business Partner respondents, who are generally university professors. This estimated hourly rate is based on a report from the American Association of University Professors, "[The Annual Report on the Economic Status of the Profession, 2018-19](#)", Survey Report Table 1.

According to this report, the average salary of an associate professor across all types of doctoral-granting institutions (public, private-independent, religiously affiliated) was \$101,296. When divided by the number of standard annual work hours (2,080), this calculates to approximately \$49 per hour.

**Table 2. Annualized Cost to Respondents**

Respondent Type	No. of Respondents	Total Burden Hours	Average Hourly Rate	Estimated Annual Cost
PIs, (co-) Founders, Assignees, Business Partners	300	4800	\$49	\$235,200

**A.13 Estimate of Total Capital and Startup Costs/Operation and Maintenance Costs to Respondents or Record Keepers**

Not applicable.

**A.14 Estimates of Costs to the Federal Government**

On average, the managing SBIR/STTR Program Director (usually a GS 15) will take about 45 minutes to review the technical narratives on a report. Each grantee is asked to submit the report twice a year. The review of the report is part of the due diligence process that each Program Director needs to perform to monitor the project(s), ensure the grantee’s compliance with the requirements, and ascertain that the award is in good standing. The cost to the Federal government for reviewing the reports totals \$27,621 per year.

Task	Number of Reports	Time/Review	Frequency	Total Time	Cost
Program Directors reviewing technical narrative in the reports	300	45 minutes	Twice per year	450 hours/year	\$61.38 x 450 hours = \$27,621

**A.15. Changes in Burden**

Not applicable; this is a new collection.

**A.16. Plans for Publication, Analysis, and Schedule**

Not applicable.

**A.17. Approval to Not Display Expiration Date**

Not applicable.

**A.18 Exceptions to Item 19 of OMB Form 83-I**

No exceptions apply.

**Part B.**

Not applicable.