

AI Models Innovation Challenge Q&A

Eligibility & Partnerships

Questions related to one organization submitting multiple awards

Can a startup be involved with two applications led by two separate non-profits?

Yes, a startup can be involved in multiple applications led by different non-profits. However, any partner included in multiple proposals must demonstrate the capacity to fully participate in all proposed activities if multiple awards are granted.

Can a single primary entity put in multiple proposals with different corporate partners?

Yes. However, any partner included in multiple proposals must demonstrate the capacity to fully participate in all proposed activities if multiple awards are granted.

Will only one award be made per non-profit entity? For example, if MIT submits two great ideas, will both go to MIT?

It is possible for a lead applicant to submit multiple awards. However, any partner included in multiple proposals must demonstrate the capacity to fully participate in all proposed activities if multiple awards are granted. Please note, it is unlikely that MassTech will award multiple grants to one applicant as we intend to support as many unique entities as possible.

Questions related to location of partners

What is the specific definition of 'legally organized in MA'?

"Legally organized in MA" means that the lead applicant is a Massachusetts-based entity formally registered in Massachusetts or has a physical location in Massachusetts.

Is it important for all participants to be in Massachusetts?

Not all project partners need to be based in Massachusetts, but the project must have a strong center of gravity in the Commonwealth, meaning core activities, impact, and application should be primarily focused on Massachusetts.

Can a MA-based university partner with a startup that's incorporated in another state?

Yes. While all project partners do not need to be based in Massachusetts, it is required that the core project activities or application maintain a strong center of gravity in Massachusetts.

Can a foreign startup collaborate with a Massachusetts university to work on the project?

Yes. While all project partners do not need to be based in Massachusetts, it is required that the core project activities or application maintain a strong center of gravity in Massachusetts.

If an applicant has strong industry partners, but they are international, will this be a disadvantage?

While all project partners do not need to be based in Massachusetts, it is required that the core project activities or application maintain a strong center of gravity in Massachusetts.

Are there limitations on partnerships with firms or institutions outside of MA?

There is no limit but it is required that the core project activities or application maintain a strong center of gravity in Massachusetts.

Other partnership-related questions

Could you provide more information about “genuine collaboration with key industry participants”? Would this be addressed by a letter of support from an industry collaborator?

“Genuine collaboration with key industry participants” means that industry partners should play a meaningful role in the project, contributing expertise, data, resources, or pathways to deployment. A letter of support from an industry collaborator can help demonstrate this partnership, but the application should also clearly describe the collaborator’s role, commitment, and how their involvement enhances the project’s impact and feasibility.

For collaborative proposals with two universities, should the prime/lead university submit one application on behalf of both universities? Should each collaborating university prepare their own budget? Can both collaborating faculties be PIs on the proposal or should the lead be PI and the other university faculty Co-PI?

For collaborative proposals with two universities, the university serving as the lead applicant should submit one application and one budget on behalf of both universities. The non-lead university will be considered a project partner and recognized as a subcontractor in the budget. Both universities can have key leadership roles, with both faculty members designated as PIs, if they will share an equal leadership role in the project.

Is corporate/industry collaboration necessary?

Yes.

Is collaboration mandatory?

Yes, all applications must demonstrate a genuine collaboration with key industry participants, as partnerships are essential to ensuring the model’s relevance and impact.

Can a Principal Investigator be involved in more than 1 proposal?

Yes.

Are there any restrictions on how many proposals each Principal Investigator can submit?

No.

Other eligibility-related questions

Can a Massachusetts non-profit corporation organized in 2024 that has just applied for its tax-exempt status with the IRS qualify as a lead applicant for the grant?

Yes, a non-profit is eligible even if it does not have tax-exempt status.

Can a department of defense agency act as lead?

The lead applicant must be a not-for-profit entity legally organized in Massachusetts. A federal agency or division is not eligible to be a lead applicant.

Are hospital corporations considered industry collaborators? e.g. an academic institution collaborating with a hospital? Does it matter if the hospital is a non-profit?

Yes, hospital corporations are considered industry collaborators. If a hospital or healthcare system is organized as a not-for-profit, they are eligible to be lead applicants.

Can VC funds/Venture studios be recipients?

If the VC fund or Venture Studio is established as a not-for-profit entity, they are eligible to be a lead applicant. If they are a for-profit entity, they are eligible to participate as a project partner.

Are there requirements for the people supported by this grant to be U.S. citizens or green-card holders?

All individuals supported by or doing work under the grant must be eligible to work in the United States at the time of execution of the grant agreement, and the grantee has a continuing obligation to ensure such status during the term of the agreement,

Are non-US citizens or non-permanent residents eligible to apply as a Principal Investigator (e.g., H1B visa holders)?

Yes, provided they are eligible to work in the United States at the time of execution of the grant agreement. The grantee will have a continuing obligation to ensure such status during the term of the agreement,

Will MBE or SBPP-certified businesses be given priority consideration in the grant selection process?

MBE or SBPP-certified businesses, as private companies, are not eligible to participate as lead applicants. However, lead applicants are encouraged to take appropriate steps to ensure that minority firms, women's business enterprises, and labor surplus area firms are included as collaborators where possible. (*see NOFO section 7.1.g*)

Will minority ideas or typically ideas not picked up by VCs get any priority? (e.g., evaluating bias in AI, climate tech, services for immigrants, etc.)

We are looking to fund projects tackling industry or society challenges that market forces alone are unlikely to address. Models with potential to catalyze scientific discovery, accelerate commercial viability of AI applications, or generate substantial public benefits will be viewed favorably.

Funding, Match, & Budget

Questions related to # and size of awards

How many awards are expected?

We expect to make at least two awards but will award as many as possible given the budget available.

With a \$2M total, do you prefer few large grants or many smaller ones?

We do not have a preference on the monetary size of the project. Applicants may request up to \$1 million per project, but proposals with budgets less than \$1M are welcome. Budgets should reflect the project's specific needs and show efficient use of funds. Strong proposals will be evaluated on their potential impact and approach, not the size of their funding request.

Will partial awards be made? For example, if the proposal is great but needs \$1M, will the award for, say, \$500K be done to achieve partial goals?

Applications will be reviewed on a case-by-case basis and MassTech will make this sort of determination at that time.

What is the floor of the budget?

There is no minimum set to the budget. Budgets should reflect the project's specific needs and show efficient use of funds. Strong proposals will be evaluated on their potential impact and approach, not the size of their funding request.

Confirming that the upper cap is \$1M with an additional \$250K minimum cost-share. (rather than funding + cost-share = \$1M as upper cap).

Yes. The upper cap is \$1M with an additional \$250K minimum cost-share.

Questions related to match funding

Can you elaborate/provide more details on items that would count towards the 25% match. For example, do personnel costs count towards the match?

Personnel costs count towards the match as long as the person is working directly on the project or the efforts necessary for project execution. Only the portion of the staff time spent on the project should be accounted for in the budget. Overall, match commitments must meet the following criteria:

- Necessary to accomplish the project's objectives
- Included in the approved budget
- Allocated separately for the AI Models Innovation Challenge
- Verifiable from grantee's records
- Not included as matching contributions for any other project

Where can the in-kind support come from? Does it come from an academic partner or industry collaborator?

In-kind support can come from project partners, including academic institutions, industry collaborators, or other stakeholders engaged in the project.

Can matching funds come from other grants or start-up funds from a university?

Matching funds can come from other grants or start-up funds but must be allocated for the specific purpose of the project being proposed.

Should the matching funds come from the proposing institution only, or can they also come from foundations or other sources?

Matching funds can come from the lead applicant or other sources such as the federal government, universities, nonprofits, foundations, or private companies.

Can the industry partner and/or match requirements be international partners?

Yes.

Is it okay if the matching funds are conditional on being awarded the grant from Mass?

Yes.

If we receive confirmation that institutional cost-sharing is allowable to meet the match requirement, then would all of our expenses need to be considered capital expenses? Since we would not have a pool of money to offset the cost of non-capital related expenses.

Institutional cost-sharing is allowable to meet the match requirement. All expenses charged to MassTech for the project must be considered capital expenses.

Can we count Harvard hospital postdoc salaries toward the 25% match?

Yes. As long as the postdocs are working directly on the project.

Can we count our hospital's HIPAA-compliant GPU infrastructure costs?

Yes

Questions related to use of funds

What are the requirements on the split of funding that has to go to the research lead and the industry partner?

There are no established requirements on the split of funding between project partners.

Can we add budget for computing GPU to be purchased and hosted at our lab? The visual generative models that we need to train are very computationally heavy and placing the order on AWS or other for-pay cloud would be more expensive.

Yes.

Can the budget be used for cloud-based computing resources? For example, cloud credits to train a model in a data center in other areas that may not be based in Massachusetts?

Yes. Costs for capitalizable materials needed for the direct development, training, or initial deployment of the proposed model, including cloud resources, are allowable.

What type of traveling is allowed?

Travel will only be allowed if it is necessary for data collection, model development, or deployment. Travel must be directly tied to the model development project in order for it to be allowable as a capital cost. All travel must be reasonable and necessary actual costs incurred for travel, lodging, meals and incidental expenses, as set forth in the Budget.

Will incremental/additional data collection be an admissible expense?

Data collection and curation is an allowable activity under the grant. If the question refers to expanding an existing dataset rather than creating a new one, applicants should explain how the additional data collection is necessary for model development and aligns with the project's goals.

Questions related to indirect costs

Can indirect costs be included in the reimbursable project budget? I see the line item for fringe, and as we discuss this opportunity internally, I want to make sure that I am properly representing whether indirect costs are reimbursable.

Yes.

Any requirements for the indirect cost? Can we follow our institute's rules?

Yes.

What is the IDC rate?

There is no prescribed rate. Indirect cost rates shall be assessed in accordance with your institution's rate agreement as it pertains to capital expenditures. Documentation of grantee approved rates should be submitted at the time of proposal.

Is the indirect cost paid on the institutional/industry match?

The institutional/industry match may include indirect costs.

Is the IDC covered by the award?

Yes.

Can unrecovered indirect costs be used in the match (using federally negotiated rate or de minimus rate)?

Indirect costs may be applied to each category: Total Project, Match Funds and/or Other Project Expenses. When including indirect in the Total Project or Match Funds category, it must be a capitalizable cost. Indirect costs that are not capitalizable should be included under Other Project Expenses. Indirect costs should be based upon an approved rate. Documentation of grantee approved rates should be submitted at the time of proposal.

Questions related to reimbursement

Can a low-resourced MA college/university and a pre-funded startup work with you considering the 25% match requirement and the reimbursement funding model?

Yes, a low-resourced Massachusetts college or university and a pre-funded startup can participate, but they must still meet the 25% match requirement and work within the reimbursement funding model. The match may be satisfied with in-kind contributions.

Regarding reimbursement, for large capital outlays, would we be responsible for floating the funds until the reimbursement comes in?

Yes, awardees are responsible for covering capital expenses upfront and will be reimbursed upon submission and approval of eligible expenses.

Other questions related to funding, match & budget

What percentage of industry partners is expected to contribute?

There are no expectations regarding what percentage an industry partner will contribute, it will be project specific.

Can we use a potential grant to pay for current resources?

Grants can be used as match if they meet certain threshold requirements such as timing & applicability.

What is the payment term for invoices submitted/approved? Net 15?

MassTech contracts are typically net 30 from receipt of an undisputed invoice.

How would the five-year capital equipment residency commitment apply to costs like AWS and software licenses, which are effectively rentals for a specific amount of time?

Residency requirements do not apply to subscriptions and software licenses.

Does the capital equipment requirement extend to the deployment aspect of the challenge? For instance, does this mean models can only be deployed to servers located in the Commonwealth?

No, models do not need to be deployed exclusively on servers located in Massachusetts; however, deployment should have a direct impact on the Commonwealth and its targeted industry or community, and applicants must demonstrate how their deployment approach benefits Massachusetts.

Application Requirements & Process

Questions related to application content

Is there a template for the 12-page project narrative? Font and margins? Also, where can we place the references?

Section 3.3 of the NOFO provides the template for the project narrative. It should adhere to the 8 sections described. As a general guide, use a standard font size no less than 11 point with normal 1 inch margins. References can be placed as footnotes.

Should the proposal be formatted with page breaks between sections, or is the page length after each section a suggested length? There is a misalignment between the total number of pages for that length (13 pages) vs. the maximum stated length of the proposal (12 pages).
The project narrative for the application cannot exceed 12 pages.

Do you expect preliminary data & results in applications?

No, preliminary data and results are not required, but applicants may include them if they demonstrate viability of the proposed model, provided they stay within the application page limits.

Should we include a timeline for deliverables in our proposals? Is there an anticipated timeline for model deployment?

Yes, applicants must provide a project timeline with anticipated milestones. While the deployment timeline will depend on the stage of the proposed model's development, we do not have a set anticipated timeline but expect to see impact within three years.

Is the project duration supposed to be 12-24 months, as outlined in the funding section?

We anticipate funded projects to last between 12-24 months with demonstrated benefits within 3 years of the project start date.

Questions related to Models/Projects

How mature should the project idea be? Idea stage? Prototype? Published work? Extending an already working model?

Projects should focus on developing new domain-specific AI models or significantly adapting open-source models for high-impact applications, rather than extending existing proprietary models or supporting work that is already well-documented in published research.

Are there requirements for the project duration, or is that up to each applicant?

It is expected that funds will be expensed over 12-24 months, but applicants should propose a timeline that aligns with the program's goal of achieving meaningful impact within three years.

What is the project term maximum?

It is expected that funds will be expensed over 12-24 months, but applicants should propose a timeline that aligns with the program's goal of achieving meaningful impact within three years.

What kind of foundation models are considered by this proposal? Does it have to be language-based?

No, the proposal is open to a variety of foundation models beyond language-based models (LLMs). The key requirement is that the model aligns with the use-case it is targeting.

Are you really looking for innovation, or is this just for minor add-on technology?

The Challenge is not intended to fund minor add-ons or incremental improvements but rather to support transformative AI development that can drive scientific discovery, commercial viability, or substantial public benefit.

Ethics and fairness in AI models is, of course, very important. These seem particularly germane to LLM-type generative AI. What if we are thinking of old-school predictive AI where images are simply analyzed for, say, cancer detection? How does "ethics" and "fairness" relate to this type of AI?

All models should be evaluated for bias in training data, fairness in model outputs, transparency in decision-making, and accountability in real-world applications.

Question on the NOFO activity: Practice Ethical and Responsible AI. Will there be a MassTech review board or other entity that needs to be involved for this requirement? If not, could MassTech identify or create such an entity so each group is working with the same ethics priorities?

While there is no formal review board, MassTech will have a Data and Models Advisory Committee that will provide guidance on ethics. Applicants are encouraged to outline how they will incorporate fairness, accountability, transparency, and privacy into their model development. They should also identify potential risks, address industry-specific regulations, and ensure compliance with relevant ethical standards.

Do you have some cloud (or HPC machine out at Holyoke?) compute available for small experiment feasibility tests?

Yes, there may be compute resources available through a partnership with the Massachusetts Green High Performance Computing Center (MGHPCC). Applicants should describe their compute needs in their proposal, and MassTech will work with selected applicants to determine what resources may be available to support their project.

Is it risky to use DeepSeek-R1 (a Chinese model) as our baseline for pediatric medical AI, despite its superior performance?

We do not have restrictions on the types of models that can be used. Project participants are encouraged to assess the quality and safety risks of open-source models they are considering utilizing.

Does our practical approach (focusing on immediate clinical deployment rather than experimental research) align with this grant's goals?

Yes. Preference will be given to projects focused on Applied AI rather than foundational or experimental research.

Questions related to Open-Source

Are there requirements on the distribution and access to tools that result from the grant? Do they have to be made available for free or at cost?

There are no strict requirements that grant-funded tools must be made available for free, but applicants should outline their approach to deployment, distribution and access in their proposal. Preference may be given to projects that contribute to open-source efforts or ensure broad accessibility.

Should the application discuss how the model will be open-sourced, and how specific should this be?

While there is no strict requirement for open-sourcing, applicants should discuss their approach to open-sourcing, including whether and how they plan to make their model, datasets, or findings publicly available.

Questions related to future opportunities

Will there be follow-on rounds planned for selected projects?

Not at this time, but future funding opportunities may be considered based on the success and impact of the initial projects.

Are there other opportunities in the pipeline where a non-profit lead isn't mandatory? Especially for startups?

Not at this time.

Is the total budget for this program \$2M, or is it expected to expand if there is strong interest?

No, it is not expected that the program budget will increase.

Do you anticipate having another cycle of submissions in the future?

Future funding rounds are subject to program evaluation, future bond authorization from the Massachusetts Executive Office of Finance and Administration, and approval of the MassTech Board of Directors.

Are there other funding opportunities planned beyond this one?

Future funding rounds are subject to program evaluation, future bond authorization from the Massachusetts Executive Office of Finance and Administration, and approval of the MassTech Board of Directors.

If successful, is this program expected to scale in the coming years?

Future funding rounds are subject to program evaluation, future bond authorization from the Massachusetts Executive Office of Finance and Administration, and approval of the MassTech Board of Directors.

Does MassCEC plan to release a similar program where the lead can be a small business?

MassCEC is a separate quasi-public economic development agency and is not affiliated with MassTech. We therefore have no knowledge of their future program plans.

Review Process & Selection Criteria

Questions related to the review process

Are you seeking to fund different types of industries? Would there be a limit on life sciences vs. finance, etc.?

The Challenge seeks to fund high-impact AI model development across priority industries including healthcare, life sciences, financial services, robotics, advanced manufacturing, climate tech, and education. There is no set limit on the number of proposals we will fund for any industry.

What will the review panel look like?

The review panel will be comprised of a panel of experts across multiple domains including AI, industry-specific knowledge, and economic development.

Will the review panels be comprised of academics similar to an NSF-panel review?

The review panel will be comprised of a panel of experts across multiple domains including AI, industry-specific knowledge, and economic development.

Are there other considerations for selection beyond technical merit?

Yes, in addition to technical merit, proposals will be evaluated based on the following criteria from the NOFO:

- Impact Potential and Strategic Alignment
- Data Strategy, Model Validation, and Technical Feasibility
- Implementation Plan and Project Milestones
- Team Expertise and Collaboration
- Ethical and Responsible AI Practices

MISC

What does the available dataset look like?

There are no available datasets provided as part of this Challenge. However, MassTech may work with selected applicants to help identify potential data sources that could support their project.

Is there a directory or list of companies/institutions interested in partnering so we can find collaborators?

For applicants interested in finding partnerships, please contact Tom Moran at Moran@masstech.org

Will copies of the slides be available?

Yes. A copy of the slides and a recording of the webinar have been uploaded to the program web page.

Are you registered in SAM and do you have a UEI Number?

Yes, MassTech is registered in SAM. Our UEI is GJW3N2QVAUX8.