

DIRECT TO PHASE II (D2P2) FAQs

What are Small Business Innovation Research (SBIR) Direct to Phase II (D2P2) topics?

D2P2 topics allow small business concerns, having completed “Phase I-like” feasibility studies with resources other than SBIR/STTR, to apply for a Phase II award. D2P2 proposals submitted under AFWERX SBIR D2P2 Open Topic shall include a Customer Memorandum, signed by a Department of the Air Force (DAF) Customer and End-User(s). The DAF SBIR Commercial Solutions Openings (CSOs) include a link to the mandatory template and instructions for completion.

Do D2P2 proposals require a Customer Memorandum?

Yes, the AFWERX D2P2 Open Topic SBIR/STTR program requires a properly prepared and signed Customer Memorandum as an element of the proposal. Proposals without a properly executed Customer Memorandum are not accepted for evaluation or award consideration. Other D2P2 topics solicited under the Air Force SBIR CSOs and/or DoD SBIR BAAs generally do not include this requirement.

How essential is it for the Customer or End-User Organization to commit funding?

Non-SBIR Government funding, also referred to as Second Phase Funding Commitments, is not required for a D2P2 proposal or award.

Do DAF matching funds have to be Research, Development, Test and Evaluation (RDT&E)?

All funding types must be used in compliance with applicable fiscal law. SBIR/STTR Phase I and II contracts are classified as research and development. If selected, CSOs will allow for use of non-RDT&E funding, but it must be specifically identified and separately tracked in SBIR/STTR awards and applied to tasks in support of the primary research and development.

Our company has funding commitments from outside investors. Will this increase the chances of proposal selection?

While such funding is not prohibited, in accordance with 15 USC 638(dd)(7), investment by venture capital operating companies, private equity firms, or hedge funds shall not be used as an award criterion. Such funding is also not considered for evaluation purposes.

Is obtaining certifications such as Telecommunications Monitoring and Assessment Program (TMAP) and Authority to Operate (ATO) a prerequisite to receive D2P2 awards when technology solutions may interact with DAF data and systems?

No, regulatory approvals such as ATOs are not required to be completed prior to proposal or award.

Note: Every Information Technology (IT) needs a Risk Management Framework (RMF) assessment and/or an Authority to Operate (ATO) within the Air Force. The RMF assessment ascertains the data security requirement of the IT and assigns an Impact Level (IL) of cloud 18 | Page security for the IT (e.g. IL-2 through IL-5). The second key is to establish DevSecOps in a secure Cloud environment, which meets the business's needs. Fundamental cybersecurity control requirements for businesses are outlined in NIST SP 800-171 Rev 1 and DFAR PGI 239.76-CLOUD COMPUTING and serve as the backbone to Air Force cybersecurity and data security. Cybersecurity Maturity Model Certification is another measure of cybersecurity and preparation for this future requirement is fulfilled by the steps above. Ventures does not grant the ATO.

Can awarded funds be used to pay for Platform One services to achieve an ATO?

No, SBIR funds are paid directly to the awarded contractor. Platform One requires payment from a Government source. AFWERX does not directly pay for Platform One services on SBIR/STTR efforts.

How are proposals evaluated?

Proposals are evaluated by the criteria detailed in the solicitation. In a very general sense, the three criteria apply to the areas of Commercialization, validity of Defense Need, and Technical Merit.

Is a Defense Contract Audit Agency (DCAA) certified accounting system required for D2P2 or traditional Phase II (following a successfully completed Phase I award) awards under AFWERX open topics?

Fixed price awards do not require a DCAA certified accounting system. AFWERX D2P2 and traditional Phase II efforts are awarded as fixed-price Other Transactions (OTs) for Prototype or FAR-based purchase orders (POs).

CUSTOMER MEMORANDUM

If a company has multiple organizations interested in their proposed solution, which organization should sign the Customer Memorandum? Can a company submit multiple memoranda?

Proposals may include only one Customer Memorandum per Phase II proposal package.

Joint organizations may serve as an End-User or Customer. However, the Customer Memorandum must clearly articulate how the Joint End-User's/Customer's requirement represents a valid DAF need. In these cases, the primary TPOC must be DAF civilian or military.

Letters of support as discussed in the solicitation may be used to demonstrate interest from other DAF and/or government organizations.

May previously signed Customer Memorandum to be submitted with a new D2P2 proposal?

Written confirmation of the Customer's and End-User's continued commitment must be included in the proposal. Previously signed Customer Memorandums will be considered on a case-by-case basis.

What Customer Memorandum template should be used?

The immediate solicitation to which the company is responding will provide a link to the current template, which includes instructions regarding the specific requirements.

Who are the End-User and Customer organizations?

The Primary End-User will operationally benefit from the solution. The Primary Customer is responsible for acquiring the solution on the End-User's behalf.

Is there a rank/grade requirement for the End-User or Customer signatories?

No, there is no rank/grade requirement for the signatories but the identified Technical Point of Contact (TPOC) must be a DAF military or civilian member.

Who serves as TPOCs?

The TPOC is the technical on-site government representative for the contract. The TPOC is appointed by the Customer Memorandum's Customer and/or End-User signatories. The Primary TPOC must be a DAF military or civilian.

Where can additional information regarding TPOC rules and responsibilities be found?

Refer to the TPOC Designation Letter attached to the applicable Customer Memorandum template.

CUSTOMER DISCOVERY

The most effective ways for small businesses to build relationships with potential government customers are through networking events, competitions, and direct contact. Ventures is currently developing a new marketplace concept. In the interim, please refer to the below resources to pursue contact with potential Customer Memorandum End-Users and/or Customers.

USEFUL RESOURCES

Ventures <https://afwerx.com/divisions/ventures/overview/>

DAF Tech Connect <https://airforcetechconnect.org/>

Air Force Small Business <https://www.airforcesmallbiz.af.mil/>

AF Units Social Media <https://www.af.mil/AF-Sites/>

U.S. DoD Military Departments <https://www.defense.gov/Resources/Military-Departments/>

Defense Innovation Marketplace <https://defenseinnovationmarketplace.dtic.mil/industry-portal/>

Vulcan <https://vulcan-sof.com/>