



AFWERX
AFVENTURES
STRATFI/TACFI
Overview

November 2, 2023

The author of this notice reserves the right to modify the content to improve management of the Air Force SBIR/STTR STRATFI/TACFI Program.

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Strategic and Tactical Funding Increase (STRATFI/TACFI)

AGENDA

Purpose

Structure

Eligibility

Matching Requirements

Previous Results

Notice of Opportunity

Government's Role

Next Steps

Purpose

Catalyze relationships between **Air Force** and **Space Force** end-users and acquisition professionals, private-sector innovators, and investors.

Bridge the capability gap between current SBIR/STTR Phase II efforts and Phase III scaling efforts, facilitating delivery of strategic capabilities for the Department of the Air Force.



PY24 Structure

TACFI

Tactical Funding
Increase
\$375K - \$1.9M

STRATFI

Strategic Funding
Increase
\$3M - \$15M



Eligibility

Must meet all criteria:

- Company is still considered an SBC and is eligible for a SBIR/STTR award
- On an **active** SBIR/STTR PII or **completed within 2 years of Capability Package***
***The date is calculated from the date of final deliverable on PII contract**
- The subject effort has **not already been awarded a Sequential Phase II**
- At least **90 days** have passed since the beginning of P2 execution
- **Not executing a prior STRATFI effort** at the time of submission
- Anticipated work is to be **performed in the United States**
- Able to achieve the **minimum matching/investment requirements**
- Able to obtain the **required End-User & Customer Collaboration Agreement**

Matching Options

	Defense-Only	or	Dual-Use
TACFI	1:1 SBIR/STTR : Gov*		1:1 SBIR/STTR : Private**
STRATFI	1:2 SBIR/STTR : Gov*	or	1:1:2 SBIR/STTR : Gov* : Private**

* Phase III awards within **six** months of submission may count toward Gov. matching. SBIR funds do not count towards Gov. matching. **Subcontracts *may* count.**

** Eligible third-party funds received after the start of P2 and within 24 months of submission counts toward Private matching. All funds must be received prior to TACFI award. Funds received during the course of STRATFI count towards match.

Previous Cycle STRATFI/TACFI Results

- **147** Capability Packages submitted
 - **22** Returned/Ineligible
 - **36** Non-Selects (**3 STRATFI / 33 TACFI**)
 - **89** Selects (**22 STRATFI / 67 TACFI**)
 - **\$370M** in SBIR funds
 - Air Force: **\$275.4M**
 - Space Force: **\$94.6M**
- **\$449M** in matching government funds
- **\$465M** in matching private funds

*Above data as of 3 Aug 2023; funding pulled from original submission documents.

Common Mistakes = Incomplete Packages

- Missing Elements of Capability Package
- Missing End-User/Customer / TPOC Staff Function POC Info / Incorrect POCs
- Inaccurate Funds Match (Phase III's, Ineligible 3rd Party, etc)
- Milestones and Funding Alignment
- Incorrect Document Signatories
- Inaccurate P2 Contract #
- Document Integrity (different info on each)
- Finance/Contracting Acceptance
- Contract Award Responsibility
- Using previous edition forms | Look for PY24 in the Header

What's New for PY 2024?

- Two submission windows:
 - STRATFI: 6 - 27 September (Opens/Closes 1200 ET)
 - TACFI: 4 October - 8 November (Opens/Closes 1200 ET)
- TACFI increased to \$1.9M
- Updated guidance, documentation, and templates
- Submission Chart Attachment to Collaboration Agreement
- [Save feature added to App Ingest Submission](#)
- [Government organization responsible for submitting through App Sheet](#)
- Government POC Kick-Off Meetings after submission

Notice of Opportunity

NOTICE OF OPPORTUNITY
SMALL BUSINESS INNOVATION RESEARCH (SBIR) / SMALL BUSINESS TECHNOLOGY TRANSFER (STTR)
SUPPLEMENTAL FUNDING PILOT PROGRAM
 Version 1 - 3 Dec 2020

Attention to Reader: The author of this notice reserves the right to modify the content of this notice and the submission requirements to improve management of the Air Force SBIR/STTR Supplemental Funding Pilot Program.

All references to "this notice" shall refer to the current version of this notice as posted on the Department of Defense website.

Version 1 - 3 Dec 2020

ATTACHMENT 2 - Supplemental Funding Pilot Program Matching Funds Guidance

1.1. INTRODUCTION

The following guidance is necessary for consideration in the DAF SBIR/STTR Supplemental Funding Pilot Program. The DAF reserves the right to adjust these guidelines at any time. Changes to these guidelines will be sent to eligible companies.

GENERAL GUIDELINES

- Funding used as matching for a prior SBIR or STTR Phase II award cannot be counted toward any funding increase contemplated under this program.
- Other Federal Agencies' SBIR/STTR funds do not count towards government matching, but they may be added to the Air Force SBIR contribution to expand the overall scope of the effort.
- Subcontracts do not count for the purposes of matching.
- If the matching funds are to be applied to the TACFI or STRATFI Phase IIB or Sequential Phase II Award directly, then the specific tasks for which non-SBIR matching funds will be applied must be identified in the "Payment Amount" column of Attachment 1 of the Customer Memorandum, and the competitors from both 1) the organization that provides the funds and 2) the organization that awards the funds will need to agree with the use of those funds for those specific tasks that are identified.
- The Supplemental Funding Increase form in Attachment 4 must be completed and included in response to this Notice of Opportunity.

TACTICAL FUNDING INCREASE (TACFI) SPECIFIC GUIDANCE

- The MINIMUM amount of SBIR/STTR funds that the Government may provide any single participant is \$375K.
- The MAXIMUM amount of SBIR/STTR funds that the Government may provide any single participant is \$1.7M. The amount of SBIR/STTR funds ultimately awarded is subject to funding availability, SBA Waiver Rules (as applicable), and negotiated agreement with the Air Force.
- The MAXIMUM amount of SBIR/STTR funding that the Government may provide against a single TACFI effort, unless a written exemption is provided by the AF Ventures Division Chief, is governed by a "Maximum Matching Ratio (MMR)". Two MMR options are provided below:
 - Dual-Use Matching Option.** The Maximum Matching Ratio (MMR) is one part SBIR funds for every one part eligible third party funds. With a minimum contribution of \$375K from Air Force SBIR funds and \$375K from eligible third party funds.

Notice of Opportunity Matching Funds Guidance

MEMORANDUM FOR AF VENTURES TEAM (Version 1)

References: (a) 15 U.S.C. §638
 (b) U.S. Small Business Administration, Combined SBIR/STTR Policy Directive (2019)
 (c) 5 C.F.R. §2635.702(c), Exception (1)

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FROM: **SAF CUSTOMER** -> consult the Notice of Opportunity, section 2.1 for what constitutes acceptable AF Customer organizations for the purpose of this TACFI/STRATFI.

SUBJECT: AF Ventures Special SBIR/STTR Supplemental Funding Pilot Program -> **SAF Customer**; Defense Need and Participation Interest in the Air Force Small Business Innovation Research (SBIR) -> **Tactical Fund Increase (TACFI) Strategic Fund Increase (STRATFI)** with **SBIR Company**.

RED ITALIC TEXT IS JUST INFORMATIONAL, REMOVE BEFORE SIGNING

NOTE - The use of this template is MANDATORY. All elements of this template MUST BE present and complete. Companies without signed, completed Customer Memoranda, based on this template, will not be considered. Customer Memoranda based on templates for other Solicitations or Notices will not be accepted.

SUSTAINABILITY - In order to prevent DoD members from investing their time on indelible efforts, we've added some general definitions and RED ITALIC suitability language in Attachment 1. The language is NOT subjective and should remain for reference.

- Purpose:** This Memorandum is executed in furtherance of reference (a) and (b), which constitute authority to promote products, services, and enterprises within the meaning of reference (c). The purpose of this Memorandum is to document interest from **SAF End User** in working with AF Ventures and **SBIR Company** on a project considered for Air Force SBIR Supplemental Funding. This special award would be either a modification of a current SBIR Phase II award or a sequential SBIR award that logically extends, derives from or completes a recently completed SBIR Phase II. The Funding Agreement number of which this contemplated effort is based is **Funding Agreement Number**.
- Defense Mission Need - SAF Customer** has a national defense-related mission need in the area of **Area of Interest**. Specifically, **describe the mission need and impact**. We believe technology development under the subject SBIR topic may eventually contribute to

Combined End-User/Customer Collaboration Agreement*

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Private Funding Letter Gov Funding Letter Spend Plan

* O-6/GS-15 minimum signatory. For STRATFI, org must be at the Strategic Level (i.e. Customer signatory must be the PEO/Deputy)

Capability Package & Other Documents

- **Capability Package Elements**

- **Company Information**

- Company Description and Profile
- Key Personnel, Shareholders, etc.
- Ownership Profile
- Supply Chain

- **Contract Information**

- Award History
- Pending Contracts

- **Phase II Overview**

- **Proposed STRATFI/TACFI Effort**

- Summary of Technology Solution
- Description of How it Meets DAF Need
- Identification of End-User & Customer

- **Commercialization Strategy**

- **Other Documents**

- **SBC Participation Memorandum**

- **Spend Plan & Milestones Worksheet**

- **Matching Funds Letter(s)**

- Private
- Government

- **Customer/End User Collaboration Agreement**

- Submission Chart (Attch)
- Non-proprietary Work Plan (Attch)
- DAF PK Exemption Request (Attch)

- **Finance MOU**

- **Contracting MOU**

- **Phase II Contract** (to include Modifications)

- **Phase III Contract** (if used as Funds Match)

Capability Package & Other Documents cont'd

Submission Chart Example

Project Name

PY24 Air Force STRATFI | SBIR

[indicate Air Force or Space Force, STRATFI, SBIR or STTR]

Insert Project Image

STRATFI Scope

- Achieve space qualification for SumNovelSolution's dilithium cells
- Enable resilient space missions for distributed sensing platforms such as Low Earth Orbit satellite constellations

Innovation

- Improving radiation hardened core cells for space performance
- Applying flexible core cells for unique satellite surfaces

Insert brief project tagline

Technology Area: [See Slide #2]

Stakeholders

Customer	[leads execution]	TPOC	[name]
End User	[org]	Transition Partner	[org, if applicable]
SBC	[name]	SBC Website	[hyperlink or url]

Transition Strategy

Commercialize with procurement by satellites' Prime Contractors

Funding (\$M)	Base Yr	Opt Yr 1	Opt Yr 2	Opt Yr 3	Total
SBIR/STTR	-	X.XXX	X.XXX	X.XXX	X.XXX
Govt Matching	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX
Private Matching	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX

Major Milestones

- Design selection for qualification Dec 23
- Fabrication of cells required for testing per AIAA S-111A May 24
- Qualification testing Dec 25
- Fabrication of full-sized flight panel Jul 25

Government Roles and Responsibilities

All Supporting Functional POC's are identified in the Collaboration Agreement.

- **End User :** DAF organization is and/or will be the primary user/supporter of solution.
- **Customer:** Organization which will procure and/or sustain the effort/solution.
- **TPOC (Technical POC):** Work closely with the company during TACFI/STRATFI execution to achieve project success.
- **FM (Financial Management):** The support financial manager who is responsible for transmitting the matching funds to the executing contracting office. Help facilitate the smooth utilization of the funds coming from AFWERX and other offices that may be contributing funds to the efforts.
- **PK (Contracting Office Symbol - Air Force):** The supporting contracting office who is responsible for the creation of the request for proposal, award of the contract action and administration of the action.

Financial Management / Contracting

- Signed MOUs signifying that as a functional community you are willing and able to accept the work associated with awarding and executing a Phase II contract
- Customer FM/PK responsible for coordinating incoming SBIR/STTR and non-SBIR/STTR matching funds

SBIR/STTR Funds

- Funds Assurance Memo for RFP release will be provided to functional POCs in capability package approval notification email
 - Certified funding document will be provided to awarding PK office after receipt of final proposal
- Final proposal reviewed by AFRL/RGF for propriety of funds to ensure scope properly aligned with 3600 RDT&E funds
- Form 9 Purchase Request (PR) will be sent by AFRL/RGF to awarding PK office
 - AFRL/RGF will request PR info such as awarding PK DODAAC, awarding PK org/office symbol, PC Code, contract #, est. contract award date, amount of SBIR funds requested, PoP, POCs, etc.
- AFRL/RGF will review contract award and ensure posted correctly in Accounting System

Financial Management / Contracting cont'd

Steps to Award

All guidance is outlined in the Contracting Overview Guide, and we'll cover in Govt Onboarding.

1. SBC & Gov POCs receive selection notification
2. Gov POCs receive Funding Assurance Letter
3. Customers FM/PK validate matching funds put forth in Funding Letters
4. Customers PK Builds Acquisition Strategy
 - [Determine if effort will be awarded via modification \(SBIR Phase IIb\) or new award \(Sequential Phase II\)](#)
5. Pre-RFP requirements document of effort (SOO/SOW, IGCE, ect) dictated by local acquisition policies and procedures
6. Solicitation of Proposal (RFP release)
7. After receipt of the proposal, either directly from the SBC or through the coordinated DSIP/AFVentures POC, the contracting officer will begin the internal screening for completeness
8. Once determined complete by the CO, the proposal will be evaluated by TPOCs as listed in the Collaboration Memo
9. Negotiations will begin, upon approval, by the CO and TPOC
10. PRIOR to award a Certified PR request must be submitted to AFVentures FM
11. Once the requested info is received and validated by AFVentures, you will receive a Certified PR
12. Receive the certified PR, execute the modification/award the new contract, send contract files to the AFWERX team

Next Steps

Official Notice of Opportunity available at:

<https://afwerx.com/stratfi-tacfi/>

Submission windows:

STRATFI: Opened on September 6th and closed at Noon ET on September 27th.

TACFI: Opened at Noon ET on October 4th and will close at Noon ET on November 8th.

Helpful Resources

STRATFI/TACFI Page: <https://afwerx.com/stratfi-tacfi/>

Email questions to stratfi.tacfi@afwerx.af.mil with the subject
“{TACFI/STRATFI}_{Firm Name}”.



AFWERX
AFVENTURES

Questions?

Please type your questions in the Q&A section.



AFWERX AFVENTURES

Still have questions?

Specific Topic: usaf.team@afsbirsttr.us

Open Topic Phase I: p1@afwerx.af.mil

Open Topic Phase II: p2@afwerx.af.mil

STRATFI/TACFI: stratfi.tacfi@afwerx.af.mil



Let us know how we are doing. Please complete the survey as you leave today's meeting.