# Program Year 25.1 STRATFI Notice of Opportunity

## Ask Me Anything

**August 29, 2024**

**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 Funding Increase (STRATFI)

## AGENDA

- Purpose
- Eligibility
- Structure
- Matching Requirements
- Award History
- Notice of Opportunity
- Government's Role
- Next Steps

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# 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.

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# 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**

# PY25 Structure

## TACFI
Tactical Funding Increase
**$375K - $1.9M**

## STRATFI
Strategic Funding Increase
**$3M - $15M**

Notice of Opportunity Released → Notification of Selection → DAF Customer Releases RFP → Proposal Received → DAF Customer Requests AFWERX Funds → DAF Customer Makes Award

**PY25.1 NOO is for STRATFI submissions only**

**PY25.2 TACFI Notice of Opportunity TBA**

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# Matching Options

| | Defense-Only Funding | | Dual-Use Funding |
|---|---|---|---|
| TACFI | 1:1<br>SBIR/STTR : Gov* | or | 1:1<br>SBIR/STTR : Private** |
| **STRATFI** | **1:2**<br>**SBIR/STTR : Gov*** | or | **1:1:2**<br>**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.

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# DAF STRATFI/TACFI Award History

## PY20

**18** STRATFI enhancements awarded

**$101M** in SBIR funds
**$102M** in matching government funds
**$342M** in matching private funds over a four-year period of performance

## PY21

**17** STRATFI enhancements awarded
**103** TACFI enhancements awarded

**$201M** in SBIR funds
**$177M** in matching government funds
**$302M** in matching private funds over a four-year period of performance

## PY22

**89** Selected (22 STRATFI / 67 TACFI)

**$307M** in SBIR funds
**$449M** in matching government funds
**$465M** in matching private funds over a four-year period of performance

## PY24.1 and 24.2

**158** Selected (30 STRATFI / 128 TACFI)

**$583M** in SBIR funds
**$703M** in matching government funds
**$620M** in matching private funds over a four-year period of performance

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# What to Know for PY25.1

- STRATFI-only cycle
- Updated guidance, documentation, and templates available on Teams channel (Look for **PY25.1** in the Header)
- Submission Quad Chart Attachment to Collaboration Agreement
- Save feature added to App Ingest Submission as of PY24.2 cycle
- Government organization responsible for submitting through App Sheet
- Government champion will sign SBC Participation Memorandum
- Government POC Kick-Off Meetings after submission

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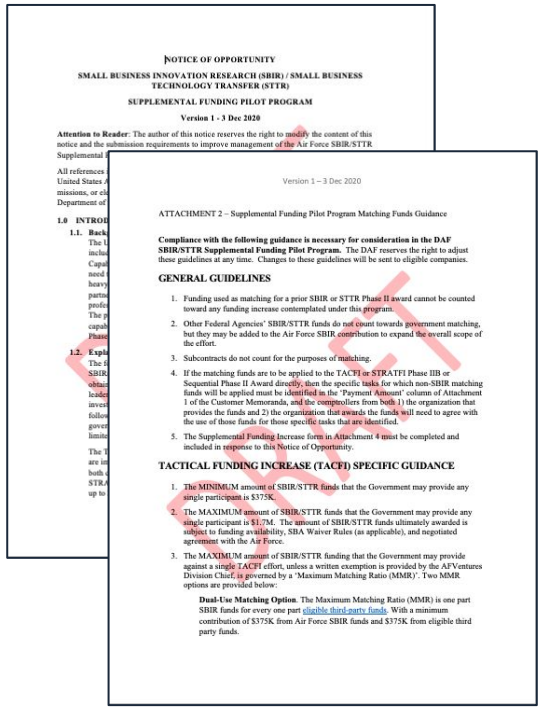
# Notice of Opportunity



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

All references United States missions, or el Department of

1.0 INTRO

1.1. Back

1.2. Expla

Version 1 – 3 Dec 2020

ATTACHMENT 2 – Supplemental Funding Pilot Program Matching Funds Guidance

**Compliance with 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**

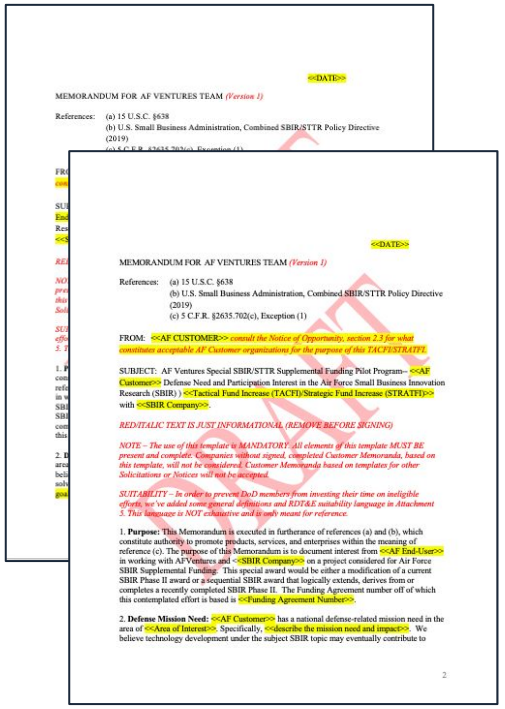
1. Funding used as matching for a prior SBIR or STTR Phase II award cannot be counted toward any funding increase contemplated under this program.
2. Other Federal Agencies' SBIR/STTR funds do not count towards government matching, but they may be added to the Air Force SBIR contribution to expand the overall scope of the effort.
3. Subcontracts do not count for the purposes of matching.
4. 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 Memoranda, and the comptrollers 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.
5. 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**

1. The MINIMUM amount of SBIR/STTR funds that the Government may provide any single participant is $375K.
2. 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.
3. 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 AFVentures 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



<<DATE>>

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)

FROM: <<AF CUSTOMER>> *consult the Notice of Opportunity, section 2.3 for what constitutes acceptable AF Customer organizations for the purpose of this TACFI/STRATFI.*

SUBJECT: AF Ventures Special SBIR/STTR Supplemental Funding Pilot Program– <<AF 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.*

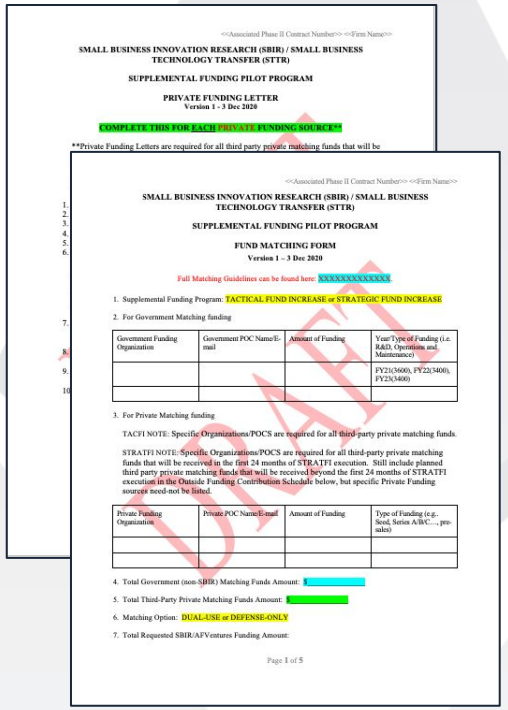
*SUITABILITY – In order to prevent DoD members from investing their time on ineligible efforts, we've added some general definitions and RDT&E suitability language in Attachment 3. This language is NOT exhaustive and is only meant for reference.*

1. **Purpose:** This Memorandum is executed in furtherance of references (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 <<AF End-User>> in working with AFVentures 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 off of which this contemplated effort is based is <<Funding Agreement Number>>.

2. **Defense Mission Need:** <<AF 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

2

Combined End-User/Customer
Collaboration Agreement*



<<Associated Phase II Contract Number>> <<Firm Name>>

SMALL BUSINESS INNOVATION RESEARCH (SBIR) / SMALL BUSINESS TECHNOLOGY TRANSFER (STTR)

SUPPLEMENTAL FUNDING PILOT PROGRAM

PRIVATE FUNDING LETTER
Version 1 - 3 Dec 2020

**COMPLETE THIS FOR EACH PRIVATE FUNDING SOURCE****

**Private Funding Letters are required for all third party private matching funds that will be

<<Associated Phase II Contract Number>> <<Firm Name>>

SMALL BUSINESS INNOVATION RESEARCH (SBIR) / SMALL BUSINESS TECHNOLOGY TRANSFER (STTR)

SUPPLEMENTAL FUNDING PILOT PROGRAM

FUND MATCHING FORM
Version 1 – 3 Dec 2020

Full Matching Guidelines can be found here: XXXXXXXXXXXX.

1. Supplemental Funding Program: TACTICAL FUND INCREASE or STRATEGIC FUND INCREASE
2. For Government Matching funding

| Government Funding Organization | Government POC Name/E-mail | Amount of Funding | Year/Type of Funding (i.e. R&D, Operations and Maintenance) |
|---|---|---|---|
| | | | FY21(3600), FY22(3400), FY23(3400) |
| | | | |

3. For Private Matching funding

TACFI NOTE: Specific Organizations/POCS are required for all third-party private matching funds.

STRATFI NOTE: Specific Organizations/POCS are required for all third-party private matching funds that will be received in the first 24 months of STRATFI execution. Still include planned third party private matching funds that will be received beyond the first 24 months of STRATFI execution in the Outside Funding Contribution Schedule below, but specific Private Funding sources need-not be listed.

| Private Funding Organization | Private POC Name/E-mail | Amount of Funding | Type of Funding (e.g., Seed, Series A/B/C, …, pre-sales) |
|---|---|---|---|
| | | | |
| | | | |
| | | | |

4. Total Government (non-SBIR) Matching Funds Amount: $
5. Total Third-Party Private Matching Funds Amount: $
6. Matching Option: DUAL-USE or DEFENSE-ONLY
7. Total Requested SBIR/AFVentures Funding Amount:

Page 1 of 5

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)**

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# 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**
  - **Foreign Disclosure Form**
  - **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

**SBC Name**
**Project Name**

"THIS DOCUMENT MUST NOT CONTAIN CUI"

PY25.1 AF or SF STRATFI | SBIR or STTR

[indicate if Air Force or Space Force | 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

Deliverable
- What is AFWERX/SpaceWERX return on investment?

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]
Core Competency: [See Slide #2/Space Effort Only]

| 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 | Oct 25 |
| • Fabrication of cells required for testing per AIAA S-111A | Nov 25 |
| • Qualification testing | May 26 |
| • Fabrication of full-sized flight panel | Jul 26 |

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# Common Mistakes = Incomplete Packages

- Missing Elements of Capability Package
- Missing End-User/Customer/TPOC/**SIPR**/Staff Function POC Info
- Incorrect POCs
- Inaccurate Funds Match (Phase III's, Ineligible 3rd Party, etc)
- Milestones and Funding Alignment
- Incorrect Document Signatories
- Inaccurate/Ineligible P2 Contract #
- Document Integrity (different info on each)
- Finance/Contracting Acceptance
- Contract Award Responsibility
- Using previous edition forms | Look for **PY25.1** in the Header

# Submission Checklist: The Ingest Assistant

| | |
|---|---|
| STRATFI/TACFI Website: https://afwerx.com/stratfi-tacfi | |
| Questions regarding this memorandum can be addressed to stratfi.tacfi@afwerx.af.mil | |
| **MEMORANDUM FOR SBC STRATFI PARTICIPANTS** | |
| **IMPORTANT**: In an effort to prepare you for a successful package submission it is ***highly*** encouraged to fill out and follow this template as it will expedite the submission process. All information entered should directly align with/be extracted from your submission documents. | ***Prior*** to starting your application process, ensure you have completed the following:<br>1) Reviewed PY25.1 Guidance Documentation<br>2) Reviewed PY25.1 Submission Templates<br>3) Obtained the required signatures for all of the submission documents provided. |
| **Description** | **Response** |
| **Page 1 - Are you submitting this package for STRATFI** | **GOV/SBC POC Response** |
| | |
| **Page 2 - MEMORANDUM FOR SBC STRATFI/TACFI PARTICIPANTS (Provided by GOV & SBC)** | **GOV/SBC POC Response** |
| **ATTACH a signed PDF copy of the MEMORANDUM FOR SBC STRATFI PARTICIPANTS** | |
| Questions regarding this memorandum can be addressed to stratfi.tacfi@afwerx.af.mil | |
| | |
| **Page 3 - CAPABILITY PACKAGE (Provided by SBC)** | **SBC POC Response** |
| **ATTACH a signed PDF copy of CAPABILITY PACKAGE** | |
| Provide a brief company description/history in relation to capabilities of the proposed effort. (1000 character limit) | |
| "Company Profile" Information: | |
| Small Business Concern (SBC) Name | |
| Street Address | |
| Suite/Unit/etc (optional) | |
| City | |
| State | |
| Zip Code | |
| SBC POC | |
| SBC POC Email | |
| SBC POC Phone # | |
| DUNS (Data Universal Number System (DUNS) Number) | |
| CAGE - (Commercial and Government Entity (CAGE) Code) | |
| Is your company currently doing business under any other name? | |
| If Yes, provide the name. (i.e. 'd.b.a' or sub-corporation) | |

+ ≡ 1 Checklist ▾ MSSP vs Quad Chart ▾

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# 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) - **30 calendar days from selection notification**
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 - **60 calendar days from selection notification**
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 - **90 calendar days from selection notification**

# Next Steps

Official Notice of Opportunity available at:

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

**STRATFI Submission window (deadline to submit has been extended):**

**Opened July 25th and closes at Noon ET on Wednesday, October 2nd.**

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# Helpful Resources

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

MS Teams Page:

- Team: AFVentures: STRATFI/TACFI **(Access code: nlz3anz)**
- Channel: PY25.1 DAF STRATFI

Email questions to stratfi.tacfi@afwerx.af.mil with the subject

"{TACFI/STRATFI}_{Firm Name}"

# Questions?

**Please type your questions in the Q&A section.**