

**AIR FORCE X21.A SMALL BUSINESS TECHNOLOGY
TRANSFER (STTR) COMMERCIAL SOLUTIONS OPENING (CSO)
AMENDMENT 3
17 February 2021**

1. The subject CSO is hereby amended as follows:

First page, third line, is changed to read, “**23 February 2021**: Full proposals due no later than 12:00 p.m. Eastern Time.”

2. All other X21.A STTR CSO content, as previously amended, remains unchanged and in full effect.

**AIR FORCE X21.A SMALL BUSINESS INNOVATION RESEARCH (SBIR)
COMMERCIAL SOLUTIONS OPENING (CSO)
AMENDMENT 2
12 February 2021**

1. The subject CSO is hereby amended as follows:
 - a. Attachment 3: Foreign Disclosure Addendum is replaced with Attachment 3: Foreign Ownership or Control Disclosure
 - b. DFARS provision 252.209-7002 is incorporated into this CSO (Section 9 Contractual Requirements).
 - c. Requirement to respond to the six questions concerning foreign involvement on the proposal cover sheet is removed.

2. The Amendment 2 changes are in the following CSO sections and subsections, and are highlighted: 2.2; 5.1; 5.3(a); 5.3(f); 5.3(h); 5.4; 9.1(y); and Attachment 3.

3. All other X21.1 SBIR CSO content remains unchanged and in full effect.

**AIR FORCE X21.A SMALL BUSINESS TECHNOLOGY
TRANSFER (STTR) COMMERCIAL SOLUTIONS OPENING (CSO)
AMENDMENT 1
1 February 2021**

1. The subject CSO is hereby amended as follows:

Section 6.0, *Phase I Review Criteria*, second paragraph, second sentence, is changed to read,
“Selections will represent best value to the Government considering the following factors listed
in **EQUAL** order of importance.”

2. All other X21.A STTR CSO content remains unchanged and in full effect.

DEPARTMENT OF THE AIR FORCE (AF)
SMALL BUSINESS TECHNOLOGY TRANSFER (STTR) PROGRAM
X21.A COMMERCIAL SOLUTIONS OPENING (CSO)

Applies to AFWERX Phase I Topic AF21A-TCSO1 and AFRL/RX Phase I Topic AF21A-TCSO2 ONLY.

8 December 2020: Solicitation goes into pre-release

14 January 2021: Begin accepting proposals

18 February 2021: Full proposals due no later than 12:00 p.m. Eastern Time

IAW with Section 879 of the National Defense Authorization Act (NDAA) for Fiscal Year 2017 (P.L. 114-328), Congress has authorized the Defense CSO Pilot Program. This program allows agencies to obtain solutions or potential new capabilities fulfilling requirements, closing capability gaps, or providing potential technological advancements. Consistent with FY17 NDAA Section 879, AF is soliciting proposals under a CSO. This solicitation is intended for informational purposes and reflects current planning. If there is inconsistency between the information in the CSO and resulting awards, if any, the awards' terms and conditions take precedent.

I IMPORTANT

Deadline for Receipt: No exceptions will be made for the submission deadline above. AF recommends early submission, as computer traffic gets heavy near announcement closing. **Do not wait until the last minute.** AF is not responsible for missed proposal submission due to servers being “down” or inaccessible.

How to Submit: All proposals must be prepared and submitted through the Department of Defense (DOD) SBIR/STTR Innovation Portal (DSIP), <https://www.dodsbirsttr.mil/>. Ensure the proposal email address is accurate. AF is not responsible for missed notifications due to firms changing mailing address/email address/company points of contact after submission without notifying the AF. **Classified proposals are NOT accepted**

CSO Changes: The instructions/topic information are revised – read carefully.

SBIR/STTR Updates and Notices:

- The CSO of record is found at <https://www.dodsbirsttr.mil/submissions/login>. **Proposals must meet all CSO of record requirements at proposal submission deadline.**
- To receive AF Ventures and other AF innovation opportunity notifications, register at <https://af-ventures.com/> and <https://www.afwerx.af.mil/join.html>.

Help Desk: For AF SBIR/STTR Program questions, contact the AF Help Desk at 1-855-855-5360 or usaf.team@afsbirsttr.us. For Defense SBIR/STTR Innovation Portal (DSIP) questions or issues, contact the DoD SBIR/STTR Help Desk at 1-703-214-1333, or email DoDSBIRSupport@reisystems.com. The Help Desk is available **Monday through Friday, 9:00 a.m. to 5:00 p.m. ET.**

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Attachments

1. AF X21.A STTR CSO Sample Pitch Deck
2. Contractor Certification Regarding Prohibited Video Surveillance and Telecommunications Services and Equipment
3. **Foreign Ownership or Control Disclosure**

1.0 INTRODUCTION

The Air Force (AF) invites small business firms to submit proposals under this CSO for the Small Business Technology Transfer (STTR) Program. Firms with the capability to conduct research and development (R&D) in the AF-related topics described in Section 10.0 and to commercialize the results are encouraged to participate.

The *2014 Quadrennial Defense Review* (QDR) established innovation as a central line of effort in the United States' (US') national defense strategy. The US' decisive military advantage over its adversaries and peer competitors is steadily eroding. Consequently, under section 879 of the National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2017 (Pub. L. 114-328) contracting officers may acquire innovative commercial items, technologies, or services using a competitive procedure called a Commercial Solutions Opening (CSO). Under the CSO, DoD may competitively select proposals received in response to a general solicitation, similar to a Broad Agency Announcement, based on proposal review by Government scientific, technological, or other subject-matter experts. CSO use in accordance with Class Deviation 2018-O0016 is considered competitive for the purposes of 10 U.S.C. chapter 127 and FAR 6.102. Contracting officers shall treat items, technologies, and services acquired under a CSO as commercial items. The full definition of commercial items, i.e., products and services, under FAR 2.101 applies. This CSO includes no requirement for a commercial product or service be an already developed, off-the-shelf item.

This CSO seeks innovative, commercial technologies proposed to create new AF solutions or potential new capabilities fulfilling requirements, closing capability gaps, or providing potential technological advancements. The AF reserves the right to award all, part, or none of the proposals received. The Federal Government is not responsible for any monies expended by the applicant before award, if selected.

AF will not issue a separate CSO for Phase II proposals. All firms awarded Phase I awards under this CSO will be eligible to participate in Phases II competitions with potential for Phase III awards. AF will provide Phase I awardees the Phase II proposal submission requirements. Submission of Phase II proposals will be in accordance with instructions provided by AF. Phase II details regarding due date, content, and submission requirements will be provided by subsequent notification. If a firm submits a Phase II proposal prior to the notification's stated due date, it will be rejected without evaluation. The SBIR/STTR Programs are not substitutes for existing unsolicited proposal mechanisms. Unsolicited proposals are not accepted under the AF SBIR/STTR Programs for Phase I or Phase II.

AF is not obligated to make any awards under Phases I, II, or III, and all awards are subject to the funds availability. AF is not responsible for any monies expended by the proposer before the issuance of any award.

General information related to the AF Small Business Program is found at <http://www.airforcesmallbiz.af.mil/>. The site contains contracting opportunities within AF, as well as business information and upcoming outreach/conference events. Other informative sites include the Small Business Administration (SBA), www.sba.gov, and Procurement Technical Assistance Centers, <http://www.aptacus.us.org>. These centers provide Government contracting assistance and guidance to small businesses, typically at no cost.

AF Topic Information

AF SBIR/STTR Center for Excellence solicits Phase I and Direct to Phase II in order to accelerate technologies to the warfighter. These topics are different in several ways from the standard AF SBIR/STTR proposal, award, and execution processes. These topics include shortened technical durations, reduced reporting requirements, and varying award amounts compared to normal traditional STTR topics.

Topic AF21A-TCSO1: Sponsored by the Air Force Office of Scientific Research (AFOSR) in partnership with AFWERX, <https://www.afwerx.af.mil>, a catalyst for agile Air Force engagement across industry, academia, and non-traditional contributors, creating transformative opportunities and fostering an AF culture of innovation.

1. Phase I proposals shall include technical information not to exceed 25 slides, uploaded in Volume 2. The 25-slide technical volume will be reviewed holistically. Offerors may also include an optional five-page white paper, if needed, to provide additional information regarding the proposed effort not covered in the technical volume. More information follows under Supporting Documents.
2. The cost volume, Volume 3, will cover the total effort broken down into specified technical and reporting periods. See below chart for specific times. Topics under this CSO shall follow the “Phase I Work Plan Outline” as stated below, except one Progress Report is required and no technical review requirement due to the short duration. Phase I final reports will be a SF298, Report Documentation Page, presentation in accordance with the purchase order.

Applicable Topics	Phase I					Traditional Phase II			
	Technical Volume (Vol 1)	Add'l Info (Vol 5)	Award Amount	Tech Duration	Final Report Period	Tech Volume (Vol 1)	Additional Info (Vol 5)	Technical & Reporting	Initial Award Amount
AF21A-TCSO1	Technical volume not to exceed 25 slides (template provided)	Optional white paper not to exceed five pages	NTE \$50,000	2 months	1 month	Technical volume not to exceed 25 slides (template provided)	Optional white paper not to exceed 5 pages	15 months, including 12 months technical performance and three months for reporting.	NTE \$750,000
AF21A-TCSO2	Technical volume not to exceed 25 slides (template provided is an example; may be used but not mandatory)	Optional white paper, not to exceed five pages	NTE \$150,000	5 months	1 month	Technical volume not to exceed 25 slides	Optional white paper not to exceed 5 pages	18 months including 15 months technical performance and 3 months for reporting	NTE \$1.5M

The request for Phase II proposals will occur shortly after Phase I award execution. Unless otherwise stated above, all other requirements below apply.

2.0 PROGRAM DESCRIPTION

2.1 Objectives. The DoD STTR Program objectives include stimulating technological innovation, strengthening small businesses' role in meeting DoD R&D needs, fostering and encouraging minority and disadvantaged persons' participation in technological innovation, and increasing commercial application of DoD-supported R/R&D results.

AF invites small business firms and research institutions to jointly submit proposals under this STTR CSO. Firms with the capability to conduct research or research and development (R/R&D) and quickly commercialize the proposed results are encouraged to participate.

The STTR Program, although modeled substantially on the Small Business Innovation Research (SBIR) Program, is a separately managed and financed program. Subject to funds availability, AF seeks high quality R/R&D proposals for innovative concepts to solve defense-related scientific or engineering problems, especially those concepts with high potential for private sector commercialization. Partnerships between small businesses and Historically Black Colleges and Universities (HBCUs) or Minority Institutions (MIs) are encouraged, although no special award preference will be given.

The USAF S&T Strategy identifies five (5) Strategic Capabilities, listed below. The offeror should address the solution's connection to at least one of them.

1. Global Persistent Awareness
2. Resilient Information Sharing
3. Rapid, Effective Decision-Making
4. Complexity, Unpredictability, and Mass
5. Speed and Reach of Disruption and Lethality
6. BLUE SKY*

US Air Force S&T Strategy:

<https://www.af.mil/Portals/1/documents/2019%20SAF%20story%20attachments/Air%20Force%20Science%20and%20Technology%20Strategy.pdf?ver=2019-04-17-131216-723×tamp=155530064092>

*NOTE: While the S&T strategy document contains only five capabilities, it is possible for a solution to provide a strategic capability in a previously unconsidered area. Therefore, if the offeror feels their solution does not fit within one of the listed capabilities, reference the "BLUE SKY" strategic capability, including an explanation of the solution's ability to provide increased strategic capability within the context of USAF, national, and global constraints.

The Air Force process is unique, as it is incumbent on small business founders to identify and understand their Government customers and their mission needs. Some methods for exploring Defense needs and opportunities are available below:

- a) **AFWERX Mission Needs List** - The AFWERX team collects specific Mission Needs from various Air Force sources and maintains a current list of these needs on <https://www.afwerx.af.mil/>. Following Phase I award, companies will be asked to identify Mission Needs they may be able to address. Once identified, offerors will be connected with the AF Mission Need sponsors. NOTE - if applicable, please reference relevant Mission Need IDs in the Technical Volume's header. Referencing Mission Needs will not affect the peer review. However, it will assist in connecting companies to AF sponsors expeditiously upon award.
- b) **Air Force Tech Connect** - <https://airforcetechconnect.org/>
- c) **Small Business Specialist** - <https://www.airforcesmallbiz.af.mil/Small-Business/Locate-Specialist/>

- d) **Procurement Technical Assistance Centers (PTACs)** - <https://www.sba.gov/local-assistance/find/?type=Procurement%20Technical%20Assistance%20Center>
- e) **AFWERX Challenges** - <https://afwerxchallenge.com/>
- f) **Defense Innovation Marketplace** - <https://Defenseinnovationmarketplace.dtic.mil>

The AF STTR Program follows the policies and practices of the Small Business Administration (SBA) SBIR/STTR Policy Directive (2 May 19), https://www.sbir.gov/sites/default/files/SBIR-STTR_Policy_Directive_2019.pdf. This CSO incorporates and makes use of Policy Directive flexibilities to encourage proposals based on scientific and technical approaches most likely to yield important results for the AF and private sector.

2.2 Technology and Program Protection to Maintain Technological Advantage

In accordance with DoD Instruction 5000.83, Technology and Program Protection to Maintain Technological Advantage, dated July 20, 2020, and as a means to counter the threat from strategic competitor nations, the DoD will employ risk-based measures to protect systems and technologies from adversarial exploitation and compromise of U.S. military vulnerabilities and weaknesses in: (1) systems, (2) components, (3) software, (4) hardware, and (5) supply chains. The initial measure being implemented for the SBIR program is to require proposers to self-report and disclose foreign ownership of, or control over, the proposer. Reporting and disclosing such information will enable the DoD to identify national security risks posed by foreign participation, through investment, ownership, or influence, in the defense industrial base. This information will be used by DoD program offices to determine risks posed by SBIR contract awardees and their subcontractors to the DoD and the defense industrial base.

2.3 Three Phase Program

STTR is a three-phase program. Phase I objective is to determine, to the extent possible, selected proposals' scientific, technical, and commercial merit and feasibility. Proposals should concentrate on R/R&D significantly proving the proposed effort's scientific and technical feasibility and commercialization potential. Successful Phase I completion is a prerequisite to be considered for Phase II award. Proposers should consider whether the proposed R/R&D also has private sector potential or can be used as a base for other applications.

Phase II awards are selected based on Phase I results and/or the Phase II proposal's scientific and technical merit and commercialization potential Phase II, as the principal R/R&D effort, is expected to produce a well-defined, deliverable prototype. Phase II awardees may receive a second, sequential Phase II award to continue the project's work.

Phase III awards require funding from the private sector, non-SBIR/STTR Governmental sources, or both. The objective is to develop the prototype into a viable product or non-R&D service for military or private sector market sales. Phase III awards must be based on work deriving from, extending, or completing an effort made under prior SBIR/STTR funding agreements, but funded as previously discussed. Phase III work is typically oriented toward technology commercialization.

3.0 DEFINITIONS

The following definitions from the SBA SBIR/STTR Policy Directive, the Federal Acquisition Regulation (FAR), and 10 USC 2371b apply to this CSO:

3.1 Certified HUBZone Small Business Concern: An SBC certified by SBA under the Historically Underutilized Business Zones (HUBZone) Program (13 C.F.R. § 126) as a HUBZone firm listed in the Dynamic Small Business Search (DSBS).

3.2 Commercial Solutions Opening (CSO): A competitive procedure contracting officers may use to acquire innovative commercial items, technologies or services.

3.3 Commercialization: The process of developing products, processes, technologies, or services and the production and delivery (whether by the originating party or others) of products, processes, technologies, or services for sale to or use by the Federal Government or commercial markets.

3.4 Essentially Equivalent Work: Work substantially the same research, proposed for funding in more than one application submitted to the same Federal agency, or two or more different Federal agencies for review and funding consideration. It may also include work where a specific research objective and the research design for accomplishing project objective are the same or closely related to another proposal or award, regardless of funding source.

3.5 Export Control: The International Traffic in Arms Regulations (ITAR), 22 CFR Parts 120 through projects with military or dual-use applications beyond fundamental research. Fundamental research is basic and applied research ordinarily published and shared broadly within the scientific community. More information is available at https://www.pmdtc.state.gov/?id=ddtc_public_portal_itar_landing.

3.6 Federal Laboratory: As defined in 15 U.S.C. §3703, means any laboratory, any Federally funded research and development center (FFRDC), or any center established under 15 U.S.C. §§ 3705 & 3707 that is owned, leased, or otherwise used by a Federal agency and funded by the Federal Government, whether operated by the Government or by a contractor. *Note – many Federal Laboratories DO NOT qualify as research institutions for the purposes of the STTR Program. Please ensure the entity to which the small business intends to subcontract as the research institution meets the definition in 3.15 below.*

3.7 Foreign Entity

Foreign entity means any branch, partnership, group or sub-group, association, estate, trust, corporation or division of a corporation, non-profit, academic institution, research center, or organization established, directed, or controlled by foreign owners, foreign investors, foreign management, or a foreign government.

3.8 Foreign Government

Foreign government means any government or governmental body, organization, or instrumentality, including government owned-corporations, other than the United States Government or United States state, territorial, tribal, or jurisdictional governments or governmental bodies. The term includes, but is not limited to, non-United States national and subnational governments, including their respective departments, agencies, and instrumentalities.

3.9 Foreign Nationals: Foreign Nationals (also known as Foreign Persons) as defined by 22 CFR 120.16 means any natural person who is not a lawful permanent resident as defined by 8 U.S.C. § 1101(a)(20) or who is not a protected individual as defined by 8 U.S.C. § 1324b(a)(3). It also means any foreign corporation, business association, partnership, trust, society or any other entity or group that is not incorporated or organized to do business in the United States, as well as international organizations, foreign Governments and any agency or subdivision of foreign Governments (e.g., diplomatic missions).

“Lawfully admitted for permanent residence” means the status of having been lawfully accorded the privilege of residing permanently in the United States as an immigrant in accordance with the immigration laws, such status not having changed.

"Protected individual" means an individual who (A) is a citizen or national of the United States, or (B) is an alien who is lawfully admitted for permanent residence, is granted the status of an alien lawfully admitted for temporary residence under 8 U.S.C. § 1160(a) or 8 U.S.C. § 1255a(a)(1), is admitted as a refugee under 8 U.S.C. § 1157, or is granted asylum under Section 8 U.S.C. § 1158; but does not include (i) an alien who fails to apply for naturalization within six months of the date the alien first becomes eligible (by virtue of period of lawful permanent residence) to apply for naturalization or, if later, within six months after November 6, 1986, and (ii) an alien who has applied on a timely basis, but has not been naturalized as a citizen within two years after the date of the application, unless the alien can establish that the alien is actively pursuing naturalization, except that time consumed in the Service's processing the application shall not be counted toward the two-year period.

3.10 Fraud, Waste and Abuse:

- a. **Fraud** includes any false representation about a material fact or any intentional deception designed to deprive the United States unlawfully of something of value or to secure from the United States a benefit, privilege, allowance, or consideration to which an individual or business is not entitled.
- b. **Waste** includes extravagant, careless or needless expenditure of Government funds, or the consumption of Government property, that results from deficient practices, systems, controls, or decisions.
- c. **Abuse** includes any intentional or improper use of Government resources, such as misuse of rank, position, or authority or resources.

3.11 Funding Agreement: Any contract, grant, cooperative agreement, or Other Transaction for Prototype entered into between any Federal Agency and any small business concern for the performance of experimental, developmental, or research work, including products or services, funded in whole or in part by the Federal Government.

3.12 Innovative:

- (1) Any new technology, process, or method, including research and development; or
- (2) Any new application of an existing technology, process, or method.

3.13 Other Transaction: Refers to the type of Other Transaction Agreement (OTA) that may be placed as a result of this CSO. This type of OT is authorized by 10 U.S.C 2371b for prototype projects directly relevant to enhancing the mission effectiveness of military personnel and the supporting platforms, systems, components, or material proposed to be acquired or developed by the DoD, or for the improvement of platforms, systems, components, or materials in use by the armed forces. This type of OTA is treated by DoD as an acquisition instruments, commonly referred to as an “other transaction” for a prototype or a Section 2371b “other transaction.” The definition of a "prototype project" in the context of an OT is as follows: a prototype project addresses a proof of concept, model, reverse engineering to address obsolescence, pilot, novel application of commercial technologies for defense purposes, agile development activity, creation, design, development, demonstration of technical or operational utility, or combinations of the foregoing. A process, including a business process, may be the subject of a prototype project.

This authority also allows for a noncompetitive, follow-on OT for Production to an OT for Prototype competitively awarded and successfully completed. This statute requires advanced consideration be given and notice be made for follow-on OT for Production potential. It is a necessary precondition for such a follow-on award. As such, this solicitation documents, and resulting OTs for Prototype will include notice, follow-on OTs for Production are possible.

3.14 Performance Benchmarks for Progress Toward Commercialization: IAW the SBA SBIR/STTR Policy Directive Section 4(a)(3), DoD’s established benchmark threshold applies only to Phase I applicants with more than 20 awards in the prior five fiscal years. The ratio of Phase I awards to Phase II awards received during the period must be at least 4:1. Additional information can be found at <https://www.sbir.gov/performance-benchmarks>.

3.15 Principal Investigator: The principal investigator/project manager is the individual designated to provide the scientific and technical direction to a project supported by the funding agreement.

For both Phase I and II, the primary employment of the principal investigator must be with the SBC or research institution at the time of award and during the conduct of the proposed project. Primary employment means that more than one-half of the principal investigator's time is spent in the employ of the SBC or research institution. This precludes full-time employment with another organization. Occasionally, deviations from this requirement may occur, and must be approved in writing by the contracting officer after consultation with the agency AF STTR Program Manager/Coordinator. Further, an SBC may replace the principal investigator on an STTR Phase I or Phase II award, subject to approval in writing by the contracting officer.

3.16 Proprietary Information: Proprietary information includes trade secrets, as well as commercial or financial information.

3.17 Research institution: One with a place of business located in the United States, operating primarily within the United States, or making a significant contribution to the U.S. economy through payment of taxes or use of American products, materials, or labor, and is: (1) A non-profit institution as defined in section 4(3) of the Stevenson-Wydler Technology Innovation Act of 1980 (i.e., an organization owned and operated exclusively for scientific or educational purposes, for which no part of the net earnings benefit any private shareholder or individual) or (2) a Federally-funded R/R&D center (FFRDC) as identified by the National Science Foundation (NSF) in accordance with the FAR issued in accordance with section 35(c)(1) of the Office of Federal Procurement Policy Act (or any successor regulation) (see 3.6 above). Non-profit institutions can include hospitals and military educational institutions, if they meet the definition above.

3.18 Research Involving Animal Subjects: Activities involving animal subjects shall be conducted in accordance with DoDI 3216.01, “Use of Animals in DoD Programs”; 9 CFR parts 1-4; National Academy of Sciences Publication “Guide for the Care & Use of Laboratory Animals” as amended; Department of Agriculture rules implementing the Animal Welfare Act (7 U.S.C. §§ 2131-2159); and other applicable Federal/DoD/local laws, regulations, and instructions.

“Animal use” protocols apply to activities meeting any of the following criteria:

- a. Any research, development, test, evaluation or training (including experimentation) involving an animal or animals.
- b. An animal is defined as any living or dead, vertebrate organism (non-human) being used or intended for use in research, development, test, evaluation, or training.
- c. A vertebrate is a member of the subphylum Vertebrata (within the phylum Chordata), including birds and cold-blooded animals.

See DoDI 3216.01 for definitions of these terms and applicability to work involving animals

3.19 Research Involving Human Subjects: All research involving human subjects shall be conducted in accordance with 32 C.F.R. § 219 “The Common Rule”, 10 USC §980 “Limitation on Use of Humans as Experimental Subjects”, and DoDD 3216.02, “Protection of Human Subjects and Adherence to Ethical Standards in DoD-Supported Research,” as well as other applicable Federal and state law and regulations, and DoD component guidance. Offerors must be cognizant of and abide by the additional restrictions and limitations

imposed on the DoD regarding research involving human subjects, specifically as they regard vulnerable populations (DoDD 3216.02), recruitment of military research subjects (DoDD 3216.02), and informed consent and surrogate consent (10 U.S.C. § 980) and chemical and biological agent research (DoDD 3216.02). Food and Drug Administration regulation and policies may also apply.

“Human use” protocols apply to all research that meets any of the following criteria:

- a. Any research involving an intervention or an interaction with a living person that would not be occurring or would be occurring in some other fashion but for this research.
- b. Any research involving identifiable private information. This may include data/information/specimens collected originally from living individuals (broadcast video, web-use logs, tissue, blood, medical or personnel records, health data repositories, etc.) in which the identity of the subject is known, or the identity may be readily ascertained by the investigator or associated with the data/information/specimens.

See DoDD 3216.02 for definitions of these terms and more information about the applicability of DoDI 3216.02 to research involving human subjects.

3.20 Research Involving Recombinant DNA Molecules: Any recipient performing research involving recombinant DNA molecules and/or organisms and viruses containing recombinant DNA molecules shall comply with the National Institutes of Health Guidelines for Research Involving Recombinant DNA Molecules, dated January 2011, as amended. The guidelines can be found at: https://osp.od.nih.gov/wp-content/uploads/NIH_Guidelines.pdf. Recombinant DNA is defined as (i) molecules that are constructed outside living cells by joining natural or synthetic DNA segments to DNA molecules that can replicate in living cells or (ii) molecules that result from the replication of those described in (i) above.

3.21 Research or Research and Development:

- a. A systematic, intensive study directed toward greater knowledge or understanding of the subject studied;
- b. A systematic study directed specifically toward applying new knowledge to meet a recognized need; or
- c. A systematic application of knowledge toward the production of useful materials, devices, systems, or methods, including prototype or process design, development, and improvement to meet specific requirements.
- d. The term "research and development (R&D)" is intended broadly to include the work performed under a funding agreement with the government. It includes R&D in all fields, including the physical sciences, engineering, etc. Research is systematic study directed toward fuller scientific knowledge or understanding of the subject studied. Development is systematic use of the knowledge and understanding gained from research, for the production of useful materials, devices, systems, or methods, including the design and development of prototypes and processes.

3.22 Service-Disabled Veteran-Owned Small Business (SDVOSB): A small business concern owned and controlled by a Service-Disabled Veteran or Service-Disabled Veterans, as defined in Small Business Act 15 USC § 632(q)(2) and SBA’s implementing SDVOSB regulations (13 CFR 125).

3.23 Small Business Concern (SBC): A concern meeting the requirements set forth in 13 CFR. § 121.702. An SBC must satisfy the following conditions on the date of award:

- a. Is organized for profit, with a place of business located in the United States, which operates primarily within the United States or which makes a significant contribution to the United States economy through payment of taxes or use of American products, materials or labor;
- b. Is in the legal form of an individual proprietorship, partnership, limited liability company, corporation, joint venture, association, trust or cooperative, except that if the concern is a joint venture, each entity to the venture must meet the requirements set forth in paragraph (c) below;
- c. Is more than 50% directly owned and controlled by one or more individuals (who are citizens or permanent resident aliens of the United States), other small business concerns (each of which is more than

50% directly owned and controlled by individuals who are citizens or permanent resident aliens of the United States), or any combination of these; and

- d. Has, including its affiliates, not more than 500 employees. (For explanation of affiliate, see www.sba.gov/size.)

3.24 Subcontract: A subcontract is any agreement, other than one involving an employer-employee relationship, entered into by an awardee of a funding agreement calling for supplies or services for the performance of the original funding agreement. This includes consultants.

3.25 Subcontractor: Subcontractor means any supplier, distributor, vendor, firm, academic institution, research center, or other person or entity that furnishes supplies or services pursuant to a subcontract, at any tier.

3.26 United States: The fifty states, the territories and possessions of the Federal Government, the Commonwealth of Puerto Rico, the Republic of the Marshall Islands, the Federated States of Micronesia, the Republic of Palau, and the District of Columbia.

3.27 Women-Owned Small Business Concern: An SBC at least 51% owned by one or more women, or in the case of any publicly owned business, at least 51% of the stock is owned by women, and women control the management and daily business operations.

4.0 PROPOSAL FUNDAMENTALS

Unless otherwise specified, this section applies to Phase I and II proposals.

4.1 Introduction

The proposal must provide sufficient information to demonstrate to the reviewers the proposed work represents an innovative approach to investigation of important scientific or engineering problems and is worthy of support under the stated criteria. The proposed R/R&D must be responsive to the topic.

4.2 Offeror Eligibility and Performance Requirements

- a. Each proposer must qualify as a small business concern IAW 13 C.F.R §§ 701-705 at time of award and certify to this on the proposal Cover Sheet. SBIR/STTR eligibility requirements are unique and do not correspond to other small business programs (see Section 3.12 of this CSO). Proposers must meet eligibility requirements for Small Business Ownership and Control IAW 13 CFR § 121.702 and Section 4.4 of this CSO.
- b. Each STTR project must be conducted a minimum of 40% by the small business concern and a single research institution must accomplish a minimum of 30% of the effort. The percentage is measured by direct and indirect costs after removal of the SBC's proposed profit.
- c. For Phase I and II, the principal investigator must primarily be employed with the small business firm OR research institution. At Phase I or Phase II contract award, the small business concern must employ at least one employee in a management position whose primary employment is with the small business, not with the research institution. Primary employment means more than 50% of the employee's time is spent with the small business. Primary employment with the small business concern precludes full-time employment at another organization.
- d. All Phase I and II R/R&D work must be performed by the small business concern and its subcontractors in the U.S.
- e. Allocation of Rights: Small business concerns (SBCs) must negotiate written agreements with the research institution allocating intellectual property rights and rights to carry out follow-on research, development, or commercialization. **The SBC must submit this agreement to the soliciting agency with the proposal.** The SBC must certify in all proposals the agreement is satisfactory to the SBC.
- f. Management of the STTR Project: The small business concern (SBC), and not its partnering research institution(s), is to provide satisfactory evidence that it will exercise management direction and control of the performance of the STTR Funding agreement. Regardless of the proportion of the work or funding allocated to each of the performers under the Funding agreement, the SBC is to be the primary party with overall responsibility for project performance. All agreements between the SBC and the Research institution cooperating in the STTR Funding agreement, or any business plans reflecting agreements and responsibilities between the parties during performance of STTR Phase I or II funding agreement, or for the commercialization of the resulting technology, should reflect the controlling position of the SBC.
- g. **Benchmarks.** SBA is not compiling a list of companies deemed ineligible to submit proposals for new Phase I (or Direct-to-Phase II) awards based on failure to meet the Commercialization Benchmark requirement. This is subject to change; more information is found at <https://www.sbir.gov/performance-benchmarks>.

- h. **Joint Ventures:** Joint ventures and limited partnerships are permitted, provided the entity created qualifies as a small business in accordance with the Small Business Act, 13 U.S.C. § 121.701. Proposers must disclose joint ventures with existing (or planned) relationships/partnerships with any foreign entity or foreign government-controlled companies.

4.3 Administrative Proposal Requirements: The AF SBIR/STTR Center of Excellence (CoE) is committed to reducing Phase I and II proposal-to-award lead times. To this end, processes and tools have been developed allowing for rapid, streamlined contracting via periodic expedited contracting events. Such speed dictates stringent administrative practices in the proposal submission process. **Therefore, proposals not meeting the requirements as identified below will not be considered for award.**

4.3.1 Registrations and Certifications. Firms shall be registered in the DoD SBIR/STTR Innovation Portal (DSIP) to prepare and submit proposals, <https://www.dodsbirsttr.mil/submissions/login>.

Firms shall register in the System for Award Management (SAM.gov), <https://www.sam.gov/>, to be eligible for proposal acceptance. Follow instructions therein to obtain a Commercial and Government Entity (CAGE) code and Dunn and Bradstreet (DUNS) number. Firms shall also verify registration for “All Contracts”, not just “Grants”. Firms registered to compete for grants only at the time of proposal submission will not be considered for award. Addresses must be consistent between the proposal and SAM.gov at award. Previously registered firms are advised to access SAM.gov to ensure all company data is current before proposal submission and, if selected, award.

In addition to the standard Federal and DoD procurement certifications, the SBA SBIR/STTR Policy Directive requires certain information be collected from firms at award and during the award lifecycle. Each firm will be asked to provide this additional information at the time of award (Phase I and II), prior to receiving 50% of the total award amount (Phase II only), and prior to final payment (Phase I and II).

4.3.2 Prior, Current, or Pending Support of Similar Proposals or Awards. It is permissible, with proper notification, to submit identical proposals or proposals containing a significant amount of essentially equivalent work (see Section 3.4) for consideration under multiple Federal program solicitations. However, it is unlawful to enter into contracts, grants, cooperative agreements, Other Transactions, or other award types, requiring essentially equivalent effort. Questions concerning prior, current, or pending support of similar proposals or awards shall be disclosed to the soliciting agency or agencies as early as possible.

4.3.3 Proprietary Information. Information constituting a trade secret, commercial or financial information, confidential personal information, or data affecting national security must be clearly marked. It shall be treated in confidence to the extent permitted by law. Awards for selected proposals will incorporate the Work Plan, in whole or part, by reference or as an attachment. Therefore, **the Work Plan shall be Non-Proprietary and marked accordingly.**

4.3.4 Proposal Value and Period of Performance. Proposals under Topic AF21A-TCSO1 with a value greater than \$50,000, or a period of performance longer than three months, including two months technical performance and one month for reporting, **will not be considered.** Proposals under Topic AF21A-TCSO2 with a value greater than \$150,000 or a period of performance longer than six months, including five months technical performance and one month for reporting **will not be considered.**

4.4 Majority Ownership in Part

Small businesses owned in majority part by multiple venture capital operating companies (VCOCs), hedge funds, or private equity funds are ineligible to submit proposals under this CSO.

4.5 Conflicts of Interest

Contract awards to firms owned by or employing current or previous Federal Government employees could create conflicts of interest for those employees which may be a violation of Federal law. Proposing firms should contact the cognizant Ethics Counselor from the employee's Government agency for further guidance if considering this arrangement.

4.6 Classified Proposals

Classified proposals will not be accepted in response to this CSO. If efforts will require classified work during Phase II performance, the proposing firm must have or obtain a facility clearance. Additional information regarding facility and personnel clearance procedures and requirements can be found at the Defense Security Service site, <http://www.dss.mil/index.html>.

4.7 Research Involving Human Subject

All research involving human subjects, to include use of human biological specimens and human data, shall comply with the applicable Federal and state laws and agency policy/guidelines for human subject protection (see Section 3.16).

Institutions to be awarded funding for research involving human subjects must provide documentation of a current Federal Assurance of Compliance with Federal regulations for human subject protection, for example a Department of Health and Human Services, Office for Human Research Protections Federal wide Assurance (<http://www.hhs.gov/ohrp>).

Additional Federal Assurance documentation may also be requested by the AF. All institutions engaged in human subject research, to include subcontractors, must also have a valid Assurance. In addition, personnel involved in human subject research must provide documentation of completing appropriate training for the protection of human subjects. Institutions proposing to conduct human subject research that meets one of the exemption criteria in 32 CFR 219.101 are not required to have a Federal Assurance of Compliance. If selected, institutions must also provide documentation of Institutional Review Board (IRB) approval or a determination from an appropriate official in the institution that the work meets one of the exemption criteria with 32 CFR 219. As part of the IRB review process, evidence of appropriate training for all investigators should accompany the protocol. The protocol, separate from the proposal, must include a detailed description of the research plan, study population, risks and benefits of study participation, recruitment and consent process, data collection and data analysis.

The amount of time required for the IRB to review and approve the protocol will vary depending on such things as the IRB's procedures, the complexity of the research, the level of risk to study participants and the responsiveness of the Investigator. The average IRB approval process can last between one and three months. Once the IRB has approved the research, the AF will review the protocol and the IRB's determination to ensure that the research will be conducted in compliance with DoD and DoD Component policies. The DoD review process can last between three to six months. Ample time should be allotted to complete both the IRB and DoD approval processes prior to recruiting subjects. **No funding can be used towards human subject research until ALL approvals are granted.**

4.8 Research Involving Animal Subjects

All research, development, testing, experimentation, education or training involving the use of animals shall comply with the applicable Federal and agency rules on animal acquisition, transport, care, handling, and use (see Section 3.15).

For submissions containing animal use, proposals should briefly describe plans for their Institutional Animal Care and Use Committee (IACUC) review and approval.

All selectees must receive their IACUC's approval as well as secondary or headquarters-level approval by a DoD veterinarian who is trained or experienced in laboratory animal medicine and science. **No animal research may be conducted using DoD funding until all the appropriate DoD office(s) grant approval.**

4.9 Research Involving Recombinant DNA Molecules

All research involving recombinant DNA molecules shall comply with the applicable Federal and state laws and regulations and any additional agency guidance. Research shall be approved by an Institutional Biosafety Committee.

4.10 Use of Unmanned Aircraft Systems (UAS)

All activities involving the operation of Unmanned Aerial Systems shall be conducted IAW Department of Defense Memo entitled "Guidance for the Domestic Use of Unmanned Aircraft Systems in the U.S. National Airspace, dated 18 August 2018 and DOD memo entitled, "Delegation Authority to Approve Exemptions for Using Commercial-Off-The-Shelf Unmanned Aerial Systems in Support of Urgent Needs, dated 16 November 2018. Contractor personnel operating DoD or DoD-contracted UAS in U.S. National Airspace, whether or not the domestic use is related to an intelligence activity, will comply with all laws, regulations, and guidance relating to the operation of UAS in U.S. National Airspace. Specific programs utilizing UAS are required to obtain an exemption for operational use of a UAS; therefore, additional documentation may be requested by the AF to support an exemption request. The DOD exemption approval process can last as long as two months. **No funding can be used for contracted-UAS operations until ALL approvals are granted.**

4.11 Proposal Status and Feedback

The Principal Investigator (PI) and Corporate Official (CO) indicated on the Proposal Cover Sheet (Volume 1) will be notified by email regarding proposal selection or non-selection. The SBC will receive a notification for each proposal submitted. Please read each notification carefully and note the proposal number referenced. **If changes occur to the company mail or email address(es) or points of contact after proposal submission, the information must be provided to the AF at usaf.team@afsbirsttr.us. The message shall include the subject line, "21.A Address Change".**

Feedback requests must be submitted in writing within 30 calendar days after non-selection notification receipt. Written requests for feedback must be submitted via AF.SBIR.STTR.FeedbackRequest@us.af.mil. Requests for feedback shall include the company name and telephone number/e-mail address for a specific point of contact, as well as an alternate. Additionally, include the topic and proposal numbers. **Feedback requests not including the specified information will not be fulfilled.** Feedback requests received more than 30 calendar days after non-selection notification receipt will be fulfilled at the Contracting Officers' discretion. Unsuccessful offerors are entitled to no more than one feedback response for each proposal. The Contracting Officer may also delay feedback dissemination until all awards resulting from the solicitation are finalized.

Release of Proposal Review Information. After final award decisions have been announced, the peer review of the applicant's proposal may be provided to the offeror. The identity of the reviewer shall not be disclosed. Requests may be sent to the address above. The same information required for feedback requests shall be required for release of proposal review information. **If not included in the request, it will not be fulfilled.**

It is anticipated all proposal reviews will be complete, selection decisions made, and notification letters sent within approximately 90 calendar days of solicitation close. Please refrain from contacting the CSO Contracting Officer for proposal status before that time.

4.12 CSO, Selection, and Award Protests

Interested parties may have the right to protest this CSO by serving the Contracting Officer, Ms. Kris Croake, AF SBIR/STTR Contracting Officer, kristina.croake@us.af.mil, the protest, or by filing with the Government Accountability Office (GAO), or US Court of Federal Claims. Protest of selections or awards should also be directed to Ms. Croake, filed with the GAO, or the U.S. Court of Federal Claims. If the protest is filed with the GAO, a copy of the protest shall be received by the AF Legal Operations Agency (AFLOA) within one day of filing. Protests of a selected firm's small business status should be directed to the SBA.

4.13 Phase I Award Information

- a. Number of Phase I Awards.** The number of awards will depend upon funds availability. The Government reserves the right to award all, some, or none of the proposals received under this solicitation. The Federal Government is not responsible for any costs incurred before award receipt.
- b. Type of Funding Agreement.** Phase I awards are FAR-based firm fixed price purchase orders.
- c. Dollar Value.** Phase I awards will have a maximum value of \$50,000 (AF21A-TCSO1) or \$150,000 (AF21A-TCSO2).
- d. Timing.** It is intended peer review, proposal selection, negotiations and award will be complete within 180 calendar days of solicitation close.

4.14 Phase II Award Information

- a. Number of Awards.** The number of awards will depend upon funds availability. The Government reserves the right to award all, some, or none of the proposals received under this solicitation. The Federal Government is not responsible for any costs incurred before award receipt.
- b. Type of Funding Agreement.** Phase II awards will be FAR-based firm fixed price contracts or Other Transactions for Prototype under the authority of 10 USC 2731b.
- c. Average Dollar Value.** Maximum dollar value for Phase II awards will be \$750,000 (AF21A-TCSO1) or \$1M (base effort, AF21A-TSCO2).
- d. Timing.** It is intended peer review, proposal selection, negotiations, and award will be complete within 180 calendar days of solicitation close.

4.15 CSO and CSO Topic Questions

a. General STTR Questions/Information

1. Help Desk. The DoD SBIR/STTR Help Desk is prepared to address general questions about this CSO, the proposal preparation and electronic submission process and other program- related areas. The Help Desk may be contacted from 9:00 a.m. to 5:00 p.m. ET Monday through Friday at:

- Phone: 1-703-214-1333
- Email: DoDSBIRSupport@reisystems.com

2. **Updates and Notices.** To receive notifications about AFVentures/other AF innovation opportunities, go to <https://af-ventures.com/> and <https://www.afwerx.af.mil/join.html>. To receive SBIR/STTR opportunity notices and DoD SBIR/ STTR Programs email updates, subscribe at <https://www.dodsbirsttr.mil/submissions>.

3. **Web sites.** The DoD SBIR/STTR Program Web site at <https://www.dodsbirsupport@reisystems.com> offers electronic access to SBIR/STTR opportunities, answers to commonly asked questions, sample SBIR/STTR proposals, model SBIR/STTR contracts, ongoing SBIR/STTR project abstracts, SBIR/ STTR Program updates, business and finance assistance hyperlinks, and other useful information.

The DoD SBIR/STTR Web site, <https://www.dodsbirsttr.mil/submissions>, mirrors the most frequently accessed information on the DoD SBIR/STTR Program Web site, including:

- SBIR and STTR Program opportunities
- Topics search engine
- Technical Q&A through the SBIR/STTR Interactive Topic Information System (SITIS) for Phase I and II proposals. First-time firms must register.

Online Q&A Webinars ('Ask Me Anything'): For information on these webinars, please visit <https://www.afwerx.af.mil/sbir.html>.

4.16 Identifying RDT&E in SBIR/STTR Proposals

The definitions and criteria below govern SBIR/STTR as Research, Development, Test, and Evaluation (RDT&E) programs. These definitions and criteria implement 15 U.S.C. 638, the SBA SBIR/STTR Policy Directive (2019), and DoD Financial Management Regulation (FMR), Vol. 2A, Chapter 1, Section 0102, *Funding Policies* (June 2004, as amended). Subject to programmatic phase conditions, SBIR/STTR awards are made for research, development, test and evaluation (RTD&E) efforts.

a. Phase I and II Conditions:

Consistent with 15 U.S.C. 638 and SBA SBIR/STTR Policy Directive (2019, both Phase I and II awards are aimed at furthering “scientific and technical merit and feasibility” of ideas in the proposals. The object of Phase I is to conduct feasibility-related experimental or theoretical research/research and development related to agency’s described broad or narrow requirements, as to determine the scientific and technical merit and feasibility of the proposed effort and the quality of performance of the offeror. The object of Phase II is to continue the research/research and development effort from the completed Phase I (or from prior non-SBIR/STTR research in case of Direct to Phase II award). Phase II also includes a Special Phase II Testing and Evaluation authority.

b. Scientific and Technical Feasibility Determination IAW 15 USC 638(cc):

Direct to Phase II awards are conditioned upon the awarding agency’s determination that the offeror’s idea has sufficient scientific and technical feasibility and merit despite the lack of Phase I award.

c. Treatment of Commercial Off-the-Shelf (COTS) and Non-Developmental Items (NDIs):

COTS/NDIs: Items purchased directly from a commercial source that can be utilized without alteration through design and development, or without modification, are classified as COTS or NDI. This includes, for example, ready-to-use products, training services, and software licenses for ready-to-use software to satisfy service needs (including Software as a Service (SaaS)). Purchases of COTS and NDIs for use, including the first article and associated first article acceptance testing and related minor adjustments are not suitable for SBIR/STTR funding. The acquisition of commercial items or NDIs for testing and

operational evaluation that do not require RDT&E engineering, design or integration effort will not be funded by SBIR/STTR funds. However, if an end item requires design and development in order to accept the COTS or NDI, funding for design and development effort could be funded by SBIR/STTR funds. If a COTS or NDI is required for RDT&E test purposes, the cost could be funded by SBIR/STTR funds.

Modified COTS/Modified NDIs: Commercially available items that must be modified to satisfy user requirements are classified as "modified COTS" or "modified NDI" articles. In this instance, the first article, modification of the first article, and first article testing could be funded by SBIR/STTR funds. Follow-on purchases will not be funded by SBIR/STTR funds. The number of "modified" first articles bought with SBIR/STTR funds will not exceed the quantity needed to conduct the RDT&E acceptance tests. Modification is technology refreshment that significantly changes the performance envelope of the end item. If the commercially available item is modified and requires testing prior to approval for service use or inventory it may be funded by SBIR/STTR funds, as all developmental items. In contrast to modification, continuous technology refreshment is the intentional, incremental insertion of newer technology to improve reliability, improve maintainability, reduce cost, and/or add minor performance enhancement, typically in conjunction with depot or field level maintenance. The insertion of such technology into end items as part of maintenance is not funded by SBIR/STTR funds.

d. **Technical Baseline:** As RDT&E programs, SBIR/STTR efforts are subject to scientific and technical literature searches in order to establish technical baseline, avoid duplication, and justify funding IAW AFI 61-201, *Management of Scientific and Technical Information (STINFO)* (29 January 2019) and AFRL/CA guidance, *Streamlined and Waivered SBIR/STTR Specified Requirements* (05 Aug 2019).

e. **Special circumstances:** Offerors wishing to assert special circumstances or criteria meriting SBIR/STTR funds expenditure other than those provided above must address them in the proposal and provide appropriate statutory or regulatory justification.

4.17 Promotional Material

Promotional and non-project related proposal content is discouraged. Additional information provided via website or other communication medium, except where explicitly requested, will not be considered.

4.18 Fraud and False Statements

Knowingly and willfully making false, fictitious, or fraudulent statements or representations may be a felony under the Federal Criminal False Statement Act (18 USC Sec 1001), punishable by a fine of up to \$10,000, imprisonment up to five years, or both.

The DoD Office of Inspector General (IG) Hotline is an important avenue for reporting fraud, waste, abuse, and mismanagement within the DoD. The DoD IG operates this hotline to receive and investigate complaints or information from contractor employees, DoD civilians, military service members, and public citizens. Individuals who wish to report fraud, waste or abuse may contact the Hotline at (800) 424-9098 between 8:00 a.m. and 5:00 p.m. Eastern Time or visit <http://www.dodig.mil/Components/Administrative-Investigations/DoD-Hotline/Hotline-Complaint/>. Written correspondence should be addressed to the Defense Hotline, The Pentagon, Washington DC, 20301-1900. Email reporting is available at hotline@dodig.mil.

4.19 State and Other Assistance Available

Many states have established programs to provide services to small business firms wishing to participate in the Federal STTR Program. These services vary from state to state, but may include:

- Information and technical assistance;
- Matching funds to STTR award recipients;
- Assistance in obtaining Phase III funding.

Contact the state SBIR/STTR Support office at https://www.sbir.gov/state_services?state=105813# for further information.

4.20 Discretionary Technical and Business Assistance (TABAs).

The Air Force does not utilize TABAs.

4.21 Use of Support Contractors for the AF STTR Program

Proposals may be handled for administrative purposes only by support contractors, including APEX, Oasis Systems, Riverside Research, Peerless Technologies, HPC-COM, Mile Two, Wright Brother Institute, and MacB (an Alion Company). In addition, only Government employees and technical personnel from Federally Funded Research and Development Centers (FFRDCs) MITRE and Aerospace Corporations working under contract to provide technical support to AF Life Cycle Management Center and Space and Missiles Centers may evaluate proposals. All support contractors are bound by appropriate non-disclosure agreements. Contact Kris Croake, AF SBIR/STTR Contracting Officer, at kristina.croake@us.af.mil, with concerns regarding the listed contractors.

4.22 Innovation in Manufacturing

Pursuant to EO 13329, high priority is accorded to proposals advancing innovation in US small business manufacturing.

5.0 Phase I Proposal Instructions

5.1 Proposal Submission

Proposals must be electronically submitted through DSIP, <https://www.dodsbirsttr.mil/submissions/login>, no later than the date and time indicated on the CSO title page. Late proposals will not be accepted; no exceptions will be made. **Classified proposals are not accepted; proposals shall not contain classified information or data.**

Each proposal submission must contain a Proposal Cover Sheet, Technical Volume, Cost Volume, Supporting Documents, and Fraud, Waste and Abuse Training (see Section 5.4). The required submission format is Portable Document Format (.pdf). When combining .pdf documents into a full proposal, ensure digital signatures are not stripped. Graphics must be distinguishable in black and white. Virus-check all submissions. NOTE: The Government is not obligated to make any Phase I awards, nor is it responsible for offeror expenditures prior to award. All awards are subject to successful negotiations and funds availability.

The AF SBIR/STTR Program Office has instituted training and certification requirements to combat fraud in the SBIR/STTR Programs. As a result, SBCs are required to complete Fraud, Waste, and Abuse Training as part of the proposal submission process. The training is available at <https://www.dodsbirsttr.mil/submissions/login>. When training is complete and certified, DSIP will indicate so in the proposal, completing the Volume 6 requirement. If training is not completed, the submitter will receive an error message and submission cannot be completed.

This CSO and the DoD SBIR/STTR Innovation Portal (DSIP) are designed to reduce proposal preparation time and cost.

A complete proposal consists of:

0. Registration
 - 0.1. Dunn and Bradstreet (DUNS) Number
 - 0.2. Commercial and Government Entity (CAGE) Code
 - 0.3. Small Business Administration Small Business Concern Identification Number
1. Volume 1: Proposal Cover Sheet
 - 1.1. CAGE code/DUNS
 - 1.2. Certification Questions
 - 1.3. Business Information
 - 1.4. Proposal Information
 - 1.5. Contact Information
2. Volume 2: Technical Volume
 - 2.1. 25 Page Slide Deck
3. Volume 3: Cost Volume
 - 3.1. Direct Labor Costs
 - 3.2. Direct Material Costs (If Applicable)
 - 3.3. Other Direct Costs (If Applicable)
4. Volume 4: Company Commercialization Report
5. Volume 5: Supporting Documents
 - 5.1. Allocation of Intellectual Property Rights Agreement
 - 5.2. Resumes of Key Personnel
 - 5.3. DoD Funding Agreement Certification (Signed)
 - 5.4. Five-page white paper (optional)
 - 5.5. Contractor Certification Regarding Provision of Prohibited Video Surveillance and Telecommunications Services and Equipment (REQUIRED)
 - 5.6. **Foreign Ownership or Control Disclosure (Proposers must review Attachment 3: Foreign Ownership or Control Disclosure to determine applicability)**

6. Volume 6: Fraud, Waste and Abuse Training

NOTE: Beginning with the X21.A CSO, all proposers are required to submit Volume 4: Company Commercialization Report (CCR), Volume 5: Contractor Certification Regarding Provision of Prohibited Video Surveillance and Telecommunications Services and Equipment, Volume 5: **Foreign Ownership or Control Disclosure (Proposers must review Attachment 3: Foreign Ownership or Control Disclosure to determine applicability)**, and Volume 6: Fraud, Waste and Abuse training.

When the offeror creates the proposal cover sheet, the system will assign a proposal number. **Record it for future reference.**

The proposer may modify the proposal cover sheet and add or remove documentation until the solicitation closes. After upload to DSIP, click the “Verify Technical Volume” icon to ensure the proposal does not exceed 25 slides. AF will only consider pages within the limit during technical evaluation.

5.2 Marking Proprietary Proposal Information

Information contained in unsuccessful proposals will remain the property of the Applicant. The Federal Government may, however, retain copies of all proposals. Public release of information in any proposal submitted will be subject to existing statutory and regulatory requirements. If proprietary information is provided by an Applicant in a proposal, which constitutes a trade secret, commercial or financial information, it will be treated in confidence, to the extent permitted by law, provided that the proposal is clearly marked by the Applicant as follows:

Proposal data the firm does not wish to make public, or to be used by the Government except for peer review, shall:

- (1) Mark the first page of each proposal volume with the following legend: "This proposal includes data that shall not be disclosed outside the Government and shall not be duplicated, used, or disclosed-in whole or in part-for any purpose other than to evaluate this proposal. If, however, a contract is awarded to this offeror as a result of – or in connection with – the submission of this data, the Government shall have the right to duplicate, use, or disclose the data to the extent provided in the resulting contract. This restriction does not limit the Government's right to use information contained in this data if it is obtained from another source without restriction. The data subject to this restriction are contained in pages [insert numbers or other identification of sheets]"; and
- (2) Mark each sheet of data it wishes to restrict with the following legend: “Use or disclosure of data contained on this page is subject to the restriction on the first page of this volume.” DoD assumes no liability for unmarked data disclosure or use and may use or disclose such data for any purpose.
- (3) Restrictive notices notwithstanding, proposals and final reports submitted through DSIP may be handled for administrative purposes only, by support contractors. All support contractors are bound by appropriate non-disclosure agreements.

5.3 Phase I Proposal Instructions

a. Proposal Cover Sheet (Volume 1)

In DSIP, <https://www.dodsbirsttr.mil/submissions>, prepare the Proposal Cover Sheet. The Cover Sheet must include a brief technical abstract of no more than 200 words describing the proposed R&D project, including anticipated benefits and potential commercial applications. **Do not include proprietary or**

classified information in the Proposal Cover Sheet, including the ‘Technical Abstract’ and ‘Anticipated Benefits’. If proposal is selected for award, the technical abstract and anticipated benefits discussion may be publicly released. Once the Cover Sheet is saved, the system will assign a proposal number. Record that number for reference. The cover sheet can be modified as often as necessary until the CSO closes.

To increase the speed of contract award, please include a ‘Coversheet Supplement’ in Volume 5. This provides an opportunity to enter additional information regarding certain questions, e.g., foreign nationals proposed as team members.

~~Beginning January 2021, proposers will be required to disclose foreign involvement. The DSIP Firm Admin must review the below questions to determine if the Foreign Disclosure Addendum (attached) must be submitted with the proposal. The DSIP Firm Admin will either certify the questions do not apply, or certify the questions apply and the Foreign Disclosure Addendum will be uploaded to Volume 5.~~

The questions below regarding disclosure of foreign involvement in the firm certifications section of the proposal submission are no longer required and responses to these questions will NOT be considered. Due to system requirements, however, these questions cannot be removed from the submission portal and answers to these questions must be provided in the submission portal for a proposal to be submitted. Proposers are therefore advised to answer “No” to these questions and should understand that these answers will be neither reviewed nor considered. Those proposers that have previously answered these questions are not required to revise or change their answers now and are advised that their previous answers will not be reviewed or considered.

1. Does the company currently employ foreign nationals?
2. Does/did the company or employees have relationships with foreign academic institutions, research centers, or affiliated academic organizations over the past seven years?
3. Has the company received investment or financing from one or more foreign-based entities?
4. Has the company received investment or financing from one or more foreign-owned entities domiciled in the US?
5. Has the company received investment or financing from a US entity managing or receiving foreign sources of capital?
6. Does the company have substantial business operations in other countries?

b. Format of Technical Volume (Volume 2)

(1) Type of file: The Technical Volume must be a single Portable Document Format (.pdf) file, including graphics. Perform a virus check before uploading the Technical Volume file. Detected viruses may cause proposal rejection. **Do not lock or encrypt the uploaded file. Do not include or embed active graphics such as videos, moving pictures, or other similar media in the document.**

(2) Length: The Technical Volume is limited to 25 slides. If the submitted slide deck is more than 25 slides, the overage will not be considered during peer review. A slide deck template is provided at Attachment 1.

(3) Layout: **Number all proposal slides consecutively.** Those wishing to respond must submit a direct, concise, and informative R/R&D proposal no more than 25 slides. Each slide should contain the company name, topic number, and proposal number assigned by DSIP when the Cover Sheet was created.

c. Content of the Technical Volume (Volume 2)

The technical volume should contain a MAXIMUM of 25 slides, although fewer is permissible. Brevity and clarity are important when communicating complex topics. **There are 12 required slides and nine slides required only if applicable to the proposal. The remaining slides may be used at the proposer’s**

discretion.

The Technical Volume should cover the following items in the order given below.

REQUIRED SLIDES

1. **Overall Summary Slide** - Including Company Name and Overview of Proposal
2. **Technical Merit Summary** – Include the most effective points that demonstrate the technical merit of your solution. Identify the scientific and technical baseline, referencing relevant scientific and technical literature, and describe the RDT&E effort’s advancement of this baseline.
3. **Team’s Ability to Perform Research Summary** – Include the most effective points for demonstrating the team can develop the solution AND adapt it to the needs of potential Air Force customers.
4. **Commercialization Potential Summary** – Include the most effective points that demonstrate the firm’s ability to commercialize the solution inside DoD and in the commercial sector.
5. **Significance of Problem/Opportunity** – Define the specific technical problem or opportunity addressed and its importance. Include a brief description of the proposed solution and the current state of the solution as applied to a non-defense customer and as applied to a defense customer.
6. **Phase I Objectives** – Enumerate the specific Phase I objectives, including questions the R&D effort will attempt to answer to determine the proposed approach’s feasibility. Name a potential, *specific* Air Force stakeholder who could benefit from the solution. Describe the problem or benefit area(s) in relation to the proposed solution. Describe how success will be measured in helping the user.
7. **Related Work (Dual-Use)** – Describe significant activities directly related to the proposed effort, including any conducted by the principal investigator, the proposing firm, consultants, or others. Describe how these activities interface with the proposed project and discuss any planned coordination with outside sources. The technical volume must persuade reviewers of the proposer’s awareness of the state-of-the-art in the specific topic. Describe previous and parallel work not directly related to the proposed effort but similar. Provide the following: (1) short description, (2) client for which work was performed (including individual to be contacted and phone number), and (3) date of completion. Describe the non-defense customers and interviews conducted with them, if any. Describe the Defense customers and interviews conducted with them. Describe the solution’s competitive landscape.
8. **Relationship with Future Work** – (a) State the anticipated results of the proposed approach if the project is successful. (b) Discuss the significance of the Phase I effort in providing a foundation for Phase II R/R&D effort. (c) Identify the applicable clearances, certifications, and approvals required to conduct Phase II testing and outline the plan for ensuring timely completion of said authorizations in support of Phase II R/R&D effort. Identify the high level Air Force acquisition customer, e.g., Air Force Research Laboratory, and how the solution could integrate with their current project(s).
9. **Work Plan (NON-PROPRIETARY)** – Provide an explicit, detailed Phase I approach description. The Work Plan should indicate the tasks planned, how and where the work will be conducted, a schedule of major events, and the final product(s) to be delivered. The Phase I effort should attempt to determine the technical feasibility of the proposed concept. The methods planned to achieve each objective or task should be discussed explicitly. Describe what will be done during Phase I, including the specific tasks, durations, descriptions, and individuals who will actually complete the tasks. Be sure to include any sub-contractors efforts in the Work Plan.
10. **Commercialization Strategy** – Describe the company’s strategy for commercializing the technology in DoD, other Federal Agencies, AND private sector markets. Provide specific information regarding the market need the technology will address and the market size. Also include a schedule showing the quantitative commercialization results from this STTR project to be achieved. Describe any outside investment, sources of cash flow and potential to scale the proposed solution. Focus mainly on non-Defense sales.
11. **Key Personnel** – Identify key personnel to be involved in the Phase I effort including directly related education and experience. Include a concise technical resume for the principal investigator, including a relevant publications (if any) list. Identify key personnel to work on the project and qualifying

experience. **Full resumes for key technical personnel shall be included in Volume 5: Supporting Information.**

12. **Registrations** – Include the DUNS, CAGE code, and SBA SBIR ID number. Note a valid CAGE code is required at submission or the proposal will be disqualified.

SLIDES TO INCLUDE IF APPLICABLE – Include the following slides if they apply to the proposed effort. If not, do not include them in the slide deck.

13. **Foreign Citizens.** Identify any foreign citizens or individuals holding dual citizenship expected to be involved on this project as a direct employee, subcontractor, or consultant. For these individuals, please specify their countries of origin, the type of visas or work permits under which they are performing, and the tasks they will be assigned. Offerors frequently assume individuals with dual citizenship or a work permit will be allowed to work on an STTR project and do not report them. This is not necessarily the case and a proposal will be rejected if the requested information is not provided. Therefore, firms should report any and all individuals expected to be involved on this project who are considered a foreign national as defined in Section 3.7 of the CSO. You may be asked to provide additional information during negotiations in order to verify the foreign citizen's eligibility to participate on a STTR contract. Supplemental information provided in response to this paragraph will be protected in accordance with the Privacy Act (5 U.S.C. 552a), if applicable, and the Freedom of Information Act (5 U.S.C. 552(b)(6)).

14. **Facilities/Equipment.** Describe available instrumentation and physical facilities necessary to carry out the Phase I effort. Justify equipment purchases in this section and include detailed pricing information in the Cost Volume. State whether the facilities where the proposed work will be performed meet environmental laws and regulations of federal, state (name), and local Governments for, but not limited to, the following groupings: airborne emissions, waterborne effluents, external radiation levels, outdoor noise, solid and bulk waste disposal practices, and handling and storage of toxic and hazardous materials.

15. **Prior, Current, or Pending Support of Similar Proposals or Awards.** If a proposal submitted in response to this CSO is substantially the same as another proposal previously, currently, or pending award by another AF organization, DoD component, or Federal agency must state so on the Proposal Cover Sheet and provide the following information:

- (a) Other entity's name and the topic number under which the proposal was or will be submitted, or from which an award is pending or has been received.
- (b) Proposal submission or award date.
- (c) Proposal title.
- (d) Principal investigator's name for each proposal submitted or award.
- (e) Title, number, and date of CSO/solicitation(s) under which the proposal was submitted, will be submitted, or under which award is pending or has been received.
- (f) If award was received, provide contract number.

Note: If this does not apply, state in the proposal "No prior, current, or pending support for proposed work."

16. **Technical Data Rights (Assertions):** Rights in technical data, including software, developed under the terms of any contract resulting from proposals submitted in response to this CSO generally remain with the contractor. The Government obtains a royalty-free license to use the technical data for Government purposes commencing with contract award and ending five years after project completion. This data should be marked with the restrictive legend specified in DFARS 252.227-7018. Upon expiration of the five-year restrictive license, the Government has unlimited rights in the STTR data. During the license period, the Government may not release or disclose STTR data to any person other than its support services contractors except (1) for evaluation purposes; (2) as expressly permitted by the contractor; or (3) for use, release, or disclosure necessary for emergency repair or overhaul of items operated by the Government. See DFARS clause 252.227-7018, "Rights in Noncommercial Technical Data and Computer Software – Small Business Innovation Research (SBIR) Program." See Section 9.5 for additional information.

Offerors wishing to assert data rights shall include the following table in the proposal: Technical Data/ Computer Software Furnished with Restrictions	Basis for Assertion <ul style="list-style-type: none"> • None • Developed exclusively at private expense • Developed partially at private expense 	Asserted Rights Category <ul style="list-style-type: none"> • None • Government Purpose Rights • Limited Rights (Technical Data) • Restricted Rights (Software) • Specifically Negotiated License 	Name of Person Asserting Restrictions
		<ul style="list-style-type: none"> • Rights in STTR Data 	
(LIST)	(LIST)	(LIST)	(LIST)

If a proposer plans to submit assertions IAW DFARS 252.227-7017, identification and assertion of use, release, or disclosure restrictions MUST be included with the proposal submission. If selected, the contract will not be awarded until assertions are negotiated and/or approved.

17. Supplemental Information on Direct Labor Costs. For any notable instances, e.g., a significant number of hours, very high hourly wages, or significant labor overhead/fringe rates, please justify them in this section. Helpful resources for rate comparisons are https://www.bls.gov/oes/current/oes_nat.htm

18. Supplemental Information for Direct Material Costs. Justify costs for materials, parts, and supplies with an itemized list containing types, quantities, and price and where appropriate, purposes. For the materials included in the cost volume, please provide the bases for the listed costs. This can be historical information, vendor quotes, catalogs, etc.

19. Detailed Travel Costs (Included in Other Direct Costs). If travel was proposed as an Other Direct Cost, justify those expenses here. Cost for travel funds must be justified and related to the needs of the project. Provide the number of trips, travelers per trip, specific locations and purpose. Also include, to the extent practicable, the basis for the proposed flight, lodging, per diem (meals), and ground transportation costs. A useful resource for this section is <https://www.gsa.gov/travel/plan-book/per-diem-rates>.

NOTE: Travel is likely required for the Phase I feasibility study so provide estimated costs here. Actual travel costs incurred will likely differ, which is acceptable. However, this information aids COs to determine proposed costs as fair and reasonable.

20. Supplemental Information for Special Tooling and Test Equipment. While special tooling/test equipment and material cost may be included under Phase I, these items are carefully reviewed relative to need and appropriateness for the project. Special tooling/test equipment purchases must be determined by the CO to be advantageous to the Government and directly related to the proposed effort. These may include such items as innovative instrumentation or automatic test equipment. Title to property furnished by the Government or acquired with Government funds will be vested with the Air Force unless it is determined title transfer to the contractor is more cost effective than equipment recovery by the Air Force.

21. Ownership Structure: Guidance regarding answers to cover sheet questions related to ownership structure.

Question 5: Is 50% or more of your firm owned, controlled, or managed by a corporate entity? If YES, and the corporate entity is also a small business as described in section 3.20, please include a description of the corporate relationship, including affiliates of the parent company, if any.

If the firm is 50% or more owned or managed by a corporate entity other than a small business, the proposal will be disqualified.

Question 11) Is your firm registered in the SBA's venture capital database as majority-owned by venture capital operating companies, hedge funds, or private equity firms? If YES, please state whether the VCOC, hedge fund, or private equity firm is also a small business as defined by the SBA. If so, then the

VCOC, hedge fund, or private equity firm would count as an 'affiliate' and their employee numbers would be added to the prime contractor's employee total.

If the firm is majority-owned by VCOCs, hedge funds, or private equity firms NOT qualifying as a small business concern, the proposal will be disqualified.

Question 12) Is your firm more than 50% owned by a single Venture Capital Owned Company (VCOC), hedge fund, or private equity firm? If YES, please state whether the VCOC, hedge fund, or private equity firm is also a small business as defined by the SBA. If so, then the VCOC, hedge fund, or private equity firm would count as an 'affiliate' and their employee numbers would be added to the employee total.

If your firm is more than 50% owned by a single VCOC, hedge fund, or private equity firm NOT qualifying as a small business concern, the proposal will be disqualified.

Question 13) Is your firm more than 50% owned by multiple business concerns that are VCOCs, hedge funds, or private equity firms? If YES, please state whether the VCOC, hedge fund, or private equity firm is also a small business as defined by the SBA. If so, then the VCOC, hedge fund, or private equity firm would count as an 'affiliate' and their employee numbers would be added to the employee total.

If your firm is more than 50% owned by multiple VCOCs, hedge funds, or private equity firms NOT qualifying as small business concerns, the proposal will be disqualified.

Question 15) Is your firm affiliated as set forth in 13 CFR 121.103? If yes, then please describe your affiliations as described here: <https://www.sba.gov/document/support--affiliation-guide-size-standards>

Question 23) Are teaming partners or subcontractors proposed? If yes, include this information in the proposal Cover Sheet, Cost Volume, and Supplemental Cost Information. Include subcontractor information in the Cost Volume (Volume 3) and in Volume 5: Supplemental Information by including agreements between the offeror and its subcontractor(s). If teaming but not subcontracting with another firm, include this teaming arrangement in Volume 5: Supplemental Information.

- d. **Content of the Cost Volume (Volume 3).** Complete the Cost Volume in the format shown in the Cost Breakdown Guidance by using the DSIP online cost volume form. Some items in the Cost Breakdown Guidance may not apply to the proposed project and, therefore, do not need to be included. Provide enough information to allow insight into the requested funds' intended use if a contract is awarded. **Please note, costs will not be audited due to the award type**, i.e., FAR-based fixed price purchase orders.

- (1) Direct Labor Costs: List all key personnel by name with estimated labor hours. List non-key personnel by

position/skillset along with estimated hours.

- (2) Direct Material Costs: Present costs for materials, parts, and supplies in an itemized list containing types, quantities, price, and, where appropriate, purposes. If proposing direct material costs, this justifying information can be included in the Volume 5 'Supplemental Cost Information' with vendor quotes, historical costs, etc.
- (3) Other Direct Costs: This category includes specialized services such as machining or milling, special testing or analysis, and/or costs incurred to use specialized equipment. Proposals including leased hardware, must provide an adequate lease vs. purchase justification. If proposing other direct costs, this additional information can be included in the 'Supplemental Cost Information' in Volume 5. Include Travel costs in 'Other Direct Costs', in the cost volume, list the total cost of each proposed trip, and then justify the costs in the 'Supplemental Cost Information' in Volume 5. Actual travel may differ from that proposed, however this information allows Contracting Officers to ensure travel costs are not excessive.

Include any subcontractors or consultants' costs in this section, broken out by total cost for each. The proposed total of all consultant fees, facility leases or usage fees, and other subcontract or purchase agreements may not exceed one-third of the total contract price or cost, unless otherwise approved in writing by the Contracting Officer. Include the associated subcontractor or consultant agreements in the 'Supplemental Cost Information' in Volume 5. All subcontractor costs and consultant costs must be detailed at the same level as prime contractor costs with regards to labor, travel, equipment, etc. Provide detailed substantiation of subcontractor costs. Enter this information in the online cost proposal form's Explanatory Material section. The Supporting Documents Volume (Volume 5) may be used if additional space is needed.

Research institution as a Subcontractor. Involvement of a research institution in the project is required; the institution should be identified and described. The proposing SBC must perform a minimum of 40% and the research institution must perform a minimum of 30% of the Phase I R/R&D, as measured by direct and indirect costs AFTER REMOVAL OF THE SBC's PROPOSED PROFIT. As this requirement is codified in statute, the Government CO cannot waive it. STTR efforts may include subcontracts with Federal Laboratories and Federally Funded Research and Development Centers (FFRDCs). Not all Federal Laboratories or FFRDCs qualify as research institutions IAW the definition found in item 3.15 Proposers must certify facilities use on the proposal Cover Sheet.

The Air Force may issue an SBIR/STTR Funding agreement to an SBC intending to enter into an agreement with a Federal Laboratory to perform portions of the award or has entered into a cooperative research and development agreement (see 15 USC 3710a(d)) with a Federal Laboratory, only if there is compliance with the following:

- (i) The Air Force will not require the SBC enter into an agreement with any Federal Laboratory to perform any portion of an SBIR/STTR award, as a condition for an SBIR/STTR award.
- (ii) The Air Force will not issue an SBIR/STTR award or approve an agreement between an SBIR/STTR awardee and Federal Laboratory if the SBC will not meet the minimum work performance requirements set forth in § 6(a)(4) of this Policy Directive.
- (iii) The Air Force will not issue an SBIR/STTR award or approve an agreement between an SBIR/STTR Awardee and a Federal Laboratory that violates any SBIR/STTR requirement set forth in statute or this Policy Directive, including any SBIR/STTR Data Rights protections.
- (iv) Neither the Air Force nor the Federal Laboratory will require a SBIR/STTR awardee to allow the Federal Laboratory to perform program portions providing for an advance payment greater than that necessary to cover 30 days' performance.

NOTE: Companies selected for award may be required to submit further documentation to substantiate costs, e.g., support equipment, materials, consultant, or subcontractor costs.

e. Company Commercialization Report (CCR) (Volume 4)

The Company Commercialization Report (CCR) allows companies to report funding outcomes resulting from prior SBIR and STTR awards. The Company Commercialization Report (CCR) is required for Phase I and Direct to Phase II proposals.

Small businesses must complete the CCR by logging into their account at <https://www.sbir.gov/>. To view or print the information currently contained in the Company Registry Commercialization Report, navigate to My Dashboard > My Documents. To create or update the commercialization record, from the company dashboard, scroll to the “My Commercialization” section, and click the create/update Commercialization tab under “Current Report Version”. Please refer to the “Instructions” and “Guide” documents contained in this section of the Dashboard for more detail on completing and updating the CCR.

Once the report is certified and submitted on SBIR.gov, click the “Company Commercialization Report” PDF under the My Documents section of the dashboard to download a PDF of the CCR. This PDF of the CCR must be uploaded to Vol. IV: Company Commercialization Report in the Firm Information section of DSIP by the Firm Admin. All other firm users will have read-only access to the CCR from the proposal submission page, in order to confirm that the CCR has been uploaded by the Firm Admin to complete the Volume 4 requirement.

f. Supporting Documents (Volume 5)

The Supporting Documents Volume (Volume 5) is provided for small businesses to submit additional documentation to support the Technical Volume (Volume 2) and the Cost Volume (Volume 3). The Supporting Documents Volume is available for use for submitting Phase I and II proposals for the SBIR and STTR Programs.

Beginning with the X21.A STTR CSO, all proposers are REQUIRED to submit the following documents as part of Volume 5:

1. Contractor Certification Regarding Provision of Prohibited Video Surveillance and Telecommunications Services and Equipment (REQUIRED)
2. **Foreign Ownership or Control Disclosure (Proposers must review Attachment 3: Foreign Ownership or Control Disclosure to determine applicability)**

Documents **required** and **MUST** be included in Volume 5 are:

1. Allocation of Rights –
<https://www.afsbirsttr.af.mil/Portals/60/Pages/Phase%20I-II/Model%20agreement%20for%20the%20allocation%20of%20rights.pdf>
(REQUIRED)
2. SBC and Research Institution Teaming Agreement (REQUIRED) - Under Federal Acquisition Regulation (FAR) 9.6, a contractor **teaming** arrangement is when: ... A potential prime contractor **agrees** with one or more other companies to have them act as its subcontractors under a specified government **contract** or acquisition program.
3. Resumes of Key Personnel (REQUIRED)
4. DoD Funding Agreement Certification (Signed) (REQUIRED) - Requires a Funding Agreement

Certification be completed and signed at time of proposal submission, and included in Volume 5. This certification can be found at <https://www.afsbirsttr.af.mil/Program/Phase-I-and-II/> under “Phase I and II Certification – Funding agreement.”

5. Contractor Certification Regarding Provision of Prohibited Video Surveillance and Telecommunications Services and Equipment (REQUIRED)
6. **Foreign Ownership or Control Disclosure (Proposers must review Attachment 3: Foreign Ownership or Control Disclosure to determine applicability)**

Accepted documents to be included in Volume 5, if applicable, are:

1. Letters of Support: Demonstrate that the proposed innovation, if developed, would solve a valid market need. More generally, letters of support can validate commercial and defense impact claims made in the proposal. Therefore, letters from potential technology end users (e.g., customers and corporate partners/ collaborators) are appropriate, as well as letters from actual or potential investors. Some specific items that are suitable for inclusion in a Letter of Support are: the name of organization that is interested in the solution, the problem that stands to be solved by the proposed solution, the impact of that problem being solved (referencing dollars, hours, lives saved, etc.), and the signature of the letter provider. All letters should be uploaded in a single .pdf file organized logically. NOTE: When combining .pdf documents, ensure digital signatures are not stripped.
2. Lifecycle Certifications - <https://www.afsbirsttr.af.mil/Portals/60/Pages/Phase%20I-II/SBIR-STTR-Phase-I-II-Life%20Cycle%20Certifications.pdf>
3. ITAR/EAR Certification: For proposals whose solutions fall under export control regulations, either International Traffic in Arms (ITAR) or Export Administration Regulations (EAR), a certified DD Form 2345, Militarily Critical Technical Data Agreement, or evidence of application submission must be included. The form, instructions, and FAQs may be found at the United States/Canada Joint Certification Program website, <http://www.dla.mil/HQ/InformationOperations/Offers/Products/LogisticsApplications/JCP/DD2345Instructions.aspx> . DD Form 2345 approval will be verified if proposal is chosen for award.
4. Optional five-page white paper, if needed, to provide additional information regarding the proposed effort not covered in the 25-slide deck.
5. Other

g. **Contractor Certification Regarding Provision of Prohibited Video Surveillance and Telecommunications Services and Equipment**

The DoD must comply with Section 889(a)(1)(B) of the National Defense Authorization Act (NDAA) for Fiscal Year 2019, and is working to reduce or eliminate contracts with entities using equipment, systems, or services that uses covered telecommunications equipment or services (as defined the attachment) as a substantial or essential component of any system, or as critical technology as part of any system.

All proposals must include certifications as found in Federal Acquisition Regulation (FAR) clauses 52.204-24, 52-204-25, and 52-204-26, found in Attachment 2. **The certifications must be signed by the authorized company representative and uploaded as a separate PDF file in the supporting documents sections of Volume 5 for all proposal submissions.**

The certification completion includes due diligence for contractors proposed as a part of the submission, including research partners and suppliers. Therefore, proposers are strongly encouraged to review the the certification requirements early in the proposal development process. Failure to complete and/or submit the required certifications may be cause for rejection of the proposal without evaluation.

h. **Foreign Ownership or Control Disclosure**

If the proposer answers YES to any of the questions contained in the Firm Certifications section of the DSIP proposal submission page regarding foreign involvement (accessible only by the DSIP Firm Admin), an authorized firm representative must complete the Foreign Disclosure Addendum (attached). **Proposers must review Attachment 3: Foreign Ownership or Control Disclosure to determine applicability. If applicable, an authorized firm representative must complete the Foreign Ownership or Control Disclosure (Attachment 3).** The completed and signed disclosure must be uploaded to Volume 5 of the proposal submission.

i. Fraud, Waste and Abuse Training (Volume 6)

The Fraud, Waste and Abuse (FWA) training is **required** for all proposals. FWA training provides information on what represents FWA in the SBIR/STTR Programs, the most common mistakes leading to FWA, as well as the penalties and ways to prevent FWA. This training material must be thoroughly reviewed once per year. Plan ahead and leave ample time to complete this training based on the proposal submission deadline.

5.4 Phase I Proposal Checklist

The Offeror's proposal shall be in accordance with Section 5.0. A complete proposal consists of:

0. Registration
 - 0.1. DUNS
 - 0.2. CAGE Code
 - 0.3. SBA SBC ID
1. Volume 1: Proposal Cover Sheet
 - 1.1. CAGE Code/DUNS
 - 1.2. Certification Questions
 - 1.3. Business Information
 - 1.4. Proposal Information
 - 1.5. Contact Information
2. Volume 2: Technical Volume
 - 2.1. 25 Slide Deck
3. Volume 3: Cost Volume
 - 3.1. Direct Labor Costs
 - 3.2. Direct Material Costs (If Applicable)
 - 3.3. Other Direct Costs (If Applicable)
4. Volume 4: Company Commercialization Report (CCR)
5. Volume 5: Supporting Documents
 - 5.1. Teaming Agreement with Research Institution
 - 5.2. Resumes of Key Personnel
 - 5.3. DoD Funding agreement Certification (Signed)
 - 5.4. Contractor Certification Regarding Provision of Prohibited Video Surveillance and Telecommunications Services and Equipment (REQUIRED)
 - 5.5. **Foreign Ownership or Control Disclosure (Proposers must review Attachment 3: Foreign Ownership or Control Disclosure to determine applicability)**
6. Volume 6: Fraud, Waste and Abuse Training
7. Offerors should note the proposal preparation tips listed below:
 - a. Read and follow all CSO instructions.
 - b. Register the firm in DSIP and prepare the firm's submission.
 - c. Register the firm with SBA's Company Registry at www.sbir.gov and provide the SBA SBC Identification Number on each proposal coversheet.

- d. Check the cost is below or equal to the value specified in the CSO. Also ensure the Cover Sheet cost matches the Cost Volume.
- e. Ensure the Project Abstract and other Cover Sheet content contains NO proprietary information.
- f. Mark proprietary information within the Technical Volume as instructed in Section 5.2.
- g. The content in the Technical Volume includes the items in Section 5.3.c.
- h. Each technical volume page header should contain the company name, topic number, and proposal number.
- i. The Company Commercialization Report is submitted online in accordance with Section 5.3.e.
- j. Limit the Technical Volume to 25 slides.

NOTE TO PHASE I OFFERORS: Inclusion of a Customer Memorandum will be mandatory for the Phase II proposal. A mandatory template will made available. This Customer Memorandum formally captures interest from the empowered and committed AF end-users and customers. The Customer Memorandum is also used for technical review purposes as discussed in Section 8.0, Phase II Review Criteria. Phase II proposals without a signed Customer memorandum will not be considered for award. Customer Memoranda will be required for inclusion in the *'Letters of Support' Section* in Volume 5, Supporting Documents.

6.0 PHASE I REVIEW CRITERIA

All Phase I and II proposals will be evaluated and judged on a competitive basis. Proposals will be initially screened to determine solicitation responsiveness. Proposals passing this initial screening will be peer reviewed by engineers and/or scientists to determine the most promising technical and scientific approaches. Each proposal will be judged on its own merit. AF is under no obligation to fund any proposal or any specific number of proposals under this topic. It also may elect to fund several or none of the topic's proposed approaches.

Proposals will be peer reviewed based on the criteria below. Selections will represent best value to the Government considering the following factors which are of descending importance:

- a. The potential for Government or private sector commercialization application and benefits expected to accrue from commercialization. The SBC's record of commercializing STTR or other research and Phase II follow-on commitments for the subject research are evidence of commercialization potential.
- b. The appropriateness, relevance, and specificity of an identified Defense Need. Adequacy of the proposed effort and its relationship to fulfilling the identified Defense Need.
- c. The soundness, technical merit, and innovation of the proposed approach and its incremental progress toward fulfilling the identified Defense need. Includes the proposed Principal Investigators/Project Managers, supporting staff, and consultant qualifications to execute the proposed approach.

Price reasonableness and realism will be considered to the extent appropriate.

IAW 15 USC 638(dd)(7), investment by venture capital, private equity, or hedge funds firms shall not be used as an award criterion.

Other Factors Considered During the Selection Process:

- National security concerns;
- Pursuant to EO 13329, high priority is accorded to proposals advancing innovation in U.S. small business manufacturing
- The Energy Independence and Security Act of 2007 (Act), 19 December 2007, P.L. 110-140, and the SBA SBIR/STTR Policy Directive requires SBIR/STTR agencies to give high priority to energy efficiency or renewable energy system R&D project. The Act encourages eligible US-owned SBCs accomplishing biomedical research in the areas of energy efficiency or renewable energy systems to submit proposals.

Efforts' cost to the Government may be considered to determine the successful offeror when multiple proposals are essentially equal in merit.

7.0 PHASE II PROPOSAL

The AF reserves the right to modify Phase II submission requirements. Should requirements change, all Phase I awardees will be notified. The AF also reserves the right to change administrative procedures to improve AF STTR Program management. This section is for informational purposes for Phase I awardees. A more specific Request for Proposals will go to all Phase I awardees as described in Section 7.1.

7.1 Introduction

Phase II is the demonstration of the technology found feasible in Phase I. Only Phase I awardees are eligible to submit Phase II proposals. All Phase I awardees will be sent a notification with the Phase II proposal submittal date and detailed proposal preparation instructions.

7.2 Proposal Provisions

IMPORTANT -- While it is permissible, with proper notification, to submit identical proposals or proposals containing a significant amount of essentially equivalent work for consideration under numerous Federal program solicitations, it is unlawful to enter into contracts or grants requiring essentially equivalent effort. If there is any question concerning this, it must be disclosed to the soliciting agency as early as possible. If a proposal submitted for a Phase II effort is substantially the same as a previously funded proposal, is now being funded, or is pending award with another Federal Agency, DoD Component, or AF organization, it must be noted on the Cover Sheet and required information included in Section 5.4.c(11).

Due to agency specific limitations on funding and number of awards made to a particular firm per topic using SBIR/STTR funds, Head of Agency determinations are now required before another agency may make an award under that topic. This limitation does not apply to Phase III funding. Please contact the original sponsoring agency before submitting a Phase II proposal to an agency other than the original topic sponsor.

Section 4(b)(1)(i) of the SBIR/STTR Policy Directives states, at the agency's discretion, companies awarded a Phase I under a SBIR solicitation may transition to STTR in Phase II and vice versa. A firm wishing to transfer from one to the other must contact the designated technical monitor to discuss the basis and the agency's ability to support it. The transition may be proposed prior to award or during Phase II performance. Agency disapproval of a change request shall not be grounds for granting relief from contractual performance requirements. All approved transitions requiring a research institution's removal and revision to work percentages must be noted in the Phase II award or modification signed by the Contracting Officer.

NOTE TO PHASE I OFFERORS: Inclusion of a Customer Memorandum will be mandatory for the Phase II proposal. A mandatory template will be made available. This Customer Memorandum formally captures interest from the empowered and committed AF end-users and customers. The Customer Memorandum is also used for technical review purposes as discussed in Section 8.0, Phase II Review Criteria. Phase II proposals without a signed Customer memorandum will not be considered for award. Customer Memoranda will be required for inclusion in the *'Letters of Support' Section* in Volume 5, Supporting Documents.

7.3 How to Submit

Phase I awardees will be notified when the Phase II submission period opens.

Each Phase II proposal must be submitted through the DSIP, <https://www.dodsbirsttr.mil/>. Please ensure the proposal is submitted to the correct Command under the correct topic number. Each proposal submission must contain a Proposal Cover Sheet, Technical Volume, Cost Volume, Supporting Documents and Fraud, Waste and

Abuse Training. The preferred format for proposal submission is Portable Document Format (.pdf). Graphics must be distinguishable in black and white. Please virus-check all submissions.

The term “Command” on the Cover Sheet refers to the soliciting AF organization, which should be “AFWERX” or “AFRL-RX”, dependent on the topic to which the offeror is submitting. **Proposals submitted to the wrong Command will not be considered for award.**

NOTE: The Government reserves the right to award all, some, or none of the proposals received. The Government is also not responsible for offeror expenditures prior to award. All awards are subject to successful negotiations and funds availability.

8.0 PHASE II REVIEW CRITERIA

All Phase II proposals will be evaluated on a competitive basis. Proposals will initially be screened to determine responsiveness. Proposals passing this initial screening will be peer reviewed by engineers or scientists to determine the most promising technical and scientific approaches. Each proposal will be judged on its own merits. Phase I firms may submit ONLY ONE Phase II proposal per Phase I award. AF is under no obligation to fund a specific number of Phase I proposals and may elect to award none.

Proposals will be peer reviewed based on the criteria below. Selections will represent best value to the Government considering the following factors of equal importance:

1. The potential for Government or private sector commercialization and benefits expected to accrue from commercialization.
 - The SBC's record of commercializing STTR or other research, as indicated by pre-sales, pilots, sales, revenue, active users, subscriptions, downloads, and/or other forms of traction/adoption;
 - The existence of Phase II follow-on commitments for the subject research;
 - Funding commitments related to the subject effort, whether from Government sources, as documented in the Air Force Customer Memorandum, or private sources, as documented through a letter of commitment, are evidence of commercialization potential.
 - A sound transition strategy in the Air Force Customer Memorandum is also evidence of commercialization potential.
2. The appropriateness, relevance, and specificity of an identified Defense Need. A complete and compelling Air Force Customer Memorandum (mandatory template to be provided with the Phase II request for proposal), signed by an appropriate end-user and customer, indicates the appropriateness, relevance, and specificity of an identified Defense Need. While not required, signed letters of interest (content to be defined in the Phase II request for proposal) from other Government personnel, may be indicators of the appropriateness, relevance, and specificity of an identified Defense Need. Adequacy of the proposed effort and its relationship to fulfilling the identified Defense Need.
3. The soundness, technical merit, and innovation of the proposed approach, as well as its differentiation from current customer alternatives, and incremental progress toward fulfilling the identified Defense need. Includes the proposed Principal Investigators'/Project Managers', supporting staff, and consultants' qualifications to execute the proposed approach.

Price reasonableness and realism will be considered to the extent appropriate. IAW 15 USC 638(dd)(7), investment by venture capital, private equity firms, or hedge funds shall not be used as an award criterion.

Peer reviewers will base their conclusions only on information contained in the proposals. It cannot be assumed reviewers are acquainted with the firm, key individuals, or referenced experiments.

Other Factors Considered During the Selection Process:

- National security concerns.
- Pursuant to EO 13329, high priority is accorded to proposals advancing innovation in U.S. small business manufacturing
- The Energy Independence and Security Act of 2007 (Act), 19 December 2007, P.L. 110-140 requires SBIR/STTR agencies to give high priority to energy efficiency or renewable energy system R&D projects. The Act encourages eligible US-owned SBCs accomplishing biomedical research in the areas of energy efficiency or

renewable energy systems to submit proposals.

Combined funding commitments directly related to the subject Phase II effort from private and/or non-STTR Government sources may be considered to determine the successful offeror when multiple proposals are equal in technical merit.

9.0 CONTRACTUAL REQUIREMENTS

9.1 Other Contractual Requirements

Awardees will be required to make certain legal commitments through acceptance of Government contract clauses or OT articles. The following outline is illustrative of provisions required by the FAR or statute for inclusion in Phase II awards. This is not a complete list, nor does it contain specific clause/article wording.

- a. **Standards of Work.** Work performed under the award must conform to professional standards.
- b. **Inspection.** Work performed under the award is subject to Government inspection and evaluation at all reasonable times.
- c. **Examination of Records.** The Comptroller General (or a fully authorized representative) shall have the right to examine any directly pertinent awardee records involving award transactions.
- d. **Default.** The Government may terminate the award for failure to perform the negotiated effort.
- e. **Termination for Convenience.** The Government may terminate the award at any time if it deems termination in its best interest. The firm will be compensated for work performed and reasonable termination costs.
- f. **Disputes.** Any award dispute not resolved by agreement shall be decided by the Contracting or Agreements Officer with right of appeal.
- g. **Contract/OT Work Hours.** The awardee may not require an employee to work more than eight hours a day or forty hours a week unless compensated accordingly through overtime pay.
- h. **Equal Opportunity.** The firm will not discriminate against any employee or employee applicant because of race, color, religion, sex, or national origin.
- i. **Affirmative Action for Veterans.** The awardee will not discriminate against any employee or applicant for employment because he or she is a disabled veteran.
- j. **Affirmative Action for Handicapped.** The awardee will not discriminate against any employee or applicant for employment because he or she is physically or mentally handicapped.
- k. **Officials Not to Benefit.** No Federal Government official may benefit personally from the SBIR/STTR funding agreement.
- l. **Covenant Against Contingent Fees.** No person or agency has been employed to solicit or secure the award upon an understanding for compensation except bona fide employees or commercial agencies maintained by the awardee for the purpose of securing business.
- m. **Gratuities.** The Government may terminate the contract if gratuities have been offered to any Government representative to secure the awardee.
- n. **Patent Infringement.** The awardee shall report each notice or patent infringement claim based on contract performance.
- o. **Military Security Requirements.** The awardee shall safeguard classified information associated with the contracted work IAW applicable regulations.
- p. **American Made Equipment and Products.** The awardee will purchase equipment and/or products in support of the STTR award from U.S.-based sources whenever possible.
- q. **Unique Identification (UID).** If hardware will be delivered to the Government under the award, there is potential unique item identification will be required IAW DFARS 252.211-7003.
- r. **Publication Approval.** Government review and approval will be required prior to dissemination or publication, except within and between the awardee and its subcontractors (if any), of classified and non-fundamental information developed under this award or contained in reports to be furnished pursuant to this award.
- s. **Animal Welfare.** Awards involving research, development, test, evaluation, or training on vertebrate animals will incorporate DFARS clause 252.235-7002 or similar verbiage.

- t. **Protection of Human Subjects.** Effective 29 July 2009, contracts including or potentially including research involving human subjects IAW 32 CFR Part 219, DoD Directive 3216.02, and 10 U.S.C. 980, including research meeting exemption criteria under 32 CFR 219.101(b), will incorporate DFARS clause 252.235-7004 or similar verbiage.
- u. **E-Verify.** Contracts exceeding the simplified acquisition threshold may include the FAR clause 52.222-54 “Employment Eligibility Verification” unless exempted by the conditions listed at FAR 22.1803. Similar verbiage will be included in OT awards unless determined exempt through comparable determination.
- v. **ITAR.** IAW DFARS 225.7901-4, Export Control Contract Clauses, the clause found at DFARS 252.225-7048, Export-Controlled Items (June 2013), must be included in all solicitations and contracts; therefore, all awards resulting from this CSO will include DFARS 252.225-7048 or similar verbiage. Full text: <https://www.acquisition.gov/dfars/part-252-clauses#DFARS-252.225-7048>
- w. **Cybersecurity.** Awardees are required to provide adequate security on all covered business information systems. Specific security requirements are listed in DFARS 252.204.7012, and compliance is mandatory.
- x. **Prohibition on Contracting for Certain Telecommunications and Video Surveillance Services or Equipment.** FAR 52.204-25 - Section 889(a)(1)(A) of the John S. McCain National Defense Authorization Act for Fiscal Year 2019 (Pub. L. 115-232) prohibits the head of an executive agency on or after August 13, 2019, from procuring or obtaining, or extending or renewing a contract to procure or obtain, any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system AND from entering into a contract, or extending or renewing a contract, with an entity that uses any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system, unless an exception at paragraph (c) of this clause applies or the covered telecommunication equipment or services are covered by a waiver described in FAR 4.2104. This prohibition applies to the use of covered telecommunications equipment or services, regardless of whether that use is in performance of work under a Federal contract.

FAR 52.204-24 - The Offeror shall not complete the representation at paragraph (d)(1) of this provision if the Offeror has represented that it “does not provide covered telecommunications equipment or services as a part of its offered products or services to the Government in the performance of any contract, subcontract, or other contractual instrument” in the provision at 52.204-26, Covered Telecommunications Equipment or Services—Representation, or in paragraph (v) of the provision at 52.212-3, Offeror Representations and Certifications-Commercial Items.

- y. **Disclosure of Ownership or Control by a Foreign Government.** DFARS 252.209-7002, Disclosure of Ownership or Control by a Foreign Government (JUN 2010), is incorporated into this solicitation. In accordance with DFARS 252.209-7002, any SBC submitting a proposal in response to this solicitation is required to disclose, by completing Attachment 2 to this solicitation, Foreign Ownership or Control Disclosure, any interest a foreign government has in the SBC when that interest constitutes control by a foreign government, as defined in DFARS provision 252.209-7002. If the SBC is a subsidiary, it is also required to disclose any reportable interest a foreign government has in any entity that owns or controls the subsidiary, including reportable interest concerning the SBC’s immediate parent, intermediate parents, and the ultimate parent.

9.2 Commercialization Updates in Phase II

After Phase II award, the awardee shall be required to periodically update the following Phase II commercialization results at <https://www.dodsbirsttr.mil/submissions>.

- a. Sales revenue from Phase II-developed new products and non-R&D services;

- b. Additional investment from non-Federal SBIR/STTR Program in activities furthering Phase II technology development and/or commercialization;
- c. Phase II technology used in a fielded DoD system or acquisition program and, if any, which system or program;
- d. The number of patents resulting from SBIR/STTR Program awards;
- e. Growth in number of firm employees; and
- f. Completion of an initial public offering of stock (IPO), if any, resulting all or in part from the Phase II project.

Project updates will be required one year after Phase I performance starts, at Phase II completion, and when the firm submits a new SBIR or STTR proposal to DoD. Firms not submitting new proposals to DoD will update annually after Phase II completion.

9.3 Copyrights

With the Contracting or Agreements Officer's prior written permission, the awardee may copyright (consistent with appropriate national security considerations, if any) material developed with DoD support. DoD receives a royalty-free license for the Federal Government and requires each publication contain an appropriate acknowledgment and disclaimer statement.

9.4 Patents

Awardees normally may retain the principal worldwide patent rights to Government-funded inventions. The Government receives a royalty-free license, reserves the right to require the patent holder to license others in certain limited circumstances, and requires anyone exclusively licensed to sell the invention in the United States to manufacture it domestically. As authorized by 35 USC 205, the Government will not make public information disclosing a Government-supported invention for a period of five years to allow the awardee to pursue a patent. See also Invention Reporting in Section 10.6.

9.5 Technical Data Rights

Rights in technical data, including software, developed under the award terms resulting from proposals submitted under this CSO, generally remain with the awardee. The Government obtains a royalty-free license to use such technical data only for Government purposes during the period commencing at the time of award and ending 5 years after project completion. This data should be marked with the restrictive legend specified in DFARS 252.227-7018 or similar. Upon expiration of the 5 year restrictive license, the Government has unlimited rights in the STTR data. During the license period, the Government may not release or disclose STTR data to any entity other than its support services contractors except (1) for evaluation purposes; (2) as expressly permitted by the contractor; or (3) use, release, or disclosure is necessary for emergency repair or overhaul of Government-operated items. See DFARS clause 252.227-7018, "Rights in Noncommercial Technical Data and Computer Software – Small Business Innovation Research (SBIR) Program" at https://www.ecfr.gov/cgi-bin/text-idx?rgn=div5;node=48%3A3.0.1.8.48#se48.3.252_1227_67018.

If a proposer plans to submit assertions IAW DFARS 252.227-7017 or similar award term, those assertions must be identified and restrictions **MUST** be included in the proposal submission. Award cannot be executed until assertions are approved or mutually agreed-upon during negotiations.

9.6 Invention Reporting

STTR awardees must report inventions to the Component within two months of the inventor's report to the awardee. The inventions report may be accomplished by submitting paper documentation to AFRL/SBRK Sprints, sbrk.sprints@us.af.mil.

9.7 Final Technical Reports

a. **Content:** A final report is required for each award. The reports must contain detail regarding the project objectives, work performed, results obtained, and estimates of technical feasibility. A completed SF 298, "Report Documentation Page," will be used as the report's first page. The Report Documentation Page may be prepared and printed from Defense Technical Information Center's (DTIC's) site at http://www.dtic.mil/dtic/submit/guidance_on_submitting_docs_to_dtic.html. A completed DD Form 882, Report of Inventions and Subcontracts, shall also be submitted with the draft final technical report.

b. SF 298 Form "Report Documentation Page" Preparation:

1. For unclassified reports, the submitting company should fill in Block 12 (Distribution/ Availability Statement) of the SF 298, "Report Documentation Page," with the following statement: "Distribution authorized to U.S. Government only; Proprietary Information, (Date of Determination). Other requests for this document shall be referred to the Component STTR Program Office." Note: Data developed under SBIR/STTR awards is subject to DFARS 252.227-7018 or similar protection. AF will review the awardee's Block 12 information and assign the final distribution statement.

For additional distribution statement guidance, visit the DTIC site:

http://www.dtic.mil/dtic/pdf/distribution_statements_and_reasons.pdf

Block 14 (Abstract), "Report Documentation Page" must include as the first sentence, "Report developed under SBIR/STTR contract (or OT) for topic [insert topic number]. [Follow with the topic title, if possible.]" The abstract must identify the work's purpose and briefly describe that conducted, the findings/results, and potential applications. The abstract will be published by the DoD. Therefore, **it shall not contain proprietary or classified data.** Type "UU" in Block 17.

2. Block 15 (Subject Terms) 298 must include the term "STTR Report".

c. Submission:

All final reports are submitted to the awarding AF organization IAW the award document. Companies shall not submit Final Reports directly to DTIC.

Delivery is normally required within 30 calendar days after technical program completion.

Requirements regarding other deliverables' submission will be defined in Sections B and C of contract, and Appendix A of Other Transaction for Prototype, award documents.

Special submission instructions for CLASSIFIED reports will be defined in the award's delivery schedule.

DO NOT E-MAIL classified or controlled unclassified reports, or reports containing SBIR/STTR Data Rights protected under DFARS 252.227-7018.

Proprietary Information in Proposals: Information contained in unsuccessful proposals will remain the property of the Applicant. However, the Federal Government may retain copies of all proposals. Public release of information in any proposal submitted will be subject to existing statutory and regulatory requirements. If proprietary information is provided by an Applicant in a proposal, which constitutes a trade secret, commercial or financial information, it will be treated in confidence, to the extent permitted by law, provided that the proposal is clearly marked by the Applicant as follows:

- (A) The following legend must appear on the title page of the proposal: This proposal contains information that shall not be disclosed outside the Federal Government and shall not be duplicated, used,

or disclosed in whole or in part for any purpose other than evaluation of this proposal, unless authorized by law. The Government shall have the right to duplicate, use, or disclose the data to the extent provided in the resulting contract if award is made as a result of the submission of this proposal. . . The information subject to these restrictions are contained on all pages of the proposal except for pages [*insert page numbers or other identification of pages that contain no restricted information.*] (End of Legend); and

(B) The following legend must appear on each page of the proposal that contains information the Applicant wishes to protect: Use or disclosure of information contained on this sheet is subject to the restriction on the title page of this proposal.

10.0 AIR FORCE X20.C STTR CSO TOPIC INDEX

- 10.1 AF21A-TCSO1 TITLE: Phase I Open Call for Innovative Defense-Related Dual-Purpose Technologies/Solutions
- 10.2 AF21A-TCSO2 TITLE: Advanced Manufacturing and Sustainment Technologies and Processes

10.1 AF21A-TCSO1 TITLE: Phase I Open Call for Innovative Defense-Related Dual-Purpose Technologies/Solutions

RT&L FOCUS AREA(S): General Warfighting Requirements (GWR)

TECHNOLOGY AREA(S): Ground Sea, Nuclear, Weapons, Bio Medical, Sensors, Electronics, Chem Bio Defense, Space Platform, Materials, Information Systems, Human Systems, Air Platform, Battlespace

OBJECTIVE: This is a Department of the Air Force (DAF) Topic in partnership with AFWERX, please see the above DAF Topic instructions for further details. A Phase I award will be completed over three months with a maximum award value of \$50,000. Phase II efforts may be awarded for a maximum period of 15 months with a maximum award value of \$750,000. The objective of this topic is to solicit innovative dual-purpose technologies or solutions, such as those not actively being requested by AF. Additionally, this topic is intended to incentivize small business commercialization of cutting-edge research while also strengthening the US industrial base. This topic is intended for companies that can complete a feasibility study and prototype validated concepts in accelerated Phase I and II schedules. This topic is aimed at later stage research and development efforts rather than “front-end” or basic R/R&D.

DESCRIPTION: DAF is a large and complex organization sharing many functions with the commercial sector. DAF is interested in exploring innovative technology domains with clear prospective or realized commercial value and their application to AF operations, i.e., dual-purpose technologies or solutions. It is not possible for AF to specifically solicit every potentially relevant technological area. Instead, this topic is intended to be an open call for specific ideas and technologies to include concepts or technologies not currently solicited. It is important potential solutions have a high probability of keeping pace with technological change. Therefore, it should be closely tied to prospective commercial offerings helping support the AF solution’s development. This topic is meant to facilitate Government stakeholders’ solution development rapidly and at low cost. Proposals will be peer reviewed based on the criteria below. Selections will represent best value to the Government considering the following factors which are of descending importance:

1. The potential for Government or private sector commercialization application and benefits expected to accrue from commercialization. The SBC’s record of commercializing STTR or other research and Phase II follow-on commitments for the subject research are evidence of commercialization potential.
2. The appropriateness, relevance, and specificity of an identified Defense Need. Adequacy of the proposed effort and its relationship to fulfilling the identified Defense Need.
3. The soundness, technical merit, and innovation of the proposed approach and its incremental progress toward fulfilling the identified Defense need. Includes the proposed Principal Investigators/Project Managers, supporting staff, and consultant qualifications to execute the proposed approach.

Price reasonableness and realism will be considered to the extent appropriate.

In summary, proposals should demonstrate a high probability of quickly identifying and realizing product-market fit between an end user and the proposed solution.

Though this topic is truly ‘Open’, i.e., agnostic of industry, technology, and problem area, the known interest areas for which potential AF Customers and/or funding have already been identified to facilitate streamlined customer discovery, are broken out into broad AF S&T Strategic Capabilities found in Section 2.1.

PHASE I: Determine, insofar as possible, the scientific and technical merit and feasibility of ideas that appear to have commercial potential. Additionally, must validate the product-market fit between the proposed solution and a potential AF stakeholder. Conduct a feasibility study by defining a clear, immediately actionable plan to demonstrate value and mitigate risk for the proposed solution and AF customer. This feasibility study should:

1. Clearly identify the potential AF end user(s) and AF customer/transition agent. Note: The user and customer will likely be different. Articulate how the customer would implement the solution(s), i.e., the most likely early adopter, first user, and initial transition partner.
2. Deeply explore the problem or benefit area(s) addressed by the solution(s), specifically focusing on the solution's impact to the end user in light of current alternatives.
3. Define clear, measureable objectives and key results for the proposed solution's trial with the identified AF end user(s).
4. Clearly identify additional stakeholders beyond the AF end user(s) critical to a potential trial's success. This includes, but is not limited to, program, contracting, or finance organizations, and relevant certifying or validating entities.
5. Describe how the solution will differ from the non-Defense commercial offering, i.e., what modifications are required as compared to the commercial counterpart.
6. Describe the cost and feasibility of integrating the solution with current mission-specific products.
7. Describe if and how the demonstration can be used by other DoD or Governmental customers.
8. The funds obligated on the Phase I STTR contract, if selected, shall be used for the sole purpose of conducting a thorough feasibility study. Prototypes may be developed with STTR funds during Phase I studies to better address risks and potential payoffs for innovative technologies.

PHASE II: Continue R/R&D to develop a prototype system determined to be the most feasible solution during Phase I performance. The demonstration should specifically focus on:

1. Evaluating the proposed solution against objectives and measurable key results as defined in the Phase I feasibility study.
2. Describing in detail the solution's difference from prospective non-Defense commercial offerings as compared to AF counterparts and its scaling for broader use.
3. Identifying a clear transition path for the proposed solution taking into account all affected stakeholders' input, including but not limited to, end users, engineering, sustainment, contracting, finance, legal, and cyber security.
4. Detailing specific details about the solution's integration with other current and potential future solutions.
5. Detailing the solution's sustainability, i.e., overall supportability.
6. Identifying other potential, specific DoD or Governmental customers for the solution.

PHASE III DUAL USE APPLICATIONS: The contractor will transition the solution to provide expanded mission capability to a broad range of potential Government and civilian users and alternate mission applications.

NOTES:

- a. Individual technical questions may be submitted to support@afwerx.af.mil. Additionally, telecons will be held to address questions. Final call-in details will be provided at <https://afwerx.af.mil/SBIR.html>. Business-related questions may be addressed to the AF Contracting Officer, Kris Croake, at kristina.croake@us.af.mil.
- b. The AF does not award grants for STTR. Instead Phase I efforts are awarded as fixed price purchase orders. Phase II awards are executed as either firm-fixed-price FAR-based contracts or Other

Transactions for Prototype under the authority of 10 USC 2371(b). When registering in SAM.gov, select 'YES' to the question 'Do you wish to bid on contracts?' to submit under this solicitation. Companies registered to compete for grants only at proposal submission will be ineligible for award under this topic. For more information please visit <https://afwerx.af.mil/sbir.html>.

- c. Verify the company's CAGE, company name, address information, DUNS, etc. prior to submission. If incorrect at submission, the proposal will not be considered. In the 25-slide technical volume, please include a SAM.gov screenshot including the CAGE, DUNS, and current business address, as well as confirmation the company is registered to compete for 'All Contracts'. It is the company's responsibility to ensure proposal and SAM.gov data is consistent.
- d. If selected for negotiations and funding, purchase orders not signed and returned to the Contracting Office within 5 business days of receipt will not be awarded.
- e. The 'DoD SBIR/STTR Programs Funding Agreement Certification' form must be completed and included in the proposal submission - <https://www.afsbirsttr.af.mil/Portals/60/Pages/Phase%20I-II/SBIR-STTR-Phase-I-II-Funding%20Agreement%20Certification.pdf>.
- f. The offeror is responsible for answering the STTR Cover Sheet and 'DoD SBIR/STTR Programs Funding Agreement Certification' questions accurately.
- g. While these are firm fixed price contracts, it is important companies include a cost volume in the proposal with sufficient fidelity to determine the proposed effort price fair and reasonable.
- h. Proposed technologies may be restricted under the International Traffic in Arms Regulation (ITAR) which controls defense-related materials/services import/export, or the Export Administration Regulation (EAR), controlling dual use items. Offerors must review the U.S. Munitions List, <https://www.law.cornell.edu/cfr/text/22/121.1>, and provide a tentative determination regarding applicability to the proposed efforts. If determined applicable, a certified DD Form 2345, Militarily Critical Technology Agreement, must be submitted with the proposal. Information regarding the application process and instructions for form completion are found at <https://www.dla.mil/HQ/LogisticsOperations/Services/JCP/DD2345Instructions/>.
- i. If subject to ITAR, involvement of foreign nationals may be restricted. "Foreign National" is defined in 22 CFR 120.16 as a natural person who is neither a lawful permanent resident (8 U.S.C. § 1101(a)(20)), nor a protected individual (8 U.S.C. § 1324b(a)(3)). It also includes foreign corporations, business associations, partnerships, trusts, societies, other entities/groups not incorporated/organized to do business in the United States, international organizations, foreign governments, and their agencies/subdivisions. Offerors must identify foreign national team members and provide their countries of origin, visa/work permits possessed, and Work Plan tasks assigned. Additional information may be required during negotiations to verify eligibility. Even if eligible, participation may be restricted due to U.S. Export Control Laws.

NOTE: Export control compliance statements are not all-inclusive and do not remove submitters' liability to 1) comply with applicable ITAR/EAR export control restrictions or 2) inform the Government of potential export restrictions as efforts proceed.

REFERENCES:

- FitzGerald, B., Sander, A., & Parziale, J. (2016). Future Foundry: A New Strategic Approach to Military-Technical Advantage. Retrieved June 12, 2018, from <https://www.cnas.org/publications/reports/future-foundry>
- Blank, S. (2016); The Mission Model Canvas – An Adapted Business Model Canvas for Mission-Driven Organizations. Retrieved June 12, 2018, from <https://steveblank.com/2016/02/23/the-mission-model-canvas- an-adapted-business-model-canvas-for-mission-driven;>

- US Department of Defense. (2018). 2018 National Defense Strategy of the United States Summary, 11. Retrieved from <https://www.defense.gov/Portals/1/Documents/pubs/2018-National-Defense-Strategy-Summary.pdf>

KEYWORDS: Open, other, disruptive, radical, dual-use, commercial; autonomy; advanced aircraft materials and manufacturing; novel acoustics techniques; subsystem, aircraft, and portfolio design tools; rapid mission planning for dense air environments and logistics

OBJECTIVE: Develop/demonstrate identify innovative Advanced Manufacturing and Sustainment technologies and processes to rapidly produce and sustain weapon systems while significantly reducing overall costs light weight.

TECH FOCUS AREAS: Space; Nuclear; Microelectronics; Hypersonics; Nuclear; Artificial Intelligence/ Machine Learning; General Warfighting Requirements (GWR) Space

TECHNOLOGY AREAS: Weapon; Sensors Electronics; Space Platform; Materials; Air Platform; Battlespace

DESCRIPTION: The AF is seeking innovative Advanced Manufacturing and Sustainment technologies and processes to rapidly develop, produce, and sustain weapon systems and significantly reduce overall costs and/or increase availability while ensuring system safety. These innovations include, but are not limited to; advanced robotics, controls, and process automation; nondestructive evaluation; computational modeling; digital representations of human-machine interactions; Artificial Intelligence and Machine Learning-based algorithms for assisted data analysis and diagnostics; digital thread and digital twin process integration and development; and 3D printing/additive manufacturing.

Collider events may be held prior to or during the X21.A STTR CSO pre-release period. These events bring together small companies, academia, and others to learn more about the Government's current requirements, network with other attendees to discover potential collaborations, and provide information regarding their potential solutions during one-on-one meetings with Government requirements organizations. Further details will be published as they are finalized on beta.SAM (www.beta.sam) and the Defense Innovation Marketplace (<https://defenseinnovationmarketplace.dtic.mil/>).

PROPOSAL PREPARATION AND PEER REVIEW: Proposals selected under this topic shall have a value not to exceed \$150,000 and six months performance period, including five months technical performance and one month for reporting. Proposals exceeding one or both of these parameters will not be considered for award. Please refer to Section 5.0, Phase I Proposal, for detailed information regarding proposal preparation. The technical areas above are not all-inclusive; this is designed as an open topic for any Advanced Manufacturing and Sustainment technologies and processes potentially impacting present or future AF missions. Following proposal receipt, peer review will be conducted IAW Section 6.0, Phase I Evaluation Criteria, based on both the provided criteria and relative order of importance.

PHASE I: Determine the scientific and technical merit and feasibility of innovative Advanced Manufacturing and Sustainment technologies and process strategies to significantly reduce overall cost and/or increasing availability while ensuring system safety. Assessment should include the evaluation of all life-cycle costs associated with delivering Advanced Manufacturing and Sustainment system-ready technologies with emphasis on process quality and agility. Remaining challenges, e.g., unmet requirements, restrictive existing regulations, etc., should also be identified.

PHASE II: Further develop the effort's strategy by producing a small number of processes and demonstrate their performances matches design targets. During execution, a detailed accounting of costs directly associated with the manufacture/production should be tracked and used to project both advanced manufacturing and sustainment technologies and processes. Manufacturing/production issues and/or business model modifications required to further reduce costs should be identified and documented.

PHASE III DUAL USE APPLICATIONS: Phase III efforts will focus on transitioning the developed technology to a working commercial or warfighter solution. If a viable business model to procure Manufacturing and Sustainment technologies and processes is demonstrated, they would be in a position to supply future processes to the Air Force, and other DoD components as this new process is adopted into practice for the sustainment of USAF assets. Awards can

also provide additional funds to conduct further R/R&D for solutions related to Advanced Manufacturing and Sustainment technologies and processes for AF applications.

REFERENCES:

1. Defense Primer: Department of Defense Maintenance Depots; Congressional Research Service, March 19, 2020
2. Depot Maintenance Strategic Plan; Office of the Secretary of Defense for Sustainment; February 2011

KEYWORDS: Advanced Robotics, Controls and Process Automation; Nondestructive Evaluation; Computational Modeling; Digital Representations of Human-Machine Interactions; Artificial Intelligence and Machine Learning-Based Algorithms

Attachment 2
Department of Defense (DoD)
Small Business Innovation Research (SBIR)/
Small Business Technology Transfer (STTR) Program

CONTRACTOR CERTIFICATION REGARDING
PROVISION OF PROHIBITED VIDEO SURVEILLANCE AND
TELECOMMUNICATIONS SERVICES AND EQUIPMENT

Contractor's Name	
Company Name	
Office Tel #	
Mobile #	
Email	

Name of person authorized to sign:

Signature of person authorized:

Date:

The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001.

FAR CLAUSES INCORPORATED IN FULL TEXT:

52.204-24 REPRESENTATION REGARDING CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT (AUG 2020)

The Offeror shall not complete the representation at paragraph (d)(1) of this provision if the Offeror has represented that it “does not provide covered telecommunications equipment or services as a part of its offered products or services to the Government in the performance of any contract, subcontract, or other contractual instrument” in the provision at 52.204-26, Covered Telecommunications Equipment or Services—Representation, or in paragraph (v) of the provision at 52.212-3, Offeror Representations and Certifications-Commercial Items.

(a) *Definitions.* As used in this provision-

Backhaul, covered telecommunications equipment or services, critical technology, interconnection arrangements, reasonable inquiry, roaming, and substantial or essential component have the meanings provided in the clause 52.204-25, Prohibition on Contracting for Certain Telecommunications and Video

Surveillance Services or Equipment.

(b) Prohibition. (1) Section 889(a)(1)(A) of the John S. McCain National Defense Authorization Act for Fiscal Year 2019 (Pub. L. 115-232) prohibits the head of an executive agency on or after August 13, 2019, from procuring or obtaining, or extending or renewing a contract to procure or obtain, any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. Nothing in the prohibition shall be construed to—

(i) Prohibit the head of an executive agency from procuring with an entity to provide a service that connects to the facilities of a third-party, such as backhaul, roaming, or interconnection arrangements; or

(ii) Cover telecommunications equipment that cannot route or redirect user data traffic or cannot permit visibility into any user data or packets that such equipment transmits or otherwise handles.

(2) Section 889(a)(1)(B) of the John S. McCain National Defense Authorization Act for Fiscal Year 2019 (Pub. L. 115-232) prohibits the head of an executive agency on or after August 13, 2020, from entering into a contract or extending or renewing a contract with an entity that uses any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. This prohibition applies to the use of covered telecommunications equipment or services, regardless of whether that use is in performance of work under a Federal contract. Nothing in the prohibition shall be construed to—

(i) Prohibit the head of an executive agency from procuring with an entity to provide a service that connects to the facilities of a third-party, such as backhaul, roaming, or interconnection arrangements; or

(ii) Cover telecommunications equipment that cannot route or redirect user data traffic or cannot permit visibility into any user data or packets that such equipment transmits or otherwise handles.

(c) Procedures. The Offeror shall review the list of excluded parties in the System for Award Management (SAM) (<https://www.sam.gov>) for entities excluded from receiving federal awards for “covered telecommunications equipment or services.”

(d) Representations. The Offeror represents that—

(1) It **will**, **will not** provide covered telecommunications equipment or services to the Government in the performance of any contract, subcontract or other contractual instrument resulting from this solicitation. The Offeror shall provide the additional disclosure information required at paragraph (e)(1) of this section if the Offeror responds “will” in paragraph (d)(1) of this section; and

(2) After conducting a reasonable inquiry, for purposes of this representation, the Offeror represents that—

It **does**, **does not** use covered telecommunications equipment or services, or use any equipment, system, or service that uses covered telecommunications equipment or services. The Offeror shall provide the additional disclosure information required at paragraph (e)(2) of this section if the Offeror responds “does” in

paragraph (d)(2) of this section.

(e) *Disclosures.* (1) Disclosure for the representation in paragraph (d)(1) of this provision. If the Offeror has responded “will” in the representation in paragraph (d)(1) of this provision, the Offeror shall provide the following information as part of the offer:

(i) For covered equipment—

(A) The entity that produced the covered telecommunications equipment (include entity name, unique entity identifier, CAGE code, and whether the entity was the original equipment manufacturer (OEM) or a distributor, if known);

(B) A description of all covered telecommunications equipment offered (include brand; model number, such as OEM number, manufacturer part number, or wholesaler number; and item description, as applicable); and

(C) Explanation of the proposed use of covered telecommunications equipment and any factors relevant to determining if such use would be permissible under the prohibition in paragraph (b)(1) of this provision.

(ii) For covered services—

(A) If the service is related to item maintenance: A description of all covered telecommunications services offered (include on the item being maintained: Brand; model number, such as OEM number, manufacturer part number, or wholesaler number; and item description, as applicable); or

(B) If not associated with maintenance, the Product Service Code (PSC) of the service being provided; and explanation of the proposed use of covered telecommunications services and any factors relevant to determining if such use would be permissible under the prohibition in paragraph (b)(1) of this provision.

(2) Disclosure for the representation in paragraph (d)(2) of this provision. If the Offeror has responded “does” in the representation in paragraph (d)(2) of this provision, the Offeror shall provide the following information as part of the offer:

(i) For covered equipment—

(A) The entity that produced the covered telecommunications equipment (include entity name, unique entity identifier, CAGE code, and whether the entity was the OEM or a distributor, if known);

(B) A description of all covered telecommunications equipment offered (include brand; model number, such as OEM number, manufacturer part number, or wholesaler number; and item description, as applicable); and

(C) Explanation of the proposed use of covered telecommunications equipment and any factors relevant to determining if such use would be permissible under the prohibition in paragraph (b)(2) of this provision.

(ii) For covered services—

(A) If the service is related to item maintenance: A description of all covered telecommunications services offered (include on the item being maintained: Brand; model number, such as OEM number, manufacturer part number, or wholesaler number; and item description, as applicable); or

(B) If not associated with maintenance, the PSC of the service being provided; and explanation of the proposed use of covered telecommunications services and any factors relevant to determining if such use would be permissible under the prohibition in paragraph (b)(2) of this provision.

(End of provision)

52.204-25 PROHIBITION ON CONTRACTING FOR CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT (AUG 2020)

(a) *Definitions.* As used in this clause—

Backhaul means intermediate links between the core network, or backbone network, and the small subnetworks at the edge of the network (*e.g.*, connecting cell phones/towers to the core telephone network). Backhaul can be wireless (*e.g.*, microwave) or wired (*e.g.*, fiber optic, coaxial cable, Ethernet).

Covered foreign country means The People's Republic of China.

Covered telecommunications equipment or services means—

(1) Telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities);

(2) For the purpose of public safety, security of Government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities);

(3) Telecommunications or video surveillance services provided by such entities or using such equipment; or

(4) Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country.

Critical technology means—

(1) Defense articles or defense services included on the United States Munitions List set forth in the International Traffic in Arms Regulations under subchapter M of chapter I of title 22, Code of Federal Regulations;

(2) Items included on the Commerce Control List set forth in Supplement No. 1 to part 774 of the Export Administration Regulations under subchapter C of chapter VII of title 15, Code of Federal Regulations, and controlled—

(i) Pursuant to multilateral regimes, including for reasons relating to national security, chemical and biological weapons proliferation, nuclear nonproliferation, or missile technology; or

(ii) For reasons relating to regional stability or surreptitious listening;

(3) Specially designed and prepared nuclear equipment, parts and components, materials, software, and technology covered by part 810 of title 10, Code of Federal Regulations (relating to assistance to foreign atomic energy activities);

(4) Nuclear facilities, equipment, and material covered by part 110 of title 10, Code of Federal Regulations (relating to export and import of nuclear equipment and material);

(5) Select agents and toxins covered by part 331 of title 7, Code of Federal Regulations, part 121 of title 9 of such Code, or part 73 of title 42 of such Code; or

(6) Emerging and foundational technologies controlled pursuant to section 1758 of the Export Control Reform Act of 2018 (50 U.S.C. 4817).

Interconnection arrangements means arrangements governing the physical connection of two or more networks to allow the use of another's network to hand off traffic where it is ultimately delivered (e.g., connection of a customer of telephone provider A to a customer of telephone company B) or sharing data and other information resources.

Reasonable inquiry means an inquiry designed to uncover any information in the entity's possession about the identity of the producer or provider of covered telecommunications equipment or services used by the entity that excludes the need to include an internal or third-party audit.

Roaming means cellular communications services (e.g., voice, video, data) received from a visited network when unable to connect to the facilities of the home network either because signal coverage is too weak or because traffic is too high.

Substantial or essential component means any component necessary for the proper function or performance of a piece of equipment, system, or service.

(b) Prohibition. (1) Section 889(a)(1)(A) of the John S. McCain National Defense Authorization Act for Fiscal Year 2019 (Pub. L. 115-232) prohibits the head of an executive agency on or after August 13, 2019, from procuring or obtaining, or extending or renewing a contract to procure or obtain, any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. The Contractor is prohibited from providing to the Government any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system, unless an exception at paragraph (c) of this clause applies or the covered telecommunication equipment or

services are covered by a waiver described in FAR 4.2104.

(2) Section 889(a)(1)(B) of the John S. McCain National Defense Authorization Act for Fiscal Year 2019 (Pub. L. 115-232) prohibits the head of an executive agency on or after August 13, 2020, from entering into a contract, or extending or renewing a contract, with an entity that uses any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system, unless an exception at paragraph (c) of this clause applies or the covered telecommunication equipment or services are covered by a waiver described in FAR 4.2104. This prohibition applies to the use of covered telecommunications equipment or services, regardless of whether that use is in performance of work under a Federal contract.

(c) Exceptions. This clause does not prohibit contractors from providing—

(1) A service that connects to the facilities of a third-party, such as backhaul, roaming, or interconnection arrangements; or

(2) Telecommunications equipment that cannot route or redirect user data traffic or permit visibility into any user data or packets that such equipment transmits or otherwise handles.

(d) Reporting requirement. (1) In the event the Contractor identifies covered telecommunications equipment or services used as a substantial or essential component of any system, or as critical technology as part of any system, during contract performance, or the Contractor is notified of such by a subcontractor at any tier or by any other source, the Contractor shall report the information in paragraph (d)(2) of this clause to the Contracting Officer, unless elsewhere in this contract are established procedures for reporting the information; in the case of the Department of Defense, the Contractor shall report to the website at <https://dibnet.dod.mil>. For indefinite delivery contracts, the Contractor shall report to the Contracting Officer for the indefinite delivery contract and the Contracting Officer(s) for any affected order or, in the case of the Department of Defense, identify both the indefinite delivery contract and any affected orders in the report provided at <https://dibnet.dod.mil>.

(2) The Contractor shall report the following information pursuant to paragraph (d)(1) of this clause:

(i) **Within one business day from the date of such identification or notification:** The contract number; the order number(s), if applicable; supplier name; supplier unique entity identifier (if known); supplier Commercial and Government Entity (CAGE) code (if known); brand; model number (original equipment manufacturer number, manufacturer part number, or wholesaler number); item description; and any readily available information about mitigation actions undertaken or recommended.

(ii) **Within 10 business days** of submitting the information in paragraph (d)(2)(i) of this clause: Any further available information about mitigation actions undertaken or recommended. In addition, the Contractor shall describe the efforts it undertook to prevent use or submission of covered telecommunications equipment or services, and any additional efforts that will be incorporated to prevent future use or submission of covered telecommunications equipment or services.

(e) Subcontracts. The Contractor shall insert the substance of this clause, including this paragraph (e), in all subcontracts and other contractual instruments, including subcontracts for the acquisition of commercial

items.

(End of clause)

52.204-26 COVERED TELECOMMUNICATIONS EQUIPMENT OR SERVICES-REPRESENTATION (DEC 2019)

(a) *Definitions.* As used in this provision, “covered telecommunications equipment or services” has the meaning provided in the clause [52.204-25](#), Prohibition on Contracting for Certain Telecommunications and Video Surveillance Services or Equipment.

(b) *Procedures.* The Offeror shall review the list of excluded parties in the System for Award Management (SAM) (<https://www.sam.gov>) for entities excluded from receiving federal awards for “covered telecommunications equipment or services”.

(c) *Representation.* The Offeror represents that it **does**, **does not** provide covered telecommunications equipment or services as a part of its offered products or services to the Government in the performance of any contract, subcontract, or other contractual instrument.

(End of provision)

OMB No. 0704-0187
 OMB approval expires
 August 31, 2021

**Department of Defense (DoD)
 Small Business Innovation Research (SBIR) Program
 Small Business Technology Transfer (STTR) Program**

**DISCLOSURE OF OFFEROR’S OWNERSHIP OR CONTROL BY A
 FOREIGN GOVERNMENT**

In accordance with DFARS provision 252.209-7002, an offeror is required to disclose, by completing this form (and adding additional pages, as necessary), any interest a foreign government has in the offeror when that interest constitutes control by a foreign government, as defined in DFARS provision 252.209-7002. If the offeror is a subsidiary, it is also required to disclose any reportable interest a foreign government has in any entity that owns or controls the subsidiary, including reportable interest concerning the offeror’s immediate parent, intermediate parents, and the ultimate parent.

DISCLOSURE		
Offeror’s Point of Contact for Questions about Disclosure	Name:	
	Phone Number:	
Offeror	Name:	
	Address:	
Entity Controlled by a Foreign Government	Name:	
	Address:	
Description of Foreign Government’s Interest in the Offeror		
Foreign Government’s Ownership Percentage in Offeror		
Identification of Foreign Government(s) with Ownership or Control		

DFARS 252.209-7002 Disclosure of Ownership or Control by a Foreign Government (JUN 2010)

(a) Definitions. As used in this provision—

ATTACHMENT 3

(1) “Effectively owned or controlled” means that a foreign government or any entity controlled by a foreign government has the power, either directly or indirectly, whether exercised or exercisable, to control the election, appointment, or tenure of the Offeror’s officers or a majority of the Offeror’s board of directors by any means, e.g., ownership, contract, or operation of law (or equivalent power for unincorporated organizations).

(2) “Entity controlled by a foreign government”—

(i) Means—

(A) Any domestic or foreign organization or corporation that is effectively owned or controlled by a foreign government; or

(B) Any individual acting on behalf of a foreign government.

(ii) Does not include an organization or corporation that is owned, but is not controlled, either directly or indirectly, by a foreign government if the ownership of that organization or corporation by that foreign government was effective before October 23, 1992.

(3) “Foreign government” includes the state and the government of any country (other than the United States and its outlying areas) as well as any political subdivision, agency, or instrumentality thereof.

(4) “Proscribed information” means—

(i) Top Secret information;

(ii) Communications security (COMSEC) material, excluding controlled cryptographic items when unkeyed or utilized with unclassified keys;

(iii) Restricted Data as defined in the U.S. Atomic Energy Act of 1954, as amended;

(iv) Special Access Program (SAP) information; or

(v) Sensitive Compartmented Information (SCI).

(b) Prohibition on award. No contract under a national security program may be awarded to an entity controlled by a foreign government if that entity requires access to proscribed information to perform the contract, unless the Secretary of Defense or a designee has waived application of 10 U.S.C. 2536(a).

(c) Disclosure. The Offeror shall disclose any interest a foreign government has in the Offeror when that interest constitutes control by a foreign government as defined in this provision. If the Offeror is a subsidiary, it shall also disclose any reportable interest a foreign government has in any entity that owns or controls the subsidiary, including reportable interest concerning the Offeror’s immediate parent, intermediate parents, and the ultimate parent. Use separate paper as needed, and provide the information in the following format:

Offeror’s Point of Contact for Questions about Disclosure

(Name and Phone Number with Country Code, City Code and Area Code, as applicable)

Name and Address of Offeror

ATTACHMENT 3

Name and Address of Entity Controlled by a Foreign Government

Description of Interest, Ownership Percentage, and Identification of Foreign Government

(End of provision)