

DARPA SBIR/STTR PHASE II ENHANCEMENT PROGRAM APPLICATION INSTRUCTIONS

OVERVIEW:

- DARPA Small Business Programs Office (SBPO) may provide a Phase II performer up to \$500,000 of matching SBIR/STTR funding (on a dollar-for-dollar basis) if the performer obtains commitment of non-SBIR/STTR funding from a DARPA Technology Office(s), DoD component(s), federal agency, and/or a commercial investor(s).
- Enhancement funding is typically applied to an active Phase II contract, which extends the period of performance by up to one year. However, on a case-by-case basis, a new Phase II contract may be awarded if appropriate.
- The proposed Enhancement effort must develop, deliver, and integrate a technology or product into a program within a DARPA Technology Office(s), DoD component(s), federal agency(ies), and/or the commercial sector.
- Applications for the Enhancement Program will be reviewed for overall merit, transition potential, commercialization strategy, and value to the DARPA mission.
- DARPA can accept multiple applications until the matching amount has been met.

APPLICATION PROCESS:

- The Performer obtains a firm commitment of non SBIR/STTR funding and requests Enhancement funding for the project from the DARPA Program Manager.
- The DARPA Program Manager completes a DARPA 99 Form and sends to sbir@darpa.mil for approval by the SBPO Program Director and the Contracting Officer of the Phase II contract.
- The DARPA PM will notify the performer to submit a proposal to sbir@darpa.mil following the template below.
- The Performer must obtain a certification letter from the investor within 45 days of the Enhancement approval notification, and provide it to DARPA SBPO along with a copy of the performer's bank statement that verifies the funds have been deposited. The certification letter must state that "\$ in cash has been transferred to [company name] from [investor name] in accordance with DARPA Enhancement Program procedures." The letter should be on the investor's letterhead if possible, and must be signed by both the investor and the performer.
 - After this certification letter is submitted it will be reviewed by the Contracting Officer should the Enhancement Application be selected for award.

LIMITATIONS:

- All Enhancement requests are subject to the approval of the DARPA PM who is overseeing the effort, successful completion of negotiations, and the availability of funding.
- "Outside investment" must meet DoD Guidelines to qualify for Phase II Enhancement matching funds.

Eligible third-party investors include:

- Non-SBIR/STTR Department of Defense funds
- Any other non-SBIR/STTR federal agency funds
- A SBC other than the eligible/performing SBC
- Venture capital firms
- Individual investors

- A non-SBIR federal, state, or local government
- or any combination thereof

Ineligible sources include:

- The eligible SBC's internal research and development funds
 - Funding in forms other than cash (such as in-kind or other tangible assets)
 - Funding from the owners of the eligible SBC, or the family members or affiliates of such owners; or
 - Funding attained through loans or other forms of debt obligations
- Enhancement application should be submitted at least 4 months prior to the end of the Phase II period of performance to allow adequate time to complete the contracting process.
 - The proposed Enhancement effort must be completed within 5 years of a Phase II contract's period of performance.

TEMPLATE FOR DARPA SBIR/STTR ENHANCEMENT PROPOSAL

Please provide the following information on your application cover sheet:

- Firm Name
- Proposal Title
- Contract Number
- Proposed DARPA SBIR/STTR Funds for Enhancement – Enter the amount of DARPA SBIR/STTR funds requested equal to the outside funding amount, not to exceed \$500,000
- Amount of Matching Funds (Cash) the Investor will provide” – enter the amount that will be provided by the Government agency, DARPA Technology Office, or commercial investor
- Prepared for: DARPA Small Business Programs Office (SBPO), sbir@darpa.mil
- Prepared by: Principal Investigator Name, Address, Phone, Email
- Date of Submission

The following items (Section A through G) must be submitted in one proposal package, failure to meet the proposal requirements below will delay the application process.

Section A. DARPA Program Manager for Phase II contract:

DARPA Technology Office:

DARPA Program (if applicable):

First and Last Name:

Email address:

Section B. DARPA Program Manager, DoD Procuring Organization or other federal agencies, and/or the commercial sector investor Point of Contact:

First and Last Name:

Title:

Email address:

Phone number:

Section C. Phase II Enhancement Proposal:

In 15 pages or less, address each of the following questions in sequential order (place question with number prior to your answer):

1. Briefly describe your Phase II technical accomplishments and how they will be furthered by the Enhancement.
2. Describe how the proposed Enhancement will support the transition roadmap and commercialization strategies for your technology.
3. Describe how the proposed Enhancement will support the DARPA Mission:

- a. The current problem (i.e., capability need) your research is addressing.
 - b. How the current problem will be solved.
 - c. The value to the DARPA Mission in utilizing the proposed solution.
4. What are the required exit criteria for the SBIR/STTR Phase II such that the acquisition program manager/procuring organization might agree to insert this technology? Note: Exit criteria are some level of demonstrated performance (e.g., level of engine thrust), some process at some level of efficiency (e.g., manufacturing yield), or successful accomplishment of some event (e.g., first flight), or some other criterion that indicates that aspect of the program is progressing satisfactorily. Alternatively, what are the equivalent milestones for successful commercialization or insertion into a marketable product?
 5. What are the risks (cost, schedule, technical, manufacturability, and sustainment) associated with your Phase II?

Section D. ADVOCACY LETTER(s): **DoD or FEDERAL** organization stating amount of funding and articulating how this technology will fill a capability gap. **Note:** If the matching funds are coming from a DARPA Technology Office, you do NOT need to submit an Advocacy Letter(s).

Section E. OUTSIDE INVESTOR LETTER(s): **NON-GOVERNMENT** organization stating amount of funding and articulating how this technology will be used or commercialized. **Note:** If the matching funds are coming from a DARPA Technology Office or other Government agency, you do NOT need to submit an Investor Letter(s).

Section F. Concise Statement of Work (SOW) for the additional effort to be executed with the Enhancement funds.

Section G. Total Cost Proposal. You must use the DARPA Cost Proposal spreadsheet available in our website <http://www.darpa.mil/work-with-us/for-small-businesses/participate-sbir-sttr-program>