**DEPARTMENT OF THE NAVY (DON) SBIR/STTR**

**DIRECT TO PHASE II PROPOSAL**

**Phase I Feasibility Proposal Instructions and Template**

(Effective September 26, 2016)

These instructions and template apply to all Systems Command (SYSCOM) topics in the Department of the Navy (DON) “Direct to Phase II” (DP2) announcement only. This document provides information required for a small business concern (SBC) to complete a Phase I Feasibility Proposal in response to a DON DP2 topic.

15 U.S.C. §638 (cc), as amended by NDAA FY2012, Sec. 5106, PILOT TO ALLOW PHASE FLEXIBILITY, allows the Department of Defense to make an award to an SBC under Phase II of the SBIR program with respect to a project, without regard to whether the SBC was provided an award under Phase I of an SBIR program with respect to such project. As such, DON is conducting a DP2 pilot implementation of this authority for the SBIR 16.3 solicitation only and does not guarantee the pilot will be offered in future announcements.

The DON SBIR DP2 pilot is a two-step process:

STEP ONE: Prepare and Submit a Phase I Feasibility Proposal (instructions and template provided below). The purpose of thePhase I Feasibility Proposal is for the SBC to provide documentation to substantiate that both Phase I feasibility and the scientific and technical merit described in the topic have been met. The Phase I Feasibility Proposal must: demonstrate that the SBC performed Phase I-type research and development (R&D) using non-SBIR funding sources and provide a concise summary of Phase II objectives, work plan, related research, key personnel, transition/commercialization plan, and estimated costs. The government will evaluate Phase I Feasibility Proposals and select SBCs to submit a Full DP2 Proposal. The SBC must submit a Phase I Feasibility Proposal to be considered for selection to submit a Full DP2 Proposal.

STEP TWO: Prepare and submit a Full DP2 Proposal. If selected, the cognizant SYSCOM Program Office will contact the SBC directly to provide instructions on how to submit a Full DP2 Proposal.

DON SBIR reserves the right to refuse to make any awards under the DP2 pilot. All awards are subject to availability of funds and successful negotiations. Offerors should read the topic requirements carefully. The Government is not responsible for expenditures by the offeror prior to award of a contract. For FY16.3 SBIR topics designated as DP2, DON will accept only Phase I Feasibility Proposals (instructions and template provided below).

This document has two sections: the **Instructions** provide information required to prepare and submit a Phase I Feasibility Proposal; and the **Phase I Feasibility** **Proposal Template** is the format model that the SBC shall use to prepare its proposal.

Do not include the **Instructions** or the bracketed [ ] guidance in the **Proposal Template** with the proposal.

**Instructions**

A. The Phase I Feasibility Proposal shall include the following sections and their associated sub-sections, not to exceed (NTE) the noted page lengths:

|  |  |
| --- | --- |
| **Section Name** | **Not to Exceed (NTE) Page Length** |
| Phase I Feasibility Volume | NTE a total of seventy-six (76) pages |
| Title Page | NTE one (1) page |
| 1. Phase I Proof of Feasibility 2. Snapshot of Proposed DP2 Effort 3. Attachments (i.e., Letters of Endorsement & Other Data and Analysis) | NTE thirty-five (35) pages  NTE fifteen (15) pages  NTE twenty-five (25) pages |

B. Paper/Font size. The proposal shall be written in 12 point font on 8 ½ x 11 inch paper with 1 inch margins (including header and footer).

C. Header. Each page of the proposal and each attachment must have a header that includes the following information:

Firm Name: <Firm’s Name>

DP2 Topic Number: <topic number from DP2 announcement>

D. File Format. The Phase I Feasibility Volume shall be uploaded as a single Adobe PDF file.

E. Non-Disclosure. Offerors that include data in their proposals that they do not want disclosed to the public for any purpose, or used by the Government except for evaluation purposes, shall:

(1) Mark the first page of the proposal 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 restricted data with the following legend:

"Use or disclosure of data contained on this page is subject to the restriction on the first page of this proposal."

DON assumes no liability for disclosure or use of unmarked data and may use or disclose such data for any purpose.

Restrictive notices notwithstanding, proposals and final reports submitted through the DON electronic submission website may be handled, for administrative purposes only, by support contractors. All support contractors are bound by appropriate non-disclosure agreements.

F. Cost. Questions related to the cost of your proposed effort must be answered in the Cost Volume (Step 3) of the proposal submission at <https://sbir.defensebusiness.org/> but no separate cost volume for the DON SBIR Phase I Feasibility Proposal is required. Include your Cost Estimate in the Rough Order of Magnitude Table in the Phase I Feasibility Proposal template. The Phase II Base and Option amounts vary by SYSCOM. Please refer to the table below for guidelines.Costs for the Base and Option should be separate and identified on the Proposal Cover Sheet and in the Rough Order of Magnitude Table in Section 4 of the Phase I Feasibility Proposal template. If Discretionary Technical Assistance (DTA) is proposed, the information required to support DTA should be added in the “Description of Proposed Phase II Technical Effort and Objectives” section of the Phase I Feasibility Proposal template. If proposing DTA, a total of up to $5,000 may be added to the Base or Option periods. Additional information on DTA is included in the DON DP2 announcement.

**Table 1. SBIR Base and Option Guidelines**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **SYSCOM** | **Base** | | **Option One**  (if proposed) | | **Option Two**  (if proposed) | | **Total**  **(NTE)** |
| **Cost**  **(NTE)** | **POP**  **(NTE)** | **Cost**  **(NTE)** | **POP**  **(NTE)** | **Cost**  **(NTE)** | **POP**  **(NTE)** |
| MCSC | $500,000 | 18 mos. | $250,000 | 9 mos. | -- | -- | $750,000 |
| SPAWAR | $500,000 | 12 mos. | $500,000 | 12 mos. | -- | -- | $1,000,000 |

G. Submission. Upload the SBC’s Phase I Feasibility Proposal submission to the DoD SBIR/STTR web portal at [https://sbir.defensebusiness.org/submission](http://sbir.defensebusiness.org/submission).

H. Selection. The cognizant SYSCOM Program Office will contact the SBC directly if it is selected to submit a Full DP2 Proposal and provide further instructions.

I. Help. For inquiries or problems with electronic submission, contact the DoD SBIR/STTR Help Desk at 1-800-348-0787 (9:00 a.m. to 6:00 p.m. ET).

**Reminders:**

1. Do not include the above **Instructions** with the Phase I Feasibility Volume.
2. Use the following **Phase I Feasibility Volume** template but do not include the bracketed [ ] guidance provided in each section.
3. Complete all the text within angled brackets < > and then remove the angled brackets.
4. The entire completed document cannot exceed seventy-six (76) pages.

**PHASE I FEASIBILITY VOLUME**

*[Title Page – Not to Exceed 1 page]*

*[The Phase I Feasibility Volume shall have a Title page that includes the following information in the format shown:]*

**<Firm Name>**

<Address 1>

<Address 2>

<City, State, and Zip>

<Phone>, <Email>

**Corporate Official:**

<Name>

<Title>

<Phone>, <Email>

**Prepared Date:** <Proposal Preparation Date>

**Topic Title:** <Direct to Phase II Topic Title>

**Principal Investigator (PI):**

<Name>

<Phone>, <Email>

**Proposed Subcontractors/Consultants:** <Name of Proposed Subcontractors/Consultants**>**

**SYSCOM:** <Name ofSYSCOM for this proposal>

**Nondisclosure Statement:** <NOT APPLICABLE or if the firm intends to use a nondisclosure statement, add it here>

**PHASE I PROOF OF FEASIBILITY** *[Not to exceed 35 pages]*

1. **Introductory Statement**

*[A one to two sentence declaration that the prior work submitted proving feasibility was performed solely using non-SBIR/STTR funding; identify sources of funding.]*

1. **Phase I Proof of Feasibility**

*[Offerors must describe work performed that substantiates Phase I feasibility as described in the Phase I topic. Offerors must also provide documentation to substantiate that the Phase I feasibility has been met through means other than SBIR or STTR Phase I funding.*

*Documentation should include all relevant information including, but not limited to: technical reports, test data, prototype designs/models, and performance goals/results (may be provided in attachments). Prior work to demonstrate feasibility must meet the minimum technical and scientific merit specified in the Phase I description of the topic.*

*Work submitted within the feasibility documentation must have been substantially performed by the offeror and/or the principal investigator (PI).]*

1. **Assertions**

*[Based on your prior technology development, if a proposer plans to submit assertions in accordance with DFARS 252.227-7017, those assertions must be identified and assertion of use, release, or disclosure restriction MUST be included with your DP2 proposal submission, if selected. The contract cannot be awarded until assertions have been approved.*

*252.227-7013 Rights in Technical Data--Noncommercial Items.*

*(2) Government purpose rights.*

*(i) The Government shall have government purpose rights for a five-year period, or such other period as may be negotiated, in technical data—*

*(A) That pertain to items, components, or processes developed with mixed funding except when the Government is entitled to unlimited rights in such data as provided in paragraphs (b)(1)(ii) and (b)(1)(iv) through (b)(1)(ix) of this clause; or*

*(B) Created with mixed funding in the performance of a contract that does not require the development, manufacture, construction, or production of items, components, or processes.*

*(ii) The five-year period, or such other period as may have been negotiated, shall commence upon execution of the contract, subcontract, letter contract (or similar contractual instrument), contract modification, or option exercise that required development of the items, components, or processes or creation of the data described in paragraph (b)(2)(i)(B) of this clause. Upon expiration of the five-year or other negotiated period, the Government shall have unlimited rights in the technical data.*

*(iii) The Government shall not release or disclose technical data in which it has government purpose rights unless—*

*(A) Prior to release or disclosure, the intended recipient is subject to the non-disclosure agreement at 227.7103-7 of the Defense Federal Acquisition Regulation Supplement (DFARS); or*

*(B) The recipient is a Government contractor receiving access to the data for performance of a Government contract that contains the clause at DFARS 252.227-7025, Limitations on the Use or Disclosure of Government-Furnished Information Marked with Restrictive Legends.*

*(iv) The Contractor has the exclusive right, including the right to license others, to use technical data in which the Government has obtained government purpose rights under this contract for any commercial purpose during the time period specified in the government purpose rights legend prescribed in paragraph (f)(2) of this clause.]*

***Identification and Assertion of Restrictions on the Government's Use, Release, or Disclosure of Technical Data or Computer Software.***

*The Offeror asserts for itself, or the persons identified below, that the Government's rights to use, release, or disclose the following technical data or computer software should be restricted:*

|  |  |  |  |
| --- | --- | --- | --- |
| *Technical Data or Computer Software to be Furnished With Restrictions[\*]* | *Basis for Assertion[\*\*]* | *Asserted Rights Category[\*\*\*]* | *Name of Person Asserting Restrictions[\*\*\*\*]* |
| *(LIST)[\*\*\*\*\*]* | *(LIST)* | *(LIST)* | *(LIST)* |

*[ \*For technical data (other than computer software documentation) pertaining to items, components, or processes developed at private expense, identify both the deliverable technical data and each such item, component, or process. For computer software or computer software documentation identify the software or documentation.*

*\*\*Generally, development at private expense, either exclusively or partially, is the only basis for asserting restrictions. For technical data, other than computer software documentation, development refers to development of the item, component, or process to which the data pertain. The Government's rights in computer software documentation generally may not be restricted. For computer software, development refers to the software. Indicate whether development was accomplished exclusively or partially at private expense. If development was not accomplished at private expense, or for computer software documentation, enter the specific basis for asserting restrictions.*

*\*\*\*Enter asserted rights category (e.g., government purpose license rights from a prior contract, rights in SBIR data generated under another contract, limited, restricted, or government purpose rights under this or a prior contract, or specially negotiated licenses).*

*\*\*\*\*Corporation, individual, or other person, as appropriate.*

*\*\*\*\*\*Enter “none” when all data or software will be submitted without restrictions.]*

*Date \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_*

*Printed Name and Title \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_*

*\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_*

*Signature \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_*

*[(End of identification and assertion)]*

1. **Commercialization Potential/Transition Plan Summary**

*[Briefly describe the proposed business strategy for transitioning from Phase II through final development and into acquisition, as well as the product or service expected to result from a Phase III effort. Identify the customer and the requirements for this technology. Questions to consider in your transition plan are:*

* *Who is the DON customer(s) for this project? Provide specific DON/DoD platforms or programs and include points of contact if available.*
* *What are the DON-defined requirements being addressed and the quantified operational gaps?*
* *What approach does the DON currently use to address this requirement and what benefit does your technology have over other approaches?*
* *What types of tests and demonstrations will be required before the technology will be approved for use on these platforms or programs?*
* *Other than DON or DoD, what potential commercial uses of the product or underlying technologies exist?*

*The transition plan should be updated as Phase II work progresses and will be reviewed by the appropriate Subject Matter Experts and SBIR Program Managers as a factor in continuing Base efforts and exercising Option(s).]*

**SNAPSHOT OF PROPOSED PHASE II EFFORT** *[Not to exceed 15 pages]*

1. **Description of Proposed Direct to Phase II Technical Effort and Objectives**

*[Provide the evaluator with an understanding of how the firm plans to execute the proposed Phase II technical effort. Enumerate the specific objectives of the proposed Phase II work. Explain how these objectives are designed to solve the research problem addressed in the topic and represent advancement over the work completed in the Phase I-type effort. Clearly distinguish between the objectives of the Phase II Base period and those of any Phase II Option(s).)]*

1. **Direct to Phase II Work Plan**

*[Include a proposed statement of work (SOW) that clearly describes proposed tasks and deliverables for the Base period and any Option(s). This section should comprise the major portion of the technical proposal.*

*The proposed SOW should describe, in chronological order, major tasks to be performed. Each task description should include an explanation of: 1) the work to be performed; 2) the expected product of the task (report, hardware, etc.); 3) the roles (if any) of subcontractors and/or consultants; and 4) the use of materials, software, special equipment, special tooling, etc. in the performance of the task.*

*Technical "milestones" should be scheduled to provide the government insight into expected progress and to consider for the exercise of any negotiated options.]*

1. **Key Personnel**

*[Use the table below to identify the Principal Investigator (PI), co-Principal Investigators (Co-PI), and any other key personnel, including direct employees, subcontractors or consultants, who will be involved in the Phase II effort. For any Foreign Nationals, please specify the country of origin, the type of visa or work permit under which they are performing and an explanation of the anticipated level of involvement on this project. During contract negotiations, additional information may be requested in order to verify Foreign National’s eligibility to participate on an SBIR 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)).]*

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Key Personnel Summary** | | | | |
| **Name** | **Role/Title** | **Foreign National**  **(Y/N)** | **Prime, Subcontractor or Consultant** | **Level of Involvement for Phase II**  **(% of Time)** |
| *[Example: John Smith]* | *[Example: Principal Investigator]* | *[Example: N]* | *[Example: Prime]* | *[Example: 60%]* |
|  |  |  |  |  |
|  |  |  |  |  |

*[For all personnel marked as “Yes” in Foreign National column above, please also complete the following chart, Foreign National Details.]*

|  |  |  |
| --- | --- | --- |
| **Foreign National Details[\*]** | | |
| **Name** | **Country of Origin** | **Type of Visa or Work Permit** |
| *[Example: Jane Smith]* | *[Example: Spain]* | *[Example: Permanent Resident]* |
|  |  |  |
|  |  |  |

*[\*RESTRICTION ON PERFORMANCE BY FOREIGN NATIONALS (i.e., those holding non-U.S. Passports): If the topic for the Phase II work is “ITAR Restricted”, the information and materials provided pursuant to or resulting from this topic are restricted under the International Traffic in Arms Regulations (ITAR), 22 CFR Parts 120 - 130, which controls the export of defense-related material and services, including the export of sensitive technical data. Foreign Nationals may perform work under an award resulting from this topic only if they hold a “Permanent Resident Card”, or are designated as “Protected Individuals” as defined by 8 U.S.C. 1324b(a)(3). If a proposal for an ITAR restricted topic contains participation by a Foreign National who is not in one of the above two categories, the proposal may be rejected.]*

1. **Subcontractors/Consultants**

*[List all subcontractors and consultants, the task(s) they will be performing, and their qualifications to perform the task(s).]*

|  |  |  |
| --- | --- | --- |
| **Subcontractors/Consultants** | | |
| **Subcontractor/Consultant Name** | **Task** | **Qualifications** |
|  |  |  |
|  |  |  |
|  |  |  |

1. **Order of Magnitude Cost Estimate**

*[Complete the table below as a cost estimate for the DP2 work plan. Include Labor for the Prime and Subcontractors, Fees and Other Direct Costs (including travel, material, outside testing, etc.). Refer to Table 1 in the instructions for the corresponding SYSCOM’s Not to Exceed (NTE) SBIR Base and Option Cost and Period of Performance Guidelines.*

*Details to be included are:*

1. *Direct Labor.* Provide the total estimated fully burdened value proposed for the Base period and each Option (if any).
2. *Subcontractors/Consultants.* List each subcontractor/consultant by name and provide the total estimated amount for each subcontractor/consultant proposed for the Base period and each Option (if any).
3. *Material.* Provide the total estimated amount proposed for the Base period and each Option (if any).
4. *Travel and Other Direct Costs.* Provide the total estimated amount proposed for the Base period and each Option (if any) to include travel (i.e., airfares, car rental and per diem) and other direct costs (ODC) for all activities to complete the contract requirements.
5. *General & Administrative (G&A).* Provide G&A rate(s) and its application base along with the total estimated amount proposed for the Base period and each Option (if any).
6. *Facility Capital Cost of Money (FCCM).* If applicable, provide FCCM rate(s) and its application base along with the total estimated amount proposed for the Base period and each Option (if any).
7. *Fixed Fee/Profit.* If applicable, include the proposed fixed fee/profit rate along with the total estimated amount proposed for the Base period and each Option (if any).]
8. *Discretionary Technical Assistance (DTA)*. Proposers have the option to request DTA funding in an amount NTE $5,000 per year to contract external services to assist in minimizing technical risks associated with SBIR projects and commercializing the resulting products and/or processes. If proposing DTA, a total of up to $5,000 may be added to the Base or Option periods.]

|  |  |  |  |
| --- | --- | --- | --- |
| **Cost Estimate** | | | |
| **Line Item - Details** | **Estimated Base Amount**  ***See Table 1 in the Instructions*** | **Estimated Option(s) Amount**  ***See Table 1 in the Instructions*** | **Total Estimated Amount**  **Base + Option(s)** |
| Direct Labor (fully burdened) – Prime |  |  |  |
| Subcontractors/Consultants |  |  |  |
| Material |  |  |  |
| Travel & ODC |  |  |  |
| Subtotal |  |  |  |
| G&A |  |  |  |
| FCCM |  |  |  |
| Total Estimated Costs |  |  |  |
| Fee/Profit |  |  |  |
| Total Estimated Costs  Plus Fee/Profit |  |  |  |
| DTA (NTE $5K) |  |  |  |
| Total Estimated Costs  Plus Fee/Profit  Plus DTA |  |  |  |

***[Important Note on Travel:***

*All DP2 awardees, except those receiving funds for DTA in their awards, must attend a one-day SBIR/STTR Transition Program (STP) meeting during the second year of the DP2 award; therefore, it is recommended that cost estimates include travel to Washington, D.C. for this event. For more information, go to* [*http://www.navysbir.com/Transition.htm*](http://www.navysbir.com/Transition.htm)*.*

***Important Note on Discretionary Technical Assistance (DTA) Requests:***

*Proposers have the option to request DTA funding in an amount NTE $5,000 per year to contract external services to assist in minimizing technical risks associated with SBIR projects and commercializing the resulting products and/or processes. Approval of DTA funding excludes firms from participating in any part of the STP.*

*DTA requests must be explained in detail with the cost estimate and provide purpose and objective (clear identification of need for assistance), provider’s contact information (name of provider; point of contact; details on its unique skills/experience in providing this assistance), and cost of assistance (clearly identified dollars and hours proposed or other arrangement details). The cost cannot be subject to any profit or fee by the requesting firm. In addition, the DTA provider may not be the requesting firm itself, an affiliate or investor of the requesting firm, or a subcontractor or consultant of the requesting firm otherwise required as part of the paid portion of the research effort (e.g., research partner).*

*Failure to include required DTA-related information with the cost estimate will result in disapproval of the request for DTA. Exceeding cost limits in the estimate without including the required identification of DTA will result in proposal rejection without evaluation.]*

1. **Resumes for Key Personnel**

*[Provide a resume containing the five areas of information (below) for each PI and key personnel on the project (up to 4 total). Resumes are limited to one page each in the following format.]*

Name:<First and Last Name>

Role/Title:<Role/Title for the Phase II Effort>

Education:

<School, Degree, Year>

Relevant Experience:

<A concise description of the investigator’s relevant technical experience and its application to this topic>

Relevant Awards:

<List any awards received for work related to this topic>

Relevant Publications:

<List any publications relevant to this topic>

*[Repeat this format as necessary to address the qualifications of up to a total of four (4) key personnel]*

**ATTACHMENTS** *[Not to exceed 25 pages]*

1. **Letters of Endorsement**

*[Letters of endorsement provide validation of interest by others. If available, attach letters of endorsement from the transitioning Program Office within the DoD or from the private sector that discuss the direct benefit of the technology to the agency(s) and/or their intent of follow-on funding either during Phase II or Phase III.]*

1. **Other Data and Analysis**

*[****Reminders:***

1. *Do not include the above* ***Instructions*** *with the Phase I Feasibility Volume.*
2. *Use the* ***Phase I Feasibility Volume*** *template but do not include the bracketed [ ] guidance provided in each section.*
3. *Complete all the text within angled brackets < > and then remove the angled brackets.*
4. *The entire completed document cannot exceed seventy-six (76) pages.]*