



THE UNDER SECRETARY OF DEFENSE

3010 DEFENSE PENTAGON
WASHINGTON, DC 20301-3010

ACQUISITION,
TECHNOLOGY
AND LOGISTICS

AUG 12 2011

MEMORANDUM FOR ASSISTANT SECRETARY OF DEFENSE FOR RESEARCH AND
ENGINEERING
SERVICE ACQUISITION EXECUTIVES
U.S. SPECIAL OPERATIONS COMMAND ACQUISITION
EXECUTIVE
DIRECTOR, DEFENSE ADVANCED RESEARCH PROJECTS
AGENCY
DIRECTOR, DEFENSE THREAT REDUCTION AGENCY
DIRECTOR, DEFENSE LOGISTICS AGENCY
DIRECTOR, NATIONAL GEOSPATIAL-INTELLIGENCE AGENCY
DIRECTOR, MISSILE DEFENSE AGENCY
DIRECTOR, OFFICE OF SMALL BUSINESS PROGRAMS
DIRECTOR, JOINT SCIENCE AND TECHNOLOGY OFFICE FOR
CHEMICAL AND BIOLOGICAL DEFENSE
DIRECTOR, DEFENSE MICROELECTRONICS ACTIVITY

SUBJECT: Defense Research and Development Rapid Innovation Fund (RIF) Goals and
Implementation Guidelines

Section 1073 of the National Defense Authorization Act for FY 2011, Public Law 111-383, and the 2011 Defense Appropriation Act provide the Department of Defense with authorities and funds to facilitate the rapid insertion of innovative technologies into military systems or programs that meet critical national security needs such as those supporting the resolution of operational challenges characterized by Joint Urgent Operational Needs.

The attached document details the Department's goals for use of the RIF authority and appropriation and provides guidance for RIF implementation and reporting. The goals reflect the Department's emphasis on rapid, responsive acquisition and engagement of small, innovative businesses in solving defense problems.

My point of contact is Mr. Ron Kurjanowicz, OASD(R&E), at 703-697-5776 or ronald.kurjanowicz@osd.mil.

Ashton B. Carter

Attachment:
As stated

cc:
USD(C)

ATTACHMENT

SUBJECT: Defense Research and Development Rapid Innovation Fund (RIF) Goals and Implementation Guidelines

- **RIF Goals:**

- **The Department's goals for the RIF are to transition:**

- Innovative technology, primarily from small businesses (including Small Business Innovation Research [SBIR] Phase II projects), that resolve operational challenges characterized by Joint Urgent Operational Needs (JUONs) or other critical national security needs.
- Innovative technology, primarily from small businesses (including SBIR Phase II projects), into existing Acquisition Category (ACAT) I-IA, II, III, IV programs, or into other defense acquisition programs.
- DoD-reimbursed Independent Research and Development (IR&D) technology developed by defense industrial base tier 2 and 3 suppliers that resolve operational challenges characterized by JUONs or other critical national security needs.
- DoD-reimbursed IR&D projects developed by defense industrial base tier 2 and 3 suppliers into existing ACAT I-IA, II, III, IV programs, or into other defense acquisition programs.

- **RIF Implementation Guidelines:**

- **Organization:**

- The Military Department Service Acquisition Executives (SAEs) and the Director, Office of Small Business Programs (OSBP), will establish RIF processes that support the Department's goals and meet the guidelines outlined in this Attachment.
 - The OSBP processes will combine and represent the interests of the organizations listed in the Appendix into a common RIF solicitation.
- The Assistant Secretary of Defense for Research and Engineering (ASD(R&E)) will coordinate RIF activities among the Military Departments and OSBP.
 - The Military Departments and OSBP will forward the name(s) and contact information of their RIF point(s) of contact (POC(s)) to the ASD(R&E).

- **Solicitation of Technical Proposals:**

- The Military Departments and OSBP will use Broad Agency Announcements (BAAs) to solicit technical proposals for RIF funding.
 - For efficiency purposes, the Military Departments and OSBP may combine efforts to publish a common BAA. The solicitation's technical areas shall

identify the DoD organization(s) seeking proposals for that area. The Components' personnel shall be responsible for conducting the evaluations of proposals submitted to the areas where they were identified as having an interest (See "Evaluation of Technical Proposals" in this Attachment).

- The BAA will list the targeted JUON challenge areas and the targeted ACAT I-IA, II, III, IV or other acquisition programs.
 - The OSD Joint Rapid Acquisition Cell (JRAC) will collaborate with the RIF POCs to agree on a common list of JUON challenge areas.
- The ASD(R&E) will provide the list of tier 2 and 3 suppliers in the defense industrial base according to their participation in IR&D to the RIF POCs.
- The BAA will be open for 45 days.
 - The RIF solicitation process shall include the opportunity for potential bidders to submit a white paper to determine government interest. RIF POCs shall attempt to provide responses to white paper submissions within 5 business days, circumstances permitting.

○ **Evaluation of Technical Proposals:**

- Component Program Executive Officers (PEOs) or Program Managers (PMs) will conduct the evaluations of the technical proposals and provide funding recommendations to the Source Selection Authority (SSA).
- The SAEs will appoint a SSA to review the PEO or PM recommendations and select the proposals that will be funded using appropriated RIF funds.
- The USD(AT&L) will appoint the SSA for the organizations listed in the Appendix.
 - In a combined solicitation that represents the interests of the Military Departments and the organizations listed in the Appendix, the SAE-appointed SSA remains responsible to select the projects to be funded using their respective RIF funds. The USD(AT&L)-appointed SSA shall only select projects to be funded by the defense-wide RIF funds.
- The following source selection criteria are RIF-specific. They are to be added to the minimum evaluation criteria required by the FAR or DFARS.
 - Project is relevant to the targeted JUON challenge areas or acquisition programs identified in the solicitation, and it:
 - Enhances military capability; and/or
 - Accelerates the development of military capability; and/or
 - Reduces the development costs of acquisition programs; and/or
 - Reduces the sustainment costs of fielded systems.

- Project can be completed within 24 months from award.
- Project costs are reasonable and realistic, and total cost does not exceed \$3 million.
- SSAs will use the following selection preferences, listed in order of priority:
 1. Small business projects, including SBIR Phase II or IR&D projects, that accelerate the deployment of military capability to resolve operational challenges characterized by JUONs or other critical national security needs.
 2. Small business projects, including SBIR Phase II or IR&D projects, that show a clear transition path to fielding the technology into existing ACAT I–IA, II, III, IV and other defense acquisition programs.
 3. Projects from other than small businesses that accelerate the deployment of military capability to resolve operational challenges characterized by JUONs or other critical national security needs.
 4. Projects from other than small businesses that show a clear transition path to fielding the technology into existing ACAT I–IA, II, III, IV and other defense acquisition programs.
 - Projects recommended for award that simultaneously satisfy both priority areas 1 and 2 shall be selected before projects that satisfy only priority 1.
 - Projects recommended for award that simultaneously satisfy both priority areas 3 and 4 shall be selected before projects that satisfy only priority 3.
- **Awards:**
 - Contracts, cooperative agreements, and other transactions are allowed for purposes of issuing RIF awards.
 - The Military Departments and OSBP RIF processes shall include procedures to preclude a single firm from receiving multiple RIF awards for equivalent technical proposals submitted to another Component’s RIF BAA.
- **Phased Implementation:**
 - The Department will implement the RIF in phases.
 - Phase 1 (August to December 2011): Development of Military Department and OSBP RIF processes leading to project selection and awards. Funds released for RIF awards are:
 - Army \$24 million
 - Navy \$24 million
 - Air Force \$24 million
 - Defense-wide (OSBP) \$27.5 million

- Military Departments and OSBP may expend up to 3 percent of the RIF-appropriated funds for program management and administrative expenses.
 - The SAEs and the Director, OSBP, in collaboration with the organizations listed in the Appendix, shall accomplish the key RIF implementation tasks not later than the following dates:
 - August 2011: Development of Component RIF processes; and
 - September to December 2011: BAA publication, evaluation of technical proposals, and awards.
 - The ASD(R&E) shall assess the effectiveness and efficiency of the Phase 1 implementation processes and results and report the findings to the USD(AT&L) by December 23, 2011.
- **RIF Reports:**
 - Military Department RIF POCs shall forward the following information to the ASD(R&E) not later than 15 business days following completion of awards under a BAA:
 - The competitive, merit-based process used;
 - A list of the projects funded under the RIF;
 - The amount of funds awarded for each project;
 - The JUON challenge area and/or acquisition program that the RIF project supports; and
 - Anticipated transition timeline for the project.
 - The Director, OSBP, will be responsible for the preparation and completion of all congressionally mandated reports regarding RIF implementation and awards.
 - **Waivers to Implementation Guidelines:**
 - The USD(AT&L) is the waiver authority for deviations from the implementation guidelines and for the selection of technical proposals that exceed the 24-month or \$3 million criteria. Submit waiver requests through the ASD(R&E).

APPENDIX

SUBJECT: Organizations Represented by the Director, Office of Small Business Programs, in Rapid Innovation Fund Implementation

- U.S. Special Operations Command
- Defense Advanced Research Projects Agency
- Defense Logistics Agency
- Defense Threat Reduction Agency
- Missile Defense Agency
- National Geospatial Intelligence Agency
- Defense Microelectronics Activity
- Joint Science and Technology Office for Chemical and Biological Defense