

DARPA SBIR/STTR Contracting FAQs

My proposal has been selected for possible award – now what?

Defense Advanced Research Projects Agency (DARPA)
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<http://www.darpa.mil/work-with-us/for-small-businesses>





DARPA SBIR/STTR Contracting FAQs

You've received notification that your SBIR or STTR proposal has been selected for possible award – now what? The following pages provide additional details on the timeline of events and important pre- and post-award considerations and actions.

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Timeline of Events

- If you have received notification that your proposal has been selected for negotiation and possible award, the DARPA Small Business Programs Office (SBPO) has begun the process of assigning a Contracting Agent.
- DARPA typically relies on the following agencies to provide contracting support for its SBIR and STTR Programs:
 - Department of the Air Force
 - Department of the Army
 - Department of the Navy
 - Department of Interior (DOI)
 - National Aeronautics and Space Administration (NASA)
 - General Services Administration (GSA)
 - DARPA Contracts Management Office (CMO), on a limited, case-by-case basis
- Once an Agent is assigned, DARPA SBPO completes the necessary documentation to provide to the Agent to begin the award process.
- Please allow up to **4-6 weeks** after receiving your selection letter from DARPA to be contacted by a Contracting Agent.

REMINDER: The contract award is subject to the availability of funding and the selection letter in no way commits DARPA to make any awards, make a specific number of awards, or be responsible for monies expended by any offeror before award of a contract or option.



Required Pre-Negotiation Actions

In order to expedite contract negotiations and facilitate the award process, each item below must be completed:

- ✓ **System for Award Management (SAM) Registration** – be sure you have submitted the **Representations and Certifications** via SAM. Be prepared to provide the DARPA Contracting Agent requested documentation supporting proposed direct and indirect costs. Your cost estimate is considered valid for a period of 180 days from proposal submission.
- ✓ **CAGE code and DUNS number** – be sure this information has been added to the firm profile on the DoD SBIR/STTR Proposal Submission site (<https://sbir.defensebusiness.org/>).
- ✓ **SF1408 "Pre-award Survey of Prospective Contractor Accounting System Checklist"** – complete and provide to the Contracting Agent when you are contacted by them. Checklist located at <http://www.dcaa.mil>, under "Checklists and Tools" menu.
- ✓ **Cost Proposal Justification** – be prepared to provide the Excel version of your cost proposal and price justification for all items included.
- ✓ **Foreign Citizen Documentation** – you must be able to specify country of origin, the type of visa or work permit under which they are performing and an explanation of their anticipated level of involvement on this project. You may be asked to provide additional information during negotiations in order to verify the foreign citizen's eligibility to participate on a SBIR or STTR contract.

Do not wait to be contacted by a Contracting Agent – complete these actions as soon as possible!



Potential Award Instruments

The award instrument is dependent upon the situation, solution, and proposed team. Only these instruments are used for SBIR/STTR awards.

- *Traditional Procurement Contracts* (buying goods or services for direct benefit of Government):
 - **Firm-fixed price (FFP)** - Phase I contracts are typically awarded as FFP
 - **Cost Plus Fixed Fee (CPFF)** – Phase II contracts are typically awarded as a CPFF, however may also be awarded as FFP or OT on a case-by-case basis.
- *Other Transactions for Prototypes (OT)* (commercial-like agreements for acquisition of military-focused prototypes)
 - Only considered for Phase II awards
 - The Corporate Official listed on the proposal coversheet will be contacted by DARPA SBPO if your company is a potential candidate for an OT.



Pre-Award Considerations

If at all possible, avoid changing the company name, ownership, Principal Investigator, or performance location. Doing any of these will result in a delay of award or possibly result in the firm's ineligibility for an SBIR/STTR award.

Cost Accounting System:

In order to reduce risk to the small business and avoid potential contracting delays, it is HIGHLY suggested that companies interested in pursuing Phase II SBIR/STTR contracts have an adequate accounting system in accordance with Defense Contract Audit Agency (DCAA) requirements and standards available at <http://www.dcaa.mil>.

Please be sure to complete the **SF1408 "Pre-award Survey of Prospective Contractor Accounting System Checklist"** and provide to the Contracting Agent when you are contacted by them. The checklist is located at <http://www.dcaa.mil>, under the "Checklists and Tools" menu.

During Phase II negotiations, the Contracting Agent will request that DCAA perform a review of your accounting system, if required.



Pre-Award Considerations

ITAR/Export Control:

The International Traffic in Arms Regulations (ITAR), 22 CFR Parts 120 through 130, and the Export Administration Regulations (EAR), 15 CFR Parts 730 through 799, will apply to all projects with military or dual-use applications that develop beyond fundamental research, which is basic and applied research ordinarily published and shared broadly within the scientific community.

Export control compliance statements found in DARPA's proposal instructions of the DoD SBIR/STTR solicitation are not meant to be all inclusive. They do not remove any liability from the small business to comply with applicable ITAR or EAR export control restrictions or from informing the Government of any potential export restriction as fundamental research and development efforts proceed.

Visit http://www.pmdtc.state.gov/regulations_laws/itar.html for additional information.

If the proposed effort involves critical technology subject to export control (ITAR), the company must obtain a certification number using DD Form 2345, found at:

<http://www.dla.mil/HQ/InformationOperations/Offers/Products/LogisticsApplications/JCP.aspx>



Pre-Award Considerations

Human and/or Animal Testing:

Proposers are encouraged to separate research tasks and tasks involving human and/or animal use in the Technical Volume and Cost Volume in order to avoid delay of contract award. If Human/Animal Testing has been proposed, funds cannot be released or used for any portion of the project involving the recruitment of or use of human/animal subjects in the research until all of the proper approvals have been obtained in accordance with applicable regulations.

In accordance with DoD policy, human and/or animal subjects in research conducted or supported by DARPA shall be protected. Significant lead time is required to prepare the documentation and obtain approval in order to avoid delay of the Phase II award.

Please visit <http://www.darpa.mil/work-with-us/for-small-businesses/participate-sbir-sttr-program> to review the Human and Animal Use PowerPoint presentation(s) to understand what is required to comply with human and/or animal protocols.



Post-Award Considerations

DO NOT

- Do NOT accelerate project schedule or funding expenditures without prior approval from your Contracting Officer.
- Do NOT leave money on the table – know when the funding on your contract expires. Do NOT assume it can be rolled over to another line item.
- Do NOT continue working past the contract end date.
- Do NOT deviate from the original scope of work – even if directed to. Contact your Contracting Officer.



Post-Award Considerations

DO

- Read and understand your contract.
- Execute technical milestones according to contract.
- Submit monthly/quarterly/final reports on time.
- Notify Contracting Officer when 75% expended.
- Submit a No-cost Extension (NCE) request to your Contracting Officer at least 60 days in advance of the contract end date. Note that submission does not guarantee approval.
- Notify Contracting Officer if changing the Principle Investigator, sub-contractors or other key items.
- If you have questions, contact your Contracting Officer.



The DARPA SBIR/STTR Information Portal (SSIP)

- Located at <https://sbir.darpa.mil>, the SSIP is used to manage and administer the SBIR/STTR program.
- Use of the DARPA SBIR/STTR Information Portal (SSIP) is MANDATORY. The registered Corporate Official (CO) MUST authenticate into the SSIP (via the DARPA Extranet) to retrieve the decision notice, view technical evaluation narratives, and to upload reports (awarded contracts only).
- DARPA extranet accounts will ONLY be created for the individual named as the CO on the Proposal Cover Sheet. Offerors may not request accounts for additional users at this time.
- DARPA SBPO will automatically create an extranet account for the CO and send the SSIP URL, authentication credentials, and login instructions AFTER the selection period has closed.
- Once an account is established, it is recommended to log in to the system every 30 days in order to keep your account active. After 45 days of inactivity, your DARPA Extranet account will be deactivated. Accounts may be reactivated, however after 90 days, your Extranet account will be deleted. If your project is still active, you will have to request a new Extranet account in order to log on to the SSIP and comply with contract deliverables.
- All awardees are required to submit reports (frequency will be outlined in the contract) via the SSIP. The final report, prepared in accordance with DFARS 252.235-7011, shall document the results of the complete effort as set forth in the Statement of Work. Acceptance (or approval) of the final report shall not be based on results or findings, but on completion of work as outlined in the Statement of Work.



Submitting Invoices

Each Contracting Agent requires submission of invoices to one of the following systems in order to receive payment:

- DoD agencies – Wide Area Workflow (WAWF)
- Department of Interior (DOI) – Invoice Processing Platform (IPP) Disburser
- NASA – NASA Shared Services Center (NSSC)
- GSA – Vendor Payment Portal

Details of the invoicing system, requirements and instructions for use will be outlined in your contract and/or kick off meetings with your Contracting Officer Representation (COR).