

DARPA SBIR/STTR Contracting Frequently Asked Questions

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

Defense Advanced Research Projects Agency (DARPA)
Small Business Programs Office (SBPO)

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<https://www.darpa.mil/work-with-us/communities/small-business>





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 – Part 1

- 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)
 - DARPA Contracts Management Office (CMO)
- 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.



Timeline of Events – Part 2

- Once you have been contacted by the contracting agent you may be asked to provide the following forms of information to facilitate contract negotiation and award:
 - **Substantiating cost documentation** (examples of what may be requested are: pay stubs, payroll data, invoices, quotes, agreements, Defense Contract Audit Agency (DCAA) Provisional Billing Rates (PBR), etc.).
 - **Answers to technical and/or pricing questions to clarify proposed contract performance**
 - **Milestone pricing rationale**
 - **Rationale for proposed redlines to an Other Transaction Agreement (OTA or OT)**
 - **Business Size Status Certification**
 - **Etc.**
- The faster your company is able to provide the requested information back to the assigned contracting agent, the faster your company may be awarded a contract.
- Once proposal evaluation and contract negotiation is complete, your company will receive a full contract and subsequent attachments for your review and signature
- Shortly after your company returns a signed copy of the contract, an authorized individual within the contracting agent's shop will countersign and return to your company a fully executed contract... Congratulations, you may now begin the work!



Required Pre-Negotiation Actions – Part 1

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 an active and accurate registration and have submitted the **Representations and Certifications** via SAM. If at all possible, please do not update your SAM registration after your proposal has been selected. If this is done, it may result in a delay in award.
- ✓ **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://www.dodsbirsttr.mil/submissions/login>).
- ✓ **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.
- ✓ **Current NIST SP 800-171 Self-Assessment** – Portal to complete can be found here: <https://www.sprs.csd.disa.mil/nistsp.htm>
- ✓ **(PHASE II SBIR ONLY) – 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.

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



Required Pre-Negotiation Actions – Part 2

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

- ✓ **Schedule of Milestones and Payments** – If your company did not provide a completed Schedule of Milestones and Payments in its proposal, please complete and provide to the Contracting Agent when you are contacted by them.
- ✓ **(STTR ONLY) Intellectual Property Agreement** - Provide a copy of the written agreement between your company and the research institution allocating intellectual property rights and rights to carry out follow-on research, development, or commercialization. Be prepared to provide to the Contracting Agent when you are contacted by them.
- ✓ **Fundamental Research** – If your company and/or your subcontractors are performing Fundamental Research, be prepared to provide an updated SOW that delineates which tasks are Fundamental Research (this may be as simple as highlighting those specific tasks deemed to be fundamental research in your company's proposed SOW).
- ✓ **Proposed Statement of Work in word format – Often times the contracting agent receives your proposal in PDF format and conversion to word format may not work. A word version of the document is required in order to add it as an attachment to the contract.**

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



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):
 - **Purchase Order (PO)** – Phase I contracts only, and are a fixed price contract vehicle.
 - **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. Contractors must have a DCAA approved Cost Accounting System in order to be eligible for a CPFF contract.
 - **Firm-fixed price (FFP)** – Phase II contracts may be awarded as FFP contracts depending on requirements, period of performance, and other factors unique to each individual proposals. FFP contracts are also awarded for Phase II's when a contractor does not have a DCAA approved Cost Accounting System.
- *Other Transactions for Prototypes (OT)* (commercial-like agreements for acquisition of military-focused prototypes)
 - Only considered for Phase II awards
 - The Corporate Official and Authorized Negotiator listed on the proposal coversheet will be contacted by DARPA SBPO if your company is a potential candidate for an OT.



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.



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 https://www.pmddtc.state.gov/ddtc_public/ddtc_public?id=ddtc_kb_article_page&sys_id=24d528fdbfc930044f9ff621f961987 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>.



Human and/or Animal Testing:

Proposers are encouraged to separate research tasks and tasks involving human and/or animal use in the is required to prepare the documentation and obtain approval in order to avoid delay of the Phase I **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 I 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 deviate from the original scope of work – even if directed to. Contact your Contracting Officer immediately if this situation arises.

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 Principal Investigator, sub-contractors or other key items.
- Contact your Contracting Officer with any questions you have in regards to your contract.



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 asset 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).