ACQUISITION STRATEGY DOCUMENT

SBIR *DIRECT TO PHASE II* for

“*(INSERT TITLE OF PROPOSAL*)” with

(*INSERT PERFORMER’S NAME)*

This acquisition will be entered into between the Defense Advanced Research Projects Agency (DARPA) and (*INSERT PERFORMER’S NAME)* (Performer), a small business that meets the definition of "Non-traditional Defense Contractor," as defined by 10 U.S.C. § 2302(9).[[1]](#footnote-1) Performer agreed to use an Other Transactions (OT) for Prototypes agreement in lieu of a FAR-based contract, and a technical description of the program and a description of the acquisition strategy for Performer’s proposal entitled, “*(INSERT TITLE OF PROPOSAL)*,” are discussed in detail below.[[2]](#footnote-2)

**Consistency with Authority**

DARPA’s authority to carry out certain prototype project is found in 10 U.S.C. § 4022, National Defense Authorization Act for Fiscal Year 2016. This authority grants DARPA the designation to, “[C]arry out prototype projects that are directly relevant to enhancing the mission effectiveness of military personnel and the supporting platforms, systems, components, or materials proposed to be acquired or developed by the Department of Defense, or to improvement of platforms, systems, components, or materials in use by the armed forces.”[[3]](#footnote-3)

(*INSERT DESCRIPTION OF PROPOSED RESEARCH AND DELIVERABLE.)*

**Rationale for Using Authority**

A primary benefit of using the OT for Prototypes authority is the encouragement and enabling of nontraditional defense contractors or performers to contract with the Government to develop enterprising archetypes uniquely related to national defense. Performer’s Small Business Innovation Research (SBIR) *Direct to Phase II* proposes technical aspects of noted exception with no deficiencies, and the proposal clearly and fully describes a mature, measurable approach to meeting and exceeding the defined topic objectives.[[4]](#footnote-4) The selection of Performer’s proposal was based on the potential for Government or private commercial application and the benefits expected to accrue from this commercialization.[[5]](#footnote-5)

Performer is a small company with an average of 30 employees in the preceding year leading up to their proposal. But for DARPA’s ability to utilize the OT for Prototypes authority, Performer may not have had the ability to perform this research under a government award due to their lack of internal structure to support a traditional cost-reimbursement type contract. A fixed price FAR-based contract could present potential financial and administrative complications due to the uncertainty and lack of maturity in the requirements and the rigid pricing structure of such an award. Utilization of an OT for Prototypes agreement with Performer will allow for *(INSERT ONE-SENTENCE DESCRIPTION OF PROGRAM/PROTOTYPE)*. The OT for Prototypes agreement provides the parties the most flexible contracting arrangement to accommodate the changing requirements in this research area. Accordingly, the use of the OT for Prototype agreement is proper and in the best interest of the Government.

**Technical and Management Description of Program**

Performer plans to demonstrate the Phase II prototype with multiple system design models. Performer anticipates its Phase II approach to develop the *(INSERT ONE-SENTENCE DESCRIPTION OF PROGRAM/PROTOTYPE)*.

The objectives of Performer’s SBIR Direct to Phase II are as follows:[[6]](#footnote-6)

1. *(INSERT EACH OBJECTIVE FROM MILESTONE PLAN)*

*(INSERT PERFORMER EXPECTATIONS FOR APPROACH)*. *(INSERT DESCRIPTION OF PROPOSED PROTOTYPE)*.[[7]](#footnote-7)

The Agreement’s Officer Representative will be *(INSERT NAME OF AOR AND OFFICE)*. Performer will regularly report its technical progress to the Government, as well as financial operations related to the effort. The Government will provide guidance and oversight of all technical,schedule, and financial operations. Performer will be responsible for the overall technical and program management of the effort, and execution shall remain with Performer. The DARPA Program Manager, *(INSERT PM NAME)*, will provide recommendations to program developments, technical collaboration, and be responsible for the review and verification of the deliverable milestones.

**Risk Assessment**

*PM’S NAME*’s Cost Reasonableness and Technical Evaluation identified areas of weakness within Performer’s technical approach, namely the *(INSERT weaknesses and how they are/will be addressed, with conclusion that little risk is presented to Government)*.[[8]](#footnote-8)

**Competition**

Performer was competitively selected for the *Direct to Phase II* award under SBIR Topic Number *INSERT TOPIC NUMBER FOR SBIR OR SOLICITATION NUMBER FOR NON-SBIR*.[[9]](#footnote-9) The Phase II award for SBIR Topic Number *TOPIC NUMBER* is part of Performer’s overall proposal entitled, “*TITLE OF PROPOSAL*,” dated *XX*.[[10]](#footnote-10)

**Nature of the Agreement**

This Agreement is issued pursuant to DARPA’s OT for Prototypes authority of 10 U.S.C. § 4022, National Defense Authorization Act of Fiscal Year 2016. This Agreement is not a traditional federal procurement contract based on the Federal Acquisition Regulation (FAR) and Defense FAR Supplement (DFARS). Performer shall be paid for the agreement value of $XX, for an XX-month effort, subject to the accomplishments of the Payable Milestones. There are no options proposed for this agreement.

Performer has proposed the exit criteria for the milestone events, and the Schedule of Milestones and Payments may be revised or modified by mutual agreement of both parties. Redistribution of funding among the milestones is limited to the total agreement value. The negotiated Agreement will include provisions for data rights to intellectual property/data/software, ITAR restrictions, foreign access to technology, public release restrictions, dispute resolution, flow-down requirements, reporting requirements, changes, and termination. Additionally, the negotiated Agreement will incorporate by reference the proposed Statement of Work as well as payable milestone definitions, exit criteria and payment amounts.

**Follow-on Activities**

There are currently no follow-on activities proposed for this agreement.

**Review:**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

*AO’S NAME*, Agreements Officer (Date)

Deputy Director, DARPA Contracts Management Office

**Approval:**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

*LEVEL-ABOVE AO’S NAME*  (Date)

Director, DARPA Contracts Management Office

1. 10 U.S.C. § 2302(9) [↑](#footnote-ref-1)
2. Performer’s proposal, dated XX, is maintained in E-Triever. [↑](#footnote-ref-2)
3. 10 U.S.C. § 4022 [↑](#footnote-ref-3)
4. PM’s cost reasonableness and technical evaluation, dated XX, is maintained in E-Triever. [↑](#footnote-ref-4)
5. PM’s cost reasonableness and technical evaluation, dated XX, is maintained in E-Triever. [↑](#footnote-ref-5)
6. *See*, Section XX of Performer’s technical proposal. Performer’s technical proposal, dated XX, is maintained in E-Triever. [↑](#footnote-ref-6)
7. *See*, Section XX of Performer’s proposal. Performer’s proposal, dated XX, is maintained in E-Triever. [↑](#footnote-ref-7)
8. Technical weaknesses of the proposed approach are noted in the PM’s cost reasonableness and technical evaluation, and maintained in E-Triever. [↑](#footnote-ref-8)
9. SBIR Topic Number XX is maintained in E-Triever. SBIR Selection Number XX and its corresponding source selection materials are maintained in E-Triever. [↑](#footnote-ref-9)
10. Performer’s proposal, dated XX, is maintained in E-Triever. [↑](#footnote-ref-10)