



Program Announcement

For

Artificial Intelligence Exploration (AIE)

Defense Advanced Research Projects Agency

DARPA-PA-22-02

August 19, 2022

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PROPOSAL TEMPLATE – SUMMARY SLIDE

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MODEL OTHER TRANSACTION (OT) FOR PROTOTYPE

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TASK DESCRIPTION DOCUMENT TEMPLATE

## 1. Overview Information

- **Federal Agency Name** – Defense Advanced Research Projects Agency (DARPA)
- **Funding Opportunity Title** –AI Exploration
- **Announcement Type** – Program Announcement (PA)
- **Funding Opportunity Number** – DARPA-PA-22-02
- **NAICS Code:** 541715; Small Business Size: 1000
- **Dates** (All times listed herein are Eastern Time.)
  - Posting Date: August 19, 2022
  - Closing Date: August 18, 2023 4:00 PM
- **Concise description of the funding opportunity:** Current Artificial Intelligence (AI) technologies are being successfully exploited to achieve powerful new capabilities. DARPA seeks to invest in focused explorations of what the AI science and technologies of the future could be. DARPA's AI Exploration (AIE) program will enable exploratory research on a range of AI related topics that will be periodically solicited as AIE Opportunities through publication of Presolicitation Notices under Contract Opportunities on <https://SAM.gov>. It is DARPA's intent to make awards for future AIE Opportunities within 90 days of posting on <https://SAM.gov>. In order to ensure that DARPA achieves the AIE goal of award within 90 calendar days from the posting date of each AIE Opportunity, DARPA reserves the right to cease negotiations when an award is not executed by both parties (DARPA and the selected organization) on or before the deadline explicitly listed in each AIE Opportunity Notice. This deadline will be no more than 90 calendar days from the posting date of the corresponding AIE Opportunity.
- **Anticipated individual awards** – Multiple awards are anticipated.
- **Types of instruments that may be awarded** – Other Transactions for Prototype Projects
- **Any cost sharing requirements:** Cost sharing may be required in certain situations for Other Transactions for Prototype Projects awarded under the authority of 10 U.S.C. § 4022.
- **Agency contact**
  - **Email:** Each AIE Opportunity will identify a specific email address
  - **Mailing Address:**

DARPA  
 ATTN: DARPA-PA-22-02  
 675 N. Randolph St.  
 Arlington, VA 22203-1714

## **2. Funding Opportunity Description**

### **2.1 Introduction**

The mission of the Defense Advanced Research Projects Agency (DARPA) is to make strategic, early investments in science and technology that will have long-term positive impact on our Nation's security. In support of this mission, DARPA has pioneered groundbreaking research and development (R&D) in Artificial Intelligence (AI) for more than five decades. Today, DARPA continues to lead innovation in AI research through a large, diverse portfolio of fundamental and applied R&D AI programs aimed at shaping a future for AI technology where machines may serve as trusted and collaborative partners in solving problems of importance to national security. The AI Exploration (AIE) program is one key element of DARPA's broader AI investment strategy that will help ensure the U.S. maintains a technological advantage in this critical area.

Past DARPA AI investments facilitated the advancement of "first wave" (rule-based) and "second wave" (statistical learning-based) AI technologies. DARPA-funded R&D enabled some of the first successes in AI, such as expert systems and search, and more recently has advanced machine learning algorithms and hardware. DARPA is now interested in researching and developing "third wave" AI theory and applications that address the limitations of first and second wave technologies.

The pace of discovery in AI science and technology is accelerating worldwide. AIE will enable DARPA to fund pioneering AI research to discover new areas where R&D programs awarded through this new approach may be able to advance the state of the art. AIE will enable DARPA to go from idea inception to exploration in 90 days.

To enable this approach, DARPA will issue AIE Opportunities via targeted Presolicitation Notices. These Presolicitation Notices will focus on technical domains important to DARPA's goals in pursuing disruptive third wave AI research concepts. More information about DARPA's current AI technical domains and research topics of interest may be found at <http://www.darpa.mil> under individual offices opportunities page.

### **2.2 AI Exploration (AIE) Opportunities**

AIE Opportunities will be announced via Presolicitation Notices issued under this Program Announcement (PA), DARPA-PA-22-02. These AIE Opportunities will solicit proposals and will be open for a maximum of 30 days from publication at <https://SAM.gov>.<sup>1</sup> AIE Opportunities will describe rapid projects comprising two phases as described below. During these periods of performance, very high-risk, high-reward topics will be investigated with the goal of determining feasibility and clarifying whether the area is ready for increased investment. The ultimate goal of each AIE Opportunity is to invest in research that leads to prototype development that may result in new, game-changing AI technologies for U.S. national security. The prototype projects pursued under AIE may include, but are not limited to, proofs of concept; pilots; novel

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<sup>1</sup> Because DARPA is soliciting proposals for the award of Other Transactions (OTs) for Prototype, and OTs are not subject to the Federal Acquisition Regulation (FAR), the 45-day response time required at FAR 5.203 does not apply.

applications of commercial technologies for defense purposes; creation, design, development, demonstration of technical or operational utility; or combinations of the foregoing, related to a prototype. Proposals submitted in response to AIE Opportunities will be evaluated and selected in accordance with Section 6 of this PA.

Each AIE Opportunity will (1) identify specific details regarding the research topic of interest and (2) provide proposal content and submission instructions in addition to those outlined in this PA, including the due date for proposal submissions. Proposals must only be submitted in response to an AIE Opportunity. Proposals submitted in response to this PA without an active, corresponding AIE Opportunity may be disregarded. See section 5.2 for submission instructions.

### **2.3 AIE Opportunity Proposal Information and Structure**

Proposals submitted in response to an AIE Opportunity must be UNCLASSIFIED and must address two independent and sequential project phases (a Phase 1 Feasibility Study (base) and a Phase 2 Proof of Concept (option)). The periods of performance for these phases are specific to each AIE Opportunity but are anticipated to be approximately 3-9 months for the Phase 1 base effort and 9-15 months for the Phase 2 option effort. Combined Phase 1 base and Phase 2 option efforts for any AIE Opportunity should not exceed 18 months. Specific technical objectives to be achieved, task descriptions, intellectual property rights, milestone payment schedule, and deliverables will be addressed in each AIE Opportunity.

For any proposal selected for award, the Government reserves the right to award only Phase 1 or a combined Phase 1 and 2 effort. In cases where only a Phase 1 award is made at the outset, the Government may award the option effort for Phase 2 depending on the outcome of the Phase 1 effort and funding availability. Due to the potential for awarding follow-on Phase 2 efforts, DARPA is requesting a proposal validity period of 365 days.

The total award value for the combined Phase 1 base and Phase 2 option is limited to \$1,000,000. This limit applies to the sum of the Government's funding and any performer cost share (if required or if proposed). If the proposed solution meets the statutory requirements for cost share, proposers must include a minimum of one third cost share for each proposed Phase in their proposal, in accordance with 10 U.S.C. § 4022(d)(1)(C). All awards made as a result of an AIE Opportunity issued under this PA will be Other Transactions (OTs) for prototype projects awarded under the authority of 10 U.S.C. § 4022.

There are currently no follow-on acquisitions planned once a performer has completed Phases 1 and 2. However, the goal of AIE and each selected AIE Opportunity research project is to fund research that leads to prototype development. If, during or after Phase 2, a Performer is making progress towards or has accomplished a successful proof of concept, and a deliverable prototype is within reach or a promising initial prototype has been developed, the Government may elect to modify the OT agreement to fund additional tasks to pursue further prototype development, fabrication, and delivery.

In accordance with 10 U.S.C. § 4022(f), the Government may award a follow-on production contract or OT, without any additional competition, to any OT awarded under this PA if: (1) that participant in the OT or a recognized successor in interest to the OT successfully completed the entire prototype project provided for in the OT, as modified, and (2) the OT provides for the

award of a follow-on production contract or OT to the participant or a recognized successor in interest to the OT.

The flexibility of the OT award instrument is beneficial to the program because the Performer will be able to apply its best practices as required to carry out the research project that may be outside of the Federal Acquisition Regulation (FAR) process-driven requirements. Streamlined practices will be used, such as milestone-driven performance measures, which are intended to reduce time and effort on award administration tasks and permit performers to focus on the research effort and rapid prototyping. OTs provide the Government and the proposer the flexibility to create an award instrument that contains terms and conditions that promote commercial transition, reduce some administratively burdensome acquisition regulations, and meet DARPA program goals.

Proposers must only propose an OT agreement with fixed payable milestones. Fixed payable milestones are fixed payments based on successful completion of the milestone accomplishments agreed to in the milestone plan. Refer to the model OT provided as an attachment to this PA for additional information. Specific milestones will be based upon the Research Project Objectives detailed in the AIE Opportunity.

Please see Appendix A and <http://www.darpa.mil/work-with-us/contract-management> for more information on OTs and DARPA's OT authority.

### **3. Award Information**

#### **3.1 General Award Information**

Multiple awards are anticipated. The amount of resources made available under each AIE Opportunity issued under DARPA-PA-22-02 will depend on the quality of the proposals received and the availability of funds.

The Government reserves the right to select for negotiation all, some, one, or none of the proposals received in response to an AIE Opportunity issued under this PA and to make awards without communications with proposers. Additionally, the Government reserves the right to award all, some, one, or none of the options on the agreements(s) of the Phase 1 performers based on available funding and Phase 1 technical performance. The Government also reserves the right to communicate with proposers if it is later determined to be necessary. If warranted, portions of resulting awards may be segregated into pre-priced options. Additionally, DARPA reserves the right to accept proposals in their entirety or to select only portions of proposals for award. In the event that DARPA desires to award only portions of a proposal, negotiations may be opened with that proposer. The Government reserves the right to fund proposals in phases with options for continued work, as applicable.

The Government reserves the right to request any additional, necessary documentation to support the negotiation and award process. The Government reserves the right to remove a proposal from award consideration should the parties fail to reach agreement on award terms, conditions, and price, and the proposer fails to provide requested additional information in a timely manner.

Because of the desire to streamline the award negotiation and program execution process,

selected proposals will result in negotiation for a potential award of an OT for prototype project agreement under DARPA's authority to award OTs for prototype projects, 10 U.S.C. § 4022. Use of an OT provides significant opportunities for flexible execution to assist in meeting DARPA's aggressive AIE Opportunity program goals. This award authority also highly encourages and facilitates partnerships with nontraditional contractors and non-Government users to maximize future transition opportunities.

In all cases, the Government Agreements Officer will have sole discretion to negotiate all instrument terms and conditions with selectees. DARPA will apply publication or other restrictions, as necessary, if it determines that the research resulting from the proposed effort will present a high likelihood of disclosing performance characteristics of military systems or manufacturing technologies that are unique and critical to defense. Any award resulting from such a determination will include a requirement for DARPA permission before publishing any information or results on the program. For more information, see the section on Fundamental Research.

### **3.2 Fundamental Research**

It is Department of Defense (DoD) policy that the publication of products of fundamental research will remain unrestricted to the maximum extent possible. National Security Decision Directive (NSDD) 189 defines fundamental research as follows:

“‘Fundamental research’ means basic and applied research in science and engineering, the results of which ordinarily are published and shared broadly within the scientific community, as distinguished from proprietary research and from industrial development, design, production, and product utilization, the results of which ordinarily are restricted for proprietary or national security reasons.”

As of the date of publication of this PA, the Government expects that program goals as described herein may be met by proposed efforts for (1) fundamental research, (2) non-fundamental research, and/or (3) research that may present a high likelihood of disclosing performance characteristics of military systems or manufacturing technologies that are unique and critical to defense. Based on the anticipated type of proposer (e.g., university or industry) and the nature of the solicited work, the Government expects that some awards will include restrictions on the resultant research that will require the awardee to seek DARPA's permission before publishing any information or results relative to the program.

Proposers should indicate in their proposal whether they believe the scope of the research included in their proposal is fundamental or not. While proposers should clearly explain the intended results of their research, the Government will have sole discretion to negotiate all instrument terms and conditions with selectees. Appropriate terms will be included in resultant awards for non-fundamental research to prescribe publication requirements and other restrictions, as appropriate.

For certain research projects, it may be possible that although the research being performed by the prime contractor is restricted research, a subcontractor may be conducting contracted fundamental research. In those cases, it is the prime contractor's responsibility to explain in their

proposal why its subcontractor's effort is contracted fundamental research.

## **4. Eligibility Information**

### **4.1 Eligible Applicants**

All responsible sources capable of satisfying the Government's needs may submit a proposal that will be considered by DARPA.

#### **4.1.1 Federally Funded Research and Development Centers (FFRDCs) and Government Entities**

##### **4.1.1.1 FFRDCs**

FFRDCs are subject to applicable direct competition limitations and cannot propose to this PA in any capacity unless they meet the following conditions: (1) FFRDCs must clearly demonstrate that the proposed work is not otherwise available from the private sector. FFRDC proposers must include specific details showing that expertise and facilities do not exist in the private sector, and (2) FFRDCs must provide a letter on official letterhead from their sponsoring organization citing the specific authority establishing their eligibility to propose to Government solicitations and compete with industry, and their compliance with the associated FFRDC sponsor agreement's terms and conditions. This information is required for FFRDCs proposing to be awardees or subawardees. FFRDC proposals that do not include these elements may be deemed non-conforming and removed from consideration.

FFRDCs proposing as prime awardees must be able to accept an OT for prototype project as the award instrument. FFRDCs that can only be funded through their existing sponsor contracts should not propose directly to an AIE Opportunity issued under this PA.

##### **4.1.1.2 Government Entities**

Government Entities (e.g., Government/National laboratories, military educational institutions, etc.) are subject to applicable direct competition limitations. Government entities must clearly demonstrate that the work is not otherwise available from the private sector and provide written documentation citing the specific statutory authority and contractual authority, if relevant, establishing their ability to propose to Government solicitations, and compete with industry. This information is required for Government Entities proposing to be awardees or subawardees.

Government Entities proposing as prime awardees must be able to accept an OT for prototype project as the award instrument. Government Entities that can only be funded through their existing sponsor contracts should not propose directly to an AIE issued under this PA.

##### **4.1.1.3 Authority and Eligibility**

At the present time, DARPA does not consider 15 U.S.C. § 3710a to be sufficient legal authority to show eligibility. While 10 U.S.C. § 4892 may be the appropriate statutory starting point for some entities, specific supporting regulatory guidance, together with evidence of agency approval, will still be required to fully establish eligibility. DARPA will consider FFRDC and Government entity eligibility submissions on a case-by-case basis; however, the burden to prove eligibility for all team members rests solely with the proposer.



### **4.1.2 Non-U.S. Organizations**

Non-U.S. organizations and/or individuals may participate to the extent that such participants comply with any necessary nondisclosure agreements, security regulations, export control laws, and other governing statutes applicable under the circumstances.

## **4.2 Organizational Conflicts of Interest**

Without prior approval or a waiver from the DARPA Deputy Director, a contractor cannot simultaneously provide scientific, engineering, technical assistance (SETA), advisory and assistance services (A&AS), or similar support and also be a technical performer. As part of the proposal submission, all members of the proposed team (including any potential subawardees or consultants) must affirm whether they (their organizations and individual team members) are providing SETA or similar support to any DARPA office(s) through an active award or subaward. All facts relevant to the existence or potential existence of Organizational Conflicts of Interest (OCI) must be disclosed in Volume 3: ADMINISTRATIVE & NATIONAL POLICY REQUIREMENTS.

If SETA, A&AS, or similar support is being or was provided to any DARPA office(s), the proposal must include:

- The name of the DARPA office receiving the support;
- The prime contract number;
- Identification of proposed team member (subawardee, consultant) providing the support; and
- An OCI mitigation plan.

Under this section of the proposal, the proposer is responsible for providing this disclosure with each proposal submitted in response to an AIE Opportunity. The disclosure must include the proposer's, and as applicable, proposed team member's OCI mitigation plan. The OCI mitigation plan must include a description of the actions the proposer has taken, or intends to take, to avoid, neutralize, or mitigate such conflict, prevent the existence of conflicting roles that might bias the proposer's judgment, and prevent the proposer from having unfair competitive advantage. Prior to the start of proposal evaluations, the Government will assess potential conflicts of interest based on the proposals submitted. DARPA will promptly notify the proposer if any appear to exist. The Government assessment does NOT affect, offset, or mitigate the proposer's responsibility to give full notice and planned mitigation for all potential organizational conflicts.

If, in the sole opinion of the Government after full consideration of the circumstances, a proposal fails to fully disclose potential conflicts of interest and/or any identified conflict situation cannot be effectively mitigated, the proposal will be rejected without technical evaluation and withdrawn from further consideration for award.

If a prospective proposer believes a conflict of interest exists or may exist (whether organizational or otherwise) or has questions on what constitutes a conflict of interest, the proposer should send his/her contact information and a summary of the potential conflict via the specific email address identified in the AIE Opportunity the proposer is responding to before

time and effort are expended in preparing a proposal and mitigation plan.

## **5. Application and Submission Information**

### **5.1 Proposal Preparation Instructions**

Proposals must consist of three volumes:

- **VOLUME 1: TECHNICAL & MANAGEMENT**
- **VOLUME 2: PRICE**
- **VOLUME 3: ADMINISTRATIVE & NATIONAL POLICY REQUIREMENTS**

Proposals must also include the **CERTIFICATIONS FOR AGREEMENT**, subawardee proposals (if proposing subawardees), and any other attachments required by the individual AIE Opportunity.

### **5.2 Proposal Submission Information**

Responses to all AIE Opportunities shall be submitted through one of the following methods: (1) electronic upload (DARPA-preferred) or (2) direct mail/hand-carry. Proposers must submit all parts of their submission package using the same method.

DARPA will acknowledge receipt of *complete* submissions via email and assign identifying numbers that should be used in all further correspondence regarding those submissions. If no confirmation is received within two business days, please contact the email address listed in the specific AIE Opportunity the proposer is responding to in order to verify receipt.

When planning a response to an AIE Opportunity, proposers should consider the submission time zone and that some parts of the submission process may take from one business day to one month to complete (e.g., registering for a SAM Unique Entity ID (UEI) number or Tax Identification Number (TIN); see Section 7.2.1 for information on obtaining a UEI and TIN).

#### **5.2.1 Electronic Upload**

DARPA encourages proposers to submit UNCLASSIFIED proposals via the DARPA Submission website at <https://baa.darpa.mil>. Note: If an account has recently been created for the DARPA Submission Website, this account may be reused. Accounts are typically disabled and eventually deleted following 75-90 days of inactivity – if you are unsure when the account was last used, it is recommended that you create a new account. If no account currently exists for the DARPA Submission Website, visit the website to complete the two-step registration process. Submitters will need to register for an Extranet account (via the form at the URL listed above) and wait for two separate e-mails containing a username and temporary password. The “Password Reset” option at the URL listed above can be used if the password is not received in a timely fashion. After accessing the Extranet, submitters may then create an account for the DARPA Submission website (via the "Register your Organization" link along the left side of the homepage), view submission instructions, and upload/finalize the proposal.

Proposers who already have an account on the DARPA Submission website may simply log in at <https://baa.darpa.mil>, select the appropriate AIE Opportunity Announcement from the list of

open DARPA solicitations and proceed with their proposal submission. Proposals submitted through this PA as opposed to the appropriate AIE Opportunity may be disregarded. *Note: Proposers who have created a DARPA Submission website account to submit to another DARPA Technical Office's solicitations do not need to create a new account to submit to this solicitation.*

All unclassified proposals submitted electronically through DARPA's Submission Website must be uploaded as zip archives (i.e., files with a .zip or .zipx extension). The final zip archive should be no greater than 100 MB in size. Only one zip archive will be accepted per submission – subsequent uploads for the same submission will overwrite previous uploads, and submissions not uploaded as zip archives will be rejected by DARPA.

Proposers using the DARPA Submission Website may encounter heavy traffic on the submission deadline date; proposers should start this process as early as possible. Technical support for DARPA's BAA Website may be reached at [BAAT\\_Support@darpa.mil](mailto:BAAT_Support@darpa.mil), and is typically available during regular business hours (9:00 AM – 5:00 PM Eastern Time). Questions regarding submission contents, format, deadlines, etc. should be emailed to the specific email address listed in the DO the proposer is responding to. Questions/requests for support sent to any other email address may result in delayed/no response.

*Note: Proposers submitting a proposal via the DARPA Submission Website MUST (1) click the "Finalize" button in order for the submission to upload AND (2) do so with sufficient time for the upload to complete prior to the deadline. Failure to do so will result in a late submission.*

### **5.2.2 Direct Mail/Hand-carry**

Proposers electing to submit proposals via direct mail or hand-carried must provide one paper copy and one electronic copy on CD or DVD of the full proposal package. All parts of the proposal package must be mailed or hand-carried in a single delivery to the mailing address noted in Section 1.

### **5.3. Submission Deadlines**

Full proposal packages to include SUMMARY SLIDE, VOLUME 1: TECHNICAL & MANAGEMENT, VOLUME 2: PRICE, VOLUME 2: DARPA Standard Cost Proposal Spreadsheet, VOLUME 3: ADMINISTRATIVE & NATIONAL POLICY REQUIREMENTS, MODEL OTHER TRANSACTION (OT) FOR PROTOTYPE (if edits are suggested), CERTIFICATIONS FOR AGREEMENT, additional AIE Opportunity attachments, and, as applicable, proprietary subawardee price proposals must be submitted per the instructions outlined herein and received by DARPA no later than the due date and time listed in the AIE Opportunity to which the proposal is submitted. Proposals and proposal modifications, unless requested by the Government Agreements Officer, received after the due date set forth in the AIE Opportunity will be considered late and may not be evaluated.

### **5.4 Proprietary Information**

Regarding proprietary markings, proposers are responsible for clearly identifying proprietary information. Submissions containing proprietary information must have the cover page and each page containing such information clearly marked with a label such as "Proprietary." NOTE:

“Confidential” is a classification marking used to control the dissemination of U.S. Government National Security Information as dictated in Executive Order 13526 and should not be used to identify proprietary business information.

## **5.5 Security Information**

DARPA will only accept unclassified proposals for AIE funding; proposals deemed to be classified will not be considered. As a result, selected performers will not be issued a DD Form 254, "DoD Contract Security Classification Specification." See section 7.2.2 for Controlled Unclassified Information (CUI) compliance requirements.

## **6. Evaluation of Proposals**

### **6.1 Evaluation Criteria for Award**

Proposals will be evaluated using the following evaluation criteria, listed in descending order of importance:

#### **1. Overall Scientific and Technical Merit**

The proposed technical approach is innovative, feasible, achievable, and complete. The proposed technical team has the expertise and experience to accomplish the proposed tasks. Task descriptions and associated technical elements provided are complete and in a logical sequence with all proposed deliverables clearly defined such that a final outcome that achieves the goal can be expected as a result of award. The proposal identifies major technical risks and planned mitigation efforts are clearly defined and feasible.

#### **2. Potential Contribution and Relevance to the DARPA Mission**

The potential contributions of the proposed effort bolster the national security technology base, and support DARPA’s mission to make pivotal early technology investments that create or prevent technological surprise. The proposed intellectual property restrictions (if any) will not significantly impact the Government’s ability to transition the technology.

#### **3. Price**

A price evaluation will be conducted to ensure that the proposed price is reasonable. Satisfactory price competition as described in this PA is anticipated to establish price reasonableness. If needed, the Government may use various price evaluation techniques and methodologies to ensure the proposed price is reasonable. This could include a comparison of proposed prices to historical prices paid for the same or similar scope of research or a comparison of proposed prices to a Government price valuation.

A price should be sufficiently detailed to demonstrate its reasonableness. The burden of demonstrating price reasonableness rests with the proposer. An assessment that the proposal price is not reasonable may result in the proposal being non-selectable for award.

### **6.2 Review and Selection Process**

It is the policy of DARPA to ensure impartial, equitable, comprehensive proposal evaluations

based on the evaluation criteria listed above and to select the source (or sources) whose offer meets the Government's technical, policy, and programmatic goals.

DARPA will conduct a scientific and technical review of each conforming proposal. All proposal evaluations will be based solely on the evaluation criteria in Section 6.1: (1) Overall Scientific and Technical Merit, (2) Potential Contribution and Relevance to the DARPA Mission, and (3) Price.

Using the evaluation criteria, the Government will evaluate each proposal in its entirety, documenting the strengths and weaknesses relative to Overall Scientific and Technical Merit and Potential Contribution and Relevance to the DARPA Mission. Based on the identified strengths and weaknesses, combined with a price evaluation (which will determine whether the price is fair and reasonable), DARPA will determine whether a proposal is selectable. Proposals will not be evaluated against each other during the scientific review process, but rather evaluated on their own individual merit to determine how well the proposal meets the criteria stated in this PA.

An award will be made to a proposer(s) whose proposal is determined to be selectable by the Government, consistent with instructions and evaluation criteria specified in the PA herein, and based on availability of funding. Given the limited funding available for each AIE Opportunity, not all proposals considered selectable may receive an award and funding.

For the purposes of this proposal evaluation process, a selectable proposal is defined as follows:

Selectable: A selectable proposal is a proposal that has been evaluated by the Government against the evaluation criteria listed in the PA, and the positive aspects of the overall proposal outweigh its negative aspects. Additionally, there are no accumulated weaknesses that would require extensive negotiations and/or a resubmitted proposal.

For the purposes of this proposal evaluation process, a non-selectable proposal is defined as follows:

Non-Selectable: A proposal is considered non-selectable when the proposal has been evaluated by the Government against the evaluation criteria listed in the PA, and the positive aspects of the overall proposal do not outweigh its negative aspects. Additionally, there are accumulated weaknesses that would require extensive negotiations and/or a resubmitted proposal.

Regarding price evaluation, a price is based on satisfactory price competition if two or more responsible proposers, competing independently, submit priced offers that satisfy the Government's expressed research requirement and if an award will be made to the proposer(s) whose proposal is considered selectable to the Government where price is a factor in selection, and there is no finding that the price of the otherwise selectable proposer(s) is unreasonable.

Conforming proposals: Conforming proposals contain all requirements detailed in this PA and the AIE Presolicitation Notice to which the proposal is submitted. Proposals that fail to include this information may be deemed non-conforming and may be removed from consideration. Non-conforming submissions may be rejected without further review. A proposal will be deemed non-conforming if the proposal fails to meet one or more of the following requirements:

- The proposed concept is applicable to the technical area(s) described in the AIE

Presolicitation Notice to which they are applying.

- The proposers meet the eligibility requirements of the PA.
- The proposal met the submission requirements of the PA.
- The proposal met the content and formatting requirements in the attached templates to this PA.
- The proposal provided sufficient information to assess the validity/feasibility of its claims.
- The proposed work will provide insights into possible technical elements of third wave AI technologies.
- The proposed work has not already been completed (i.e., the research element is complete but manufacturing/fabrication funds are required).
- The proposer has not already received funding or a positive funding decision for the proposed concept (whether from DARPA or another Government agency).

Non-conforming proposals may be removed from consideration. Proposers will be notified of non-conforming determinations via letter.

DARPA's intent is to review proposals as soon as possible after they arrive.

### **6.2.1 Handling of Source Selection Information**

It is the policy of DARPA to protect all proposals as source selection information and to disclose their contents only for the purpose of evaluation and only to screened personnel for authorized reasons. Restrictive notices notwithstanding, during the evaluation process, submissions may be handled by DARPA support contractors for administrative purposes and/or to assist with technical evaluation.

All DARPA support contractors are expressly prohibited from performing DARPA-sponsored technical research and are bound by appropriate nondisclosure agreements. Input on technical aspects of the proposals may be solicited by DARPA from non-Government consultants/experts who are strictly bound by appropriate non-disclosure requirements. No submissions will be returned. Upon completion of the evaluation process, an electronic copy of each proposal received will be retained at DARPA and all other copies will be destroyed. A certification of destruction may be requested, provided that the formal request is received via the specific email identified in the AIE Opportunity within five (5) business days after notification that a proposal was not selected.

## **7. Award Administration Information**

### **7.1 Award Notices**

The following notices will be provided as applicable:

- Request for clarifying details (if applicable)
  - May occur at any time during the evaluation process
  - Will not include requests for proposal changes and they will not be permitted
- Request for additional information (if needed)
  - Proposers will be advised of any deficiencies and/or major weaknesses in their

proposals and given an opportunity to respond, to include offering proposal amendments

- Notice of non-selection
- Notice of selection
  - Proposers will be notified that the Government has selected their proposal for negotiation of potential award. This notification may indicate that only part of the effort has been selected for negotiation, and may request a revised proposal for only those selected portions.

As soon as the evaluation of proposals is complete, the proposers will be notified that (1) the proposal has been selected for funding, subject to OT agreement negotiations, or (2) the proposal has not been selected for funding. The above listed notifications will be sent via Electronic Mail to the Technical and Administrative point of contacts identified on the proposal coversheet.

## **7.2 Administrative and National Policy Requirements**

### **7.2.1 System for Award Management (SAM) Registration and Universal Identifier Requirements**

All proposers must be registered in SAM and have a valid Unique Entity ID (UEI) number in order to propose to this PA. You must maintain an active registration in <https://SAM.gov> with current information at all times during which you have an active Federal award or idea under consideration by DARPA. Information on <https://SAM.gov> registration is available at <https://SAM.gov>. This is a quick process and you must be registered in order to be paid under any resultant agreement. See [www.darpa.mil/work-with-us/additional-baa](http://www.darpa.mil/work-with-us/additional-baa) for further information.

NOTE: New registrations can take an average of 7-10 business days to process in <https://SAM.gov>. Registration requires the following information:

- SAM UEI number
- TIN
- Commercial and Government Entity Code (CAGE) Code. If a proposer does not already have a CAGE code, one will be assigned during SAM registration.
- Electronic Funds Transfer information (e.g., proposer's bank account number, routing number, and bank phone or fax number).

### **7.2.2 Controlled Unclassified Information (CUI) or Controlled Technical Information (CTI) on Non-DoD Information Systems**

Proposers and awardees are subject to the DoD requirements related to protection of CUI and CTI IAW Executive Order 13556, *Controlled Unclassified Information*, DFARS 252.204-7000, *Disclosure of Information*, DFARS 252.204-7012, *Safeguarding Covered Defense Information and Cyber Incident Reporting*, DoD Instruction 5200.48, *Controlled Unclassified Information*, DoD Instruction 8582.01, *Security of Non-DoD Information Systems Processing Unclassified Nonpublic DoD Information*. See <http://www.darpa.mil/work-with-us/additional-baa> for additional guidance on protecting CUI on Non-DoD Information Systems.

CUI is defined as unclassified information that requires safeguarding or dissemination controls, pursuant to and consistent with applicable law, regulations, and Government-wide policies.

Controlled Technical Information (CTI) is defined as technical information with military or space application that is subject to controls on its access, use, reproduction, modification, performance, display, release, disclosure, or dissemination. The term CTI does not include information that is lawfully publicly available without restrictions.

DoD considers “technical information” to be technical data or computer software, as those terms are defined in Defense Federal Acquisition Regulation Supplement clause 252.227-7013, "Rights in Technical Data - Noncommercial Items" (48 CFR 252.227-7013). Examples of technical information include research and engineering data; engineering drawings and associated lists; specifications, standards, process sheets, manuals, technical reports, technical orders, catalog-item identifications, data sets, studies and analyses and related information; and computer software code. Note that such technical information may or may not be controlled (i.e., CTI), depending on whether it has military or space application.

The proposer’s submitted TASK DESCRIPTION DOCUMENT (TDD) should indicate the proposed classification for each task. For all tasks and subtasks proposed to be unclassified, proposers should distinguish between work proposed to be Fundamental Research versus work proposed to be CUI. Proposers will provide a short explanation for why each subtask should be categorized as Fundamental Research or CUI.

If CUI tasks are proposed in the TDD, proposers must provide a plan for protecting Controlled Unclassified Information as part of VOLUME 3: ADMINISTRATIVE & NATIONAL POLICY REQUIREMENTS.

Proposers should indicate if they believe their approach will include the need to access or generate CUI or CTI in their proposal. Proposers who believe that their efforts may involve CUI or CTI should provide a plan for protecting it as part of VOLUME 3: ADMINISTRATIVE & NATIONAL POLICY REQUIREMENTS. DARPA may also require the submission of a plan in individual AIE Opportunities, in which case the requirement will be stated in the AIE Opportunity. See the attached model OT for the terms that may be included in each negotiated OT related to safeguarding CUI/CTI and cyber incident reporting. DARPA may make a final determination if the issuance of a CUI/CTI guide is necessary during the selection process and selectees will be notified of CUI/CTI guidance during OT negotiations.

CTI is to be marked “DISTRIBUTION C. Distribution authorized to U.S. Government agencies and their contractors; Critical Technology; [current date]. Other requests for this document shall be referred to DARPA, I2O” in accordance with Department of Defense Instruction 5203.24, “Distribution of Statements on Technical Documents.”

### **7.2.3 Representation Regarding Certain Telecommunications and Video Surveillance Services or Equipment**

As stated in Section 5.1.5 of this PA, prior to award, all proposers are required to complete the DARPA-specific award certification that is provided as an attachment to this PA. The certification includes the following representation that must be completed and provided as part of a proposer’s complete proposal submission.



(a) Definitions. As used in this provision-

Backhaul, covered telecommunications equipment or services, critical technology, interconnection arrangements, reasonable inquiry, roaming, and substantial or essential component have the meanings provided in the Other Transaction for Prototype Agreement Article, entitled Prohibition on Providing or Using Certain Telecommunications and Video Surveillance Services or Equipment.

(b) Prohibition.

(1) Section 889(a)(1)(A) of the John S. McCain National Defense Authorization Act for Fiscal Year 2019 (Pub. L. 115-232) prohibits the head of an executive agency on or after August 13, 2019, from procuring or obtaining, or extending or renewing an Agreement or contract to procure or obtain, any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. Nothing in the prohibition shall be construed to—

(i) Prohibit the head of an executive agency from procuring with an entity to provide a service that connects to the facilities of a third-party, such as backhaul, roaming, or interconnection arrangements; or

(ii) Cover telecommunications equipment that cannot route or redirect user data traffic or cannot permit visibility into any user data or packets that such equipment transmits or otherwise handles.

(2) Section 889(a)(1)(B) of the John S. McCain National Defense Authorization Act for Fiscal Year 2019 (Pub. L. 115-232) prohibits the head of an executive agency on or after August 13, 2020, from entering into an Agreement or contract or extending or renewing an Agreement or contract with an entity that uses any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. This prohibition applies to the use of covered telecommunications equipment or services, regardless of whether that use is in performance of work under a Federal Agreement or contract. Nothing in the prohibition shall be construed to—

(i) Prohibit the head of an executive agency from procuring with an entity to provide a service that connects to the facilities of a third-party, such as backhaul, roaming, or interconnection arrangements; or

(ii) Cover telecommunications equipment that cannot route or redirect user data traffic or cannot permit visibility into any user data or packets that such equipment transmits or otherwise handles.

(c) Procedures. The Performer shall review the list of excluded parties in the System for Award Management (SAM) (<https://www.sam.gov>) for entities excluded from receiving federal awards for “covered telecommunications equipment or services.”

(d) Representations. The Performer represents that—

(1) It [ ] will, [ ] will not provide covered telecommunications equipment or services to the Government in the performance of any Agreement, subagreement, contract, subcontract or other contractual instrument resulting from this solicitation. The Performer shall provide the additional disclosure information required at paragraph (e)(1) of this section if the Performer responds “will” in paragraph (d)(1) of this section; and

(2) After conducting a reasonable inquiry, for purposes of this representation, the Performer represents that—

It [ ] does, [ ] does not use covered telecommunications equipment or services, or use any equipment, system, or service that uses covered telecommunications equipment or services. The Performer shall provide the additional disclosure information required at paragraph (e)(2) of this

section if the Performer responds “does” in paragraph (d)(2) of this section.

(e) Disclosures.

(1) Disclosure for the representation in paragraph (d)(1) of this provision. If the Performer has responded “will” in the representation in paragraph (d)(1) of this provision, the Performer shall provide the following information as part of the offer:

(i) For covered equipment—

(A) The entity that produced the covered telecommunications equipment (include entity name, unique entity identifier, CAGE code, and whether the entity was the original equipment manufacturer (OEM) or a distributor, if known);

(B) A description of all covered telecommunications equipment offered (include brand; model number, such as OEM number, manufacturer part number, or wholesaler number; and item description, as applicable); and

(C) Explanation of the proposed use of covered telecommunications equipment and any factors relevant to determining if such use would be permissible under the prohibition in paragraph (b)(1) of this provision.

(ii) For covered services—

(A) If the service is related to item maintenance: A description of all covered telecommunications services offered (include on the item being maintained: Brand; model number, such as OEM number, manufacturer part number, or wholesaler number; and item description, as applicable); or

(B) If not associated with maintenance, the Product Service Code (PSC) of the service being provided; and explanation of the proposed use of covered telecommunications services and any factors relevant to determining if such use would be permissible under the prohibition in paragraph (b)(1) of this provision.

(2) Disclosure for the representation in paragraph (d)(2) of this provision. If the Performer has responded “does” in the representation in paragraph (d)(2) of this provision, the Performer shall provide the following information as part of the offer:

(i) For covered equipment—

(A) The entity that produced the covered telecommunications equipment (include entity name, unique entity identifier, CAGE code, and whether the entity was the OEM or a distributor, if known);

(B) A description of all covered telecommunications equipment offered (include brand; model number, such as OEM number, manufacturer part number, or wholesaler number; and item description, as applicable); and

(C) Explanation of the proposed use of covered telecommunications equipment and any factors relevant to determining if such use would be permissible under the prohibition in paragraph (b)(2) of this provision.

(ii) For covered services—

(A) If the service is related to item maintenance: A description of all covered telecommunications services offered (include on the item being maintained: Brand; model number, such as OEM number, manufacturer part number, or wholesaler number; and item description, as applicable); or

(B) If not associated with maintenance, the PSC of the service being provided; and explanation of the proposed use of covered telecommunications services and any factors relevant to determining if such use would be permissible under the prohibition in

paragraph (b)(2) of this provision.

#### **7.2.4 Intellectual Property**

Proposers should note that the Government generally does not ultimately own the intellectual property developed under awards made as a result of this PA. Based on the terms of a negotiated OT agreement, the Government acquires a license right to use the intellectual property. Regardless of the scope of the Government's rights, awardees may freely use their intellectual property for their own commercial purposes (unless restricted by U.S. export control laws or security classification). Therefore, it is anticipated that intellectual property developed under an award will remain the property of the awardee, and the Government will receive license rights to use it, as negotiated under the terms of the OT.

#### **7.2.5 Human Subjects Research/Animal Use**

Proposers that anticipate involving human subjects or animals in the proposed research must comply with the approval procedures detailed at [www.darpa.mil/work-with-us/additional-baa](http://www.darpa.mil/work-with-us/additional-baa), to include providing the information specified therein as required for proposal submission.

#### **7.2.6 Electronic Invoicing and Payments**

Awardees will be required to submit invoices for payment electronically via Wide Area Work Flow (WAWF) at <https://wawf.eb.mil>, unless an exception applies. Registration in WAWF is required prior to any award under this PA.

### **8. Communications**

DARPA intends to use electronic mail for all correspondence regarding solicitation DARPA-PA-22-02. Proposals must NOT be sent by fax or email; any proposals sent by fax or email may be disregarded.

Administrative questions regarding this Program Announcement should be emailed to [DARPA-PA-22-02@darpa.mil](mailto:DARPA-PA-22-02@darpa.mil). Technical and award questions related to a specific AIE Opportunity should be emailed to the specific email address listed in the AIE Opportunity. All questions must be in English and must include the name, email address, and telephone number of a point of contact.

DARPA will attempt to answer questions in a timely manner; however, questions submitted within 10 days of the proposal due date listed in the AIE Presolicitation Notice may not be answered. DARPA may post a Q&A list at: <http://www.darpa.mil/work-with-us/opportunities>, under the designated AIE Opportunity. The list may be updated on an ongoing basis until the solicitation closing date stated in Section 1.

## **Appendix A: Other Transactions (OT) Authority**

OTs for prototype projects are awarded under the authority of 10 U.S.C. § 4022. This authority allows DARPA to use OTs for prototype projects 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 DoD, to the improvement of platforms, systems, components, or materials proposed to be acquired or developed by the DoD, or to the improvement of platforms, systems, components, or materials in use by the Armed Forces.

OTs for prototype projects are instruments that are generally not subject to the Federal laws and regulations governing procurement contracts. OTs are not subject to the Federal Acquisition Regulations (FAR), the Defense Federal Acquisition Regulations Supplement (DFARS), or any regulations governing grants or cooperative agreements regulations. There are no proscribed clauses in an OT agreement and the agreement terms can be negotiated between the awardee and the Government. OT awardees are also not subject to the FAR/DFARS cost accounting standards. As a result, the use of OTs should streamline the award process, making it faster than the traditional Government contracting process and more akin to a commercial contract award timeline. Once the selections are made, the negotiation time will vary from contractor to contractor; however, DARPA expects that all OT awards will be executed within 90 calendar days from the date an AIE Opportunity is released on <https://SAM.gov>. Quick negotiations between responsive parties will enable fast awards. In order to ensure that DARPA achieves the AIE goal of award within 90 calendar days from the posting date of each AIE Opportunity, DARPA reserves the right to cease negotiations when an award is not executed by both parties (DARPA and the selected organization) on or before the deadline explicitly listed in each AIE Opportunity. This deadline will be no more than 90 calendar days from the posting date of the corresponding AIE Opportunity.

According to 10 U.S.C. § 4022, an OT for Prototype agreement may only be awarded when one of the following conditions are met:

- (A) There is at least one nontraditional defense contractor or nonprofit research institution participating to a significant extent in the prototype project;
- (B) All significant participants in the transaction other than the Federal Government are small businesses (including small businesses participating in a program described under section 9 of the Small Business Act (15 U.S.C. § 638)) or nontraditional defense contractors or nonprofit research institution;
- (C) At least one-third of the total cost of the prototype project is to be paid out of funds provided by sources other than the Federal Government; or
- (D) The senior procurement executive for the agency determines in writing that exceptional circumstances justify the use of a transaction that provides for innovative business arrangements or structures that would not be feasible or appropriate under a contract, or would provide an opportunity to expand the defense supply base in a manner that would not be practical or feasible under a contract.

As defined by 10 U.S.C. § 3014, a nontraditional defense contractor in the OT context means an entity that is not currently performing and has not performed, for at least the one-year period

preceding the solicitation of sources by the Department of Defense for the procurement or transaction, any contract or subcontract for the Department of Defense that is subject to full coverage under the cost accounting standards prescribed pursuant to section 1502 of title 41 and the regulations implementing such section. To be considered as participating to a significant extent, the proposal should substantiate that the effort being performed by the nontraditional defense contractor is critical to the technical success of the project.

If the proposer requests award of an OT as a nontraditional defense contractor, as defined above, as a nonprofit research institution, or as a small business, as defined under section 3 of the Small Business Act (15 U.S.C. § 632), information must be included in the price proposal to support the claim. Additionally, if the proposer requests award of an OT agreement without the required one-third (1/3) cost share, information must be included in the price proposal supporting their assertion that there is at least one nontraditional defense contractor, nonprofit research institution or small business participating to a significant extent in the proposed prototype project or that all significant participants in the transaction other than the Federal Government are small businesses, nonprofit research institutions or nontraditional defense contractors. Proposers must provide in their price proposal an explanation of why the proposer believes the nontraditional defense contractor is participating to a significant extent.

Nonprofit research institutions, which include nonprofit universities, are not required to provide one third cost share in order to be awarded an Other Transaction for prototype project agreement under Section 4022.

If cost share is required, proposers have wide latitude in satisfying the cost share provisions. Acceptable forms of cost share include (but may not be limited to): Cash contributions (application of discretionary resources) from prime proposer and/or subcontractor(s); unreimbursed labor; materials and equipment; use of materials or equipment for program duration (lease value equivalent); and intellectual property with established market value. Non-acceptable forms of cost share include (but may not be limited to): foregone fee; foregone G&A and cost of money (COM) if using independent research and development (IR&D) funds as cost share; valuation of intellectual property with no established market value; facilities or other assets accounted for in overhead rates applied to labor; and capital assets without clear and direct contribution to the program.

Alternative management constructs such as use of spin-off entities, IR&D resources, or direct project funding may also impact how OT provisions for nontraditional entities and/or cost share can be met. Proposers are encouraged to ask questions during the proposal period to ensure adequate understanding and acceptable implementation of the OT provisions.

If proposers meet the conditions under the statutory guidance for not providing cost share, proposers may still provide cost share at their discretion or in kind.