Commercial Solutions Opening (CSO)
HC108425S0001

Defense Information Systems Agency (DISA)
Defense Information Technology Contracting Organization (DITCO)

The procedures outlined in this CSO apply to Areas of Interest posted under HC108425S0001.

SECTION 1 – INTRODUCTION

1.1. Background and Authority

DISA is the combat support agency entrusted with the Department of Defense (DoD) information network (DODIN). DISA's mission is to conduct DODIN operations for the joint warfighter to enable lethality across all warfighting domains in defense of the United States. It is DISA's responsibility to transform and integrate its capabilities and services to best support the DoD. DISA has interest in adopting innovative and emerging technologies to further its operational capabilities. DISA seeks to create valued partnerships with industry and non-profit organizations to shape IT innovation towards solving its information system challenges.

DISA/DITCO utilizes Other Transaction (OT) agreements under the authority of 10 U.S.C. § 4022 to partner with nontraditional and traditional defense contractors and non-profit research institutions to carry 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 DoD, or the improvement of platforms, systems, components, or materials in use by the armed forces. The information provided in this CSO is intended to ensure that to the maximum extent practicable, competitive procedures are used when entering into agreements to carry out these prototype projects.

1.2. CSO Procedure

This CSO is a competitive solicitation seeking proposals for innovative, commercial technologies that can accelerate attainment of defense capabilities. Subject to the availability of funds, this CSO will result in the award of OTs for prototype projects in accordance with 10 U.S.C. § 4022, which include not only commercially available technologies fueled by commercial or strategic investment, but also concept demonstrations, pilots, and agile development activities that can incrementally improve commercial technologies, existing Government-owned capabilities, or concepts for defense application. This CSO, and any OT awarded from this CSO, is not subject to the Federal Acquisition Regulations (FAR) or its supplements.

The CSO is soliciting Solution Briefs in response to Areas of Interest (AOI). AOIs are focused topic(s) categories that will be published separately and posted to SAM.gov. Each AOI will reference this CSO number (HC108425S0001) and have its own unique identifying number. All Solution Briefs submitted in response to any AOI will be governed by this CSO unless otherwise noted in the AOI.

AOIs are written in a much broader manner than standard Government solicitations to maximize latitude in creativity when approaching a problem and to allow for maximum participation from commercial vendors who may not be familiar with submitting proposals to Government solicitations.

The Government may post AOIs at any time. Interested Companies are encouraged to frequently check SAM.gov for new AOI postings.

The CSO outlines the competitive procedures to submit a response to a AOI and consists of three-phases: Solution Brief, Pitch, and full written proposal:

Phase 1 Solution Briefs: Solution Briefs submitted in response to an AOI shall be submitted as specified in Section 3 of this CSO. The Government will evaluate Solution Briefs against the criteria stated in this CSO. The Government will not pay Companies for the costs associated with Solution Brief submissions.

Phase 2 Pitch Session: Companies whose Solution Briefs are evaluated to be of merit may be invited to provide a pitch following the instructions provided in Section 3.3 of this CSO. The Government reserves the right to limit the number of Companies invited to pitch. If the Government requires a demonstration in Phase 2, additional information will be provided in the specific AOI highlighting those procedures, otherwise Phase 2 will be comprised solely of the pitch. The Government will not pay Companies for costs associated with pitches or demonstrations.

Phase 3 Proposal: Those Companies whose Solution Brief and Pitch are evaluated to be of merit and are selected for potential award of a Prototype OT may, if funding is available, be invited to submit a full written proposal following the instructions provided in Section 3.4 of this CSO. The Government will not pay Companies for costs associated with the Request for Prototype Proposal (RPP) (e.g., proposal development, negotiations) in Phase 3.

SECTION 2 – DEFINITIONS

“Area of Interest” (AOI) means an announcement posted on SAM.gov which may result in the award of an Other Transaction (OT) agreement.

“Commercial Solutions Opening” (CSO) is the DISA/DITCO method for employing the prototyping authority under 10 U.S.C. § 4022.

"Other Transaction for Prototype Projects” refers to the type of Other Transaction (OT) that may be awarded as a result of this CSO and associated AOIs. This type of OT is authorized by 10 U.S.C. § 4022 for prototype projects directly relevant to enhancing the mission effectiveness of personnel of the DoD and supporting platforms, systems, components, or materials proposed to be acquired or developed by the DoD, or to improvement of platforms, systems, components, or materials in use by the armed forces.

“Prototype Project” can generally be described as a proof of concept, model, reverse engineering to address obsolescence, pilot, novel application of commercial technologies for defense purposes, agile development activity, creation, design, development, demonstration of technical or operational utility, or combinations of the foregoing. A process, including a business process, may be the subject of a prototype project. Although assistance terms are generally not appropriate in an OT, ancillary work efforts that are necessary for completion of the prototype project, such as test site training or limited logistics support, may be included in prototype projects. A prototype may be physical, virtual, or conceptual in nature. The quantity should generally be limited to that needed to prove technical or manufacturing feasibility or evaluate military utility.

“Nontraditional Defense Contractor” is defined in 10 U.S.C. § 2302(9) as 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 DoD for the procurement or transaction, any contract or subcontract for the DoD that is subject to full coverage under the cost accounting standards prescribed pursuant to 41 U.S.C. § 1502 and the regulations implementing such section.

"Nonprofit Institution" means a nonprofit institution, as defined in 15 U.S.C. § 3703 as an organization owned and operated exclusively for scientific or educational purposes, no part of the net earnings of which insures to the benefit of any private shareholder or individual.

"Innovative" means any new technology, process, or business practice; or any new application of an existing technology, process, or business practice that contributes to enhancing military effectiveness and sustaining global peace and U.S. national security.

SECTION 3 - GUIDELINES FOR SOLUTION BRIEFS, PITCHES, AND PROPOSALS

3.1. General Guidelines

a. Unnecessarily elaborate brochures or proposals are not desired.

b. Use of a diagram(s) or figure(s) to depict the essence of the proposed solution is strongly encouraged.

c. Companies may submit multiple Solution Briefs in response to any single AOI if each submission represents a separate and distinct concept.

d. The period of performance for any Solution Brief or proposal submitted under this CSO should generally be no greater than 24-months, unless specified otherwise in the AOI.

e. Technical data with military application may require appropriate approval, authorization, or license for lawful exportation.

f. All Solution Briefs, Pitches, and Proposals **SHALL BE UNCLASSIFIED**. Solution Briefs, Pitches, and Proposals containing data that is not to be disclosed to the public for any purpose or used by the Government except for evaluation purposes shall include the following on the cover page:

"This [select one: Solution Brief, Pitch, or Proposal] includes data that shall not be disclosed outside the Government, except to non-Government personnel for evaluation purposes, and shall not be duplicated, used, or disclosed -- in whole or in part -- for any purpose other than to evaluate this submission. If, however, an agreement is awarded to this Company as a result of --or in connection with – the submission of this data, the Government will attain certain data rights, subject to the negotiated terms contained in the resulting agreement. This restriction does not limit the Government's right to use the information contained in this data if it is obtained from another source without restriction. The data subject to this restriction are contained in sheets [insert numbers or other identification of sheets]"

Each restricted data sheet should be marked as follows:

"Use or disclosure of data contained on this sheet is subject to the restriction on the title page of this proposal."

g. Submissions must be submitted electronically via the instructions included in the AOI.

h. Submissions sent through other channels or after the AOI period has ended will not be reviewed nor evaluated.

3.2. Phase 1 Solution Brief

Solution Briefs should not exceed 6 typed pages (11-point font or larger, single-sided, 8.5 x 11-inch pages with 1-inch margins) or, alternatively, Solution Briefs may take the form of briefing slides which should not exceed 15 slides. The Government will not consider inserted textboxes/pop-ups or internet links to additional information as part of the Solution Brief and will not consider such information in its evaluation of solutions. Solution Briefs should include the following at a minimum:

Title Page (does not count against page limit)

Company Name, Title, Date, Point of Contact Name, E-Mail Address, Phone, and Address. If registered in SAM.gov, include the Commercial and Government Entity (CAGE) code, and Unique Entity Identification (UEI) code.

Specifically identify the AOI Title and AOI number for which the Solution Brief is submitted.

Executive Summary (one page)

Provide an executive summary of the technology.

Technology Concept

Describe the unique aspects of your technology and the proposed work as it relates to the AOI. Identify whether the effort includes the pilot or demonstration of existing commercial technology (identified as commercially ready and viable technology), or the development of technology for potential defense application. If development or adaptation is proposed, identify a suggested path to mature the technology. Identify aspects which may be considered proprietary.

Company Viability

Provide a brief overview of the Company. Provide a summary of current fundraising to date or a summary of the top line (gross sales/revenues). Provide a summary of product commercialization and go-to-market strategy.

Affirmation of Business Status Certification (does not count against page limit)

Include a separate form for each company that would be a participant to the prototype project, if awarded an OT. (Note: this document is included as an attachment to each AOI).

The Government may be unable to evaluate the Solution Brief if a Company fails to provide the information requested above.

3.3. Phase 2 Pitch

Companies invited to Phase 2 will provide an in-person or virtual Pitch to demonstrate and provide further details on their proposed concept/technology/solution and the technical and business viability of the proposed solution. The Government may elect to use external market research during Phase 2 to evaluate a Company's viability. During the Phase 2 Pitch, the Company must also detail/address:

Estimated Price/Schedule

Provide a rough order of magnitude (ROM) price and notional schedule for how this concept may be prototyped within the DoD.

Data Rights Assertions

The Pitch will identify any intellectual property (IP) involved in the effort and associated restrictions on the Government's use of that IP. Additionally, identify any desired IP or data right assertions on the works developed under the performance of the project. Companies invited to phase 2 will be required to (1) disclose whether they lawfully own or have licensing rights over the Intellectual Property (IP) included in their proposed solution to the Government and (2) if they have proprietary and licensing rights over the IP included in the proposed solution, and when necessary, disclose whether they will or will not license such IP, under non-exclusive, reasonable commercial terms to the Government to facilitate the Government's evaluation of the proposed solution.

In addition to these required areas, the Government may request the Company provide additional information/detail with respect to the Technology Concept information provided in the Phase 1 Solution Brief.

3.4. Phase 3 Proposal

The final phase of the CSO process is the Request for Project Proposal (RPP). The Government will issue a RPP to Companies invited to Phase 3. Companies invited to Phase 3 will develop and submit a full written proposal and negotiate appropriate terms and conditions governing the prototype project. Companies may discuss ideas and details of the proposal during the proposal writing process with the Government.

Each proposal submitted shall consist of two volumes: Volume 1 shall provide the technical proposal; Volume 2 shall address the price/cost/schedule portions of the proposal. These proposals will be assessed by DISA subject matter experts. Companies may propose their own internal terms and conditions (e.g., Service License Agreements (SLA) and/or End User License Agreements (EULA)) to be considered during negotiations with the Government. Companies should note that there are certain terms and conditions the Government is unable to accept. However, projects awarded through the CSO are flexible to adopt customary industry standards where it is otherwise legal and where it meets the Government's needs.

Volume 1 Technical Proposal

Title Page

Company Name, Title, Point of Contact Name, Date, E-Mail Address, Phone, and Address and any subcontractors or team members. If registered in SAM.gov, include the Commercial and Government Entity (CAGE) code, and Unique Entity Identification (UEI) code.

Propose a Technical Approach

Describe the background and objectives of the proposed work, the approach, deliverables, and the resources needed to execute it. Include the nature and extent of the anticipated results. Include ancillary and operational issues such as certifications, algorithms, and any engineering/software development methodologies to be used. This proposal must include a draft Project Execution Plan (PEP) identifying

the work to be performed and the deliverables. The development of a final, agreed upon PEP will be a collaborative effort between the Company and the Government. Provide a detailed project schedule that outlines the various phases of work to be accomplished within the proposed period of performance. You may refer to the Solution Brief that prompted this proposal request, but do not duplicate it.

Government Support Required

Identify the type of support, if any, the Company requests of the Government in general such as facilities, equipment, data, and information or materials.

Volume 2 Price Proposal

The Company shall propose a total price to complete the prototype project and provide any other data or supporting information that is necessary for the determination of a fair and reasonable price. This can include, but is not limited to, commercial price catalog or other proprietary information to help the Government assess project cost.

Additionally, while not required to be specifically addressed in the proposal (with the exception of the 1/3 cost-share requirement, if applicable), the Government will review the proposal to determine if the following statutory requirements are met:

a. Fits the definition of a prototype.

b. Quantity is limited to that needed to prove technical or manufacturing feasibility or evaluate military utility.

c. Meets mission effectiveness standard: Is directly relevant to enhancing DoD mission effectiveness.

d. Meets non-traditional participation/cost share requirement: Non-traditional defense contractor contributes to a significant extent or not; if not, 1/3 cost share implementation is addressed.

e. Defense Utility: Solution is applicable to a DoD platform, system, or component.

SECTION 4 – EVALUATION APPROACH

4.1. Phase 1 Solution Brief - Basis of Evaluation

All solution briefs correctly submitted in response to an AOI will be evaluated against the stated criteria below.

a. Relevance of the Solution Brief in addressing the AOI;

b. Whether the Company's approach and/or underlying technology is unique, underutilized in the Government, and/or innovative to Government application. In addition, whether the Government finds this approach and/or underlying technology to be a compelling solution to the AOI problem statement.

c. Technical Merit and feasibility of the solution to address Government AOI problem statement.

Additional technical evaluation criteria specific to a project may be used. In these instances, the additional criteria will be posted within the AOI announcement.

The Government will not further evaluate Solution Briefs evaluated as not relevant to the particular AOI for which a Solution Brief is submitted.

Solution Briefs will be evaluated based on the merit of the proposed concept in addressing the AOI, not against other Solution Briefs submitted in response to the same AOI.

DISA/DITCO routinely receives more Solution Briefs than has the resources to award. All submissions will be fairly evaluated, however, only a select few Companies with the most compelling solutions will be invited to pitch. The Government reserves the right to limit the number of Companies invited to the Phase 2 Pitch. Solution Briefs that are chosen for the Phase 2 Pitch will be notified in writing as soon as practicable.

Solution Briefs that are not of interest to the Government at this time will be notified with a non-selection letter as soon as practicable. The non-selection letter will give a general overview of why the Government did not choose the solution for Phase 2. The Government will not provide feedback beyond the non-selection letter.

4.2. Phase 2 Pitch - Basis of Evaluation

Individual pitches will be evaluated against the following factors:

a. Relevance of the Pitch in addressing the AOI;

b. Whether the solution has technical merit, adequately addresses the Government need and is feasible;

c. Company viability;

d. Whether the Company's approach is unique, underutilized in the Government, and/or innovative to Government application and is a compelling solution to the AOI problem statement;

e. Whether the ROM is affordable;

f. Whether the notional schedule is acceptable; and

g. The potential impact of data rights assertions.

Individual pitches will be evaluated based on the merit of the proposed concept in addressing the AOI and the factors above, not against any other Pitches held under the same AOI. Pitch submissions will be valid for 180 calendar days after the pitch date.

Upon completion of evaluations, the Government will notify the Company that:

a. The proposed concept/technology/solution has been selected for possible award of a Prototype OT and the Company is invited to submit a full proposal; or

b. The proposed concept/technology/solution is not of interest to the Government; or

c. The proposed concept/technology/solution is of interest, but not eligible for a proposal due to the availability of Government resources.

If the proposed concept/technology/solution is of interest, but not eligible for a proposal due to availability of Government resources, the Company may be contacted with a request to respond to an RPP within 180 calendar days from the pitch date. If the Government does not send an RPP to the Company within 180 calendar days from the pitch date, the Company will no longer be eligible for an award under the associated AOI.

In either circumstance where a Company is not invited to submit RPP at the end of Phase 2, the Government will notify the Company with a non-selection letter. The non-selection letter will give a summary of why the Government did not choose the solution for Phase 3. The Government generally will not provide significant feedback beyond the non-selection letter.

4.3. Phase 3 Basis of Evaluation

Proposals will be evaluated by Government subject matter experts using the following criteria:

a. Whether the proposed solution enhances and/or accelerates innovative development contributing toward mission accomplishment.

b. Technical merit of the proposal with an emphasis on innovative solutions. Additionally, technical maturity, feasibility, and achievability will be considered. And if applicable, the degree to which a defined commercialization path or strategy exists.

c. Realism and/or adequacy of the proposal performance schedule.

d. Reasonableness of the price.

SECTION 5 – AWARDS

5.1. General Guidelines

Upon favorable review and available funds, the Government may choose to make an award. Awards will be made using OT agreements. The Agreements Officer will negotiate directly with the Company on the terms and conditions of the OT agreement, including payments, and will execute the OT agreement on behalf of the Government. Only an Agreements Officer has the authority to enter into or modify a binding agreement on behalf of the Government.

Companies must register in the System for Award Management (SAM) and have a Unique Entity Identification (UEI) to receive an award. Companies are advised to commence SAM registration upon receipt of an RPP and must maintain registration in SAM throughout phase 3 of the CSO process. Companies are required to maintain registration in SAM throughout the period of performance of the prototype project and during any subsequent follow-on production transaction or contract.

Companies must also register in the prescribed Government invoicing system (e.g. Wide Area Work Flow). The Agreements Officer can assist those Companies from whom a full proposal is requested.

The Company must be determined to be responsible by the Agreements Officer and must not be suspended or debarred from award by the Federal Government nor be prohibited by Presidential Executive Order and/or law from receiving an award.

Receipt of a RPP does not guarantee that a Company will receive an award. The Government reserves the right, at any point prior to award of an OT agreement, to cancel the RPP.

5.2. Comptroller General Access to Information

In projects that provide for payments in a total amount exceeding $5,000,000, the Agreement will include a mandatory clause that provides the Comptroller General with the ability to examine the records of any party to the agreement or any entity that participates in the performance of the agreement.

5.3. Procurement Integrity Act (PIA)

As required by 10 U.S.C. § 4022(h), all OT agreements awarded under this CSO shall be treated as Federal Agency procurements for purpose of 41 U.S.C. Chapter 21. Accordingly, the CSO competitive solicitation process and awards made thereof must adhere to the ethical standards required by the PIA.

SECTION 6 - ITERATIVE PROTOTYPING

Prototype OTs awarded against this CSO will allow for an iterative prototyping process.

An iterative prototyping process will allow the Government to modify, by mutual agreement, the work in a prototype project to allow the adaptation and modification of the technology being prototyped to meet additional unique and discrete purposes/mission sets or new technologies or processes discovered during the prototype process. These additional unique and discrete purposes/mission sets can be generated by the original Government customer or originate with other organizations within the Federal Government.

SECTION 7 – FOLLOW-ON PRODUCTION

Upon successful completion of a prototype project under the OT, the Government and Company may negotiate follow-on production contract(s) or agreement(s) without further competition. Any concept, technology, or solution successfully proven through a Prototype OT can be transitioned to production.

AOIs posted by the Government under this CSO and Prototype OTs awarded will include language providing for the potential award of follow-on production contract(s) or agreement(s) as authorized under 10 U.S.C. § 4022(f). Individual AOIs and Prototype OTs will explicitly identify follow-on production contract(s) or agreement(s) as a potential outcome of a successful prototyping effort.

SECTION 8 – SUCCESSFUL COMPLETION

A transaction for a prototype project is deemed successfully completed upon the written determination of the appropriate approving official (program manager and Agreement Officer) for the matter in question that efforts conducted under a Prototype OT: (1) met the key technical goals of a project; (2) satisfied success metrics incorporated into the Prototype OT; or (3) accomplished a particularly favorable or unexpected result that justifies the transition to production. Furthermore, successful completion can occur prior to the conclusion of a prototype project to allow the Government to transition any aspect of the prototype project determined to provide utility into production while other aspects of the prototype project have yet to be completed. Any Prototype OT shall contain a provision that sets forth the conditions under which that prototype agreement must be successfully completed.

SECTION 9 – NON-GOVERNMENT ADVISORS

Non-Government advisors may be used in the evaluation of Solution Briefs, Pitches and during proposal development and negotiations. Non-Government advisors will have signed non-disclosure agreements (NDAs) with the Government. Submission of an offer under this CSO will constitute a grant of authority by the submitting Company to the Government to allow the use of non-Government advisors to

participate in evaluations of all phases of the CSO process. If non-Government advisors are used during evaluations, the Government will provide notice of the non-Government advisors in the individual AOI and/or invitations to phase 2 and/or phase 3 of the CSO process, as applicable.

The Government understands that information provided in response to this CSO is presented in confidence and may contain trade secret or commercial or financial information, and it agrees to protect such information from unauthorized disclosure to the maximum extent permitted or required by Law, to include:

a. 18 U.S.C. 1905 (Trade Secrets Act);
b. 18 U.S.C. 1831 et seq. (Economic Espionage Act);
c. 5 U.S.C. 552(b)(4) (Freedom of Information Act);
d. Executive Order 12600 (Pre-disclosure Notification Procedures for Confidential Commercial Information); and,
e. Any other statute, regulation, or requirement applicable to Government employees.

DISA/DITCO policy is to treat all submissions as confidential information, and to disclose their contents only for the purpose of evaluation. Restrictive notices notwithstanding, during the evaluation process, submissions may be handled by support contractors for administrative purposes and/or to assist with technical evaluation.

Submissions will not be returned. The original copy of each submission received will be retained at DISA/DITCO and all other non-required copies destroyed.

SECTION 10 – ADDITIONAL INFORMATION

10.1. Security Clearances

If awarded an OT under the procedures of this CSO, the Company will be responsible for providing personnel with appropriate security clearances to ensure compliance with Government security regulations. The Company shall fully cooperate on all security checks and investigations by furnishing requested information to verify the Company employee's eligibility for any required clearance.

The Company's proposed solution (e.g., data, integration with supporting DoD Infrastructure, architecture) will determine the personnel security clearance and/or facility clearance requirements for the prototype effort. The Government will provide additional details regarding the personnel security clearance and/or facility clearance requirements in the individual AOI.

10.2. Data Storage

To protect against seizure and improper use by non-United States (U.S.) persons and government entities, all data stored and processed by/for the DoD must reside in a facility under the exclusive legal jurisdiction of the U.S. If awarded an OT under the procedures of this CSO, the Company will be required to maintain all government data that is not physically located on DoD premises within the 50 States, the District of Columbia, and outlying areas of the U.S., unless otherwise authorized by the responsible Government, as described in DoD Instruction (DoDI) 8510.01, *Risk Management Framework for DoD Systems,* and the DoD Cloud Computing Security Requirements Guide.

During the performance of an OT, if Government data is co-located with the non-Government data, the Company will be required to isolate the Government data into an environment where it may be reviewed,

scanned, or forensically evaluated in a secure space with access limited to authorized Government personnel identified by the Agreements Officer, and without the Company's involvement. The Company will be required to record all physical access to the cloud storage facilities and all logical access to the Government data. This may include the entrant's name, role, purpose, account identification, entry and exit time. The Company will be required to provide such records to the Agreements Officer or designee in accordance with the agreement or upon request to comply with federal authorities.

10.3. Company Incurred Evaluation Costs

As specified in Section 1, the Government will not reimburse Companies for any costs incurred while participating in Phases 1 through 3 of the CSO process. Additionally, the Government will not consider the costs associated with participating in Phases 1 through 3 as allowable charges and such costs should not be included within the ROM or any pricing information.

10.4. Export Controls

Research findings and technology developments arising from a resulting prototype OT may constitute a significant enhancement to the national defense and to the economic vitality of the United States. As such, in the conduct of all work related to this effort, the recipient will be required to comply strictly with the Arms Export Control Act, 22 U.S.C. § 2751-2794, including the International Traffic in Arms Regulation (ITAR), 22 C.F.R. § 120 et seq.; the Export Administration Act, 50 U.S.C. app. § 2401-2420; the National Industrial Security Program Operating Manual, 32 CFR § 117; and the Department of Commerce Export Regulation, 15 CFR § 730-774.