



**LONG RANGE BROAD AGENCY ANNOUNCEMENT (BAA)
FOR RESEARCH AND EDUCATION INITIATIVES AT THE
NAVAL POSTGRADUATE SCHOOL**

INTRODUCTION:

This publication constitutes a Broad Agency Announcement (BAA) as contemplated in Federal Acquisition Regulation (FAR) 6.102(d)(2) and the Department of Defense Grants and Agreements (DoDGARS) Subpart 22.315(a). A formal Request for Proposals (RFP), solicitation, and/or additional information regarding this announcement will not be issued. This announcement replaces NPS BAA-07-003.

Interested parties are responsible to check [GRANTS.GOV](http://www.grants.gov) (www.grants.gov) or <http://www.nps.edu/Research/WorkingWithNPS.html> for possible amendments to this BAA.

The Naval Postgraduate School (NPS) nor the Contracting Office (Fleet and Industrial Supply Center-San Diego (FISC-SD)) will not issue paper copies of this announcement. The NPS reserves the right to select for award all some or none of the proposals in response to this announcement. The NPS reserves the right to fund all, some or none of the proposals received under this BAA. NPS provides no funding for direct reimbursement of proposal development costs. Technical and cost proposals (or any other material) submitted in response to this BAA will not be returned. It is the policy of NPS and FISCSD to treat all proposals as sensitive competitive information and to disclose their contents only for the purposes of evaluation.

I. GENERAL INFORMATION

1. Agency Name –

Requiring Agency:

Naval Postgraduate School

Issuing Grants and Contracts Office:

Fleet and Industrial Supply Center

2. Research Opportunity Title –

Research and Education Initiatives at the Naval Postgraduate School

3. Program Name –

Not Applicable (N/A)

4. Research Opportunity Number –

NPS BAA-08-003

5. Response Date -

This announcement will remain open until 31 March 2009 or until replaced by a successor BAA. Proposals may be submitted at any time during this period.

6. Research/Education Initiative Opportunity Description -

The Naval Postgraduate School (NPS) is interested in receiving proposals for research and education initiatives which offer potential for advancement and improvement in the NPS core mission of graduate education and research. Readers should note that this is an announcement to declare NPS's broad role in competitive funding of meritorious research and education initiatives across a spectrum of science and engineering, business and policy, operational and informational sciences, and interdisciplinary disciplines that support the NPS' graduate education and research mission.

Additional information on the Naval Postgraduate School's graduate education mission and supporting research initiatives is available.

General Information: <http://www.nps.edu/Aboutnps/index.html>

NPS Strategic Plan: <http://www.nps.edu/Aboutnps/StrategicPlan/Index.htm>

Academic Programs: <http://www.nps.edu/Academics/index.html>

Research Programs: <http://www.nps.edu/Research/index.html>

NPS Faculty Directory: <http://research.nps.navy.mil/cgi-bin/vita.cgi>

Prior to preparing proposals, potential offerors are strongly encouraged to contact an NPS point of contact (POC) whose program best matches the offeror's field of interest. The NPS Faculty Directory is searchable by Academic Unit at NPS or by "keywords" related to research areas of interest.

7. Point(s) of Contact –

Questions of a technical nature should be submitted to the NPS POC whose program best matches the offeror's field of interest.

Questions of a general nature can be directed to research@nps.edu.

Questions of a business nature shall be directed to the Contract and Grant Specialist at FISC-San Diego or to Contracts and Grants Support at the Naval Postgraduate School:

Janet Dang
Contract and Grant Specialist
FISC San Diego
Seal Beach Detachment
Code: 230
800 Seal Beach Blvd., B-239
Seal Beach, CA 90740-5000
(562) 626-7683 (voice)
janet.dang@navy.mil

Elke Schabo
Contract and Grant Support
Research and Sponsored Programs Office
Naval Postgraduate School
Code 91
Halligan Hall, Bldg. 234
Monterey, CA 93943-5138
(831)656-2043 (voice)
baa@nps.edu

8. Instrument Type(s) -

Awards may take the form of contracts, grants, or cooperative agreements, as appropriate.

9. Catalog of Federal Domestic Assistance (CFDA) Numbers -

12.300

10. Catalog of Federal Domestic Assistance (CFDA) Titles -

Department of Defense (DoD) Basic and Applied Scientific Research

11. Other Information -

This announcement is restricted to: 1) work relating to basic and applied research and that portion of advanced technology development not related to a specific system or hardware procurement, and 2) development of educational purposes consistent with the curricula/mission of NPS. Contracts, grants and other awards made under this BAA are for scientific study and experimentation directed towards advancing the state-of-the art or increasing knowledge or understanding.

II. AWARD INFORMATION

The government anticipates making multiple awards throughout this announcement. The anticipated awards will take the form of contracts, grants and/or cooperative agreements. The amount and period of performance of each selected proposal will vary depending on the topic area and the technical approach to be pursued by the selected offeror.

III. ELIGIBILITY INFORMATION

All responsible sources from academia and industry may submit proposals under this BAA. Historically Black Colleges and Universities (HBCUs) and Minority Institutions (MIs) are encouraged to submit proposals and join others in submitting proposals. However, no portion of this BAA will be set aside for HBCU and MI participation.

Federally Funded Research & Development Centers (FFRDCs), including Department of Energy National Laboratories, are not eligible to bid on this BAA. However, teaming arrangements between FFRDCs and eligible principal bidders are allowed so long as they are permitted under the sponsoring agreement between the Government and the specific FFRDC.

IV. APPLICATION AND SUBMISSION INFORMATION

1. Application and Submission Process -

Pre-proposals or “White Papers” can be submitted to the NPS Principal Investigator(s)/Program Manager(s). Offerors should consult with the cognizant NPS technical POC regarding the desirability of “White Paper” submissions. NPS will accept proposals via hard copy or submission through grants.gov. Full proposals sent by fax or e-mail will not be considered unless approved in advance by the cognizant NPS Principal Investigator/Program Manager.

2. Content and Format of White Papers/Full Proposals –

The proposals submitted under this BAA are expected to be unclassified. However, confidential/classified proposals are permitted. All Proposal submissions will be protected from unauthorized disclosure in accordance with FAR 15.207, applicable law, and DoD/DoN regulations. Offerors are expected to appropriately mark each page of their submission that contains proprietary information.

Classified proposals must be submitted directly to the Technical Point of Contact (TPOC) through the appropriate transmission means. Contracts, grants or cooperative agreements, resulting from the submission of a classified proposal will be ‘unclassified.’ An ‘unclassified’ Statement of Work (SOW) must accompany any classified proposal.

Alternatives to the format and content identified below may be appropriate depending on the scope and nature of the proposed effort. Coordinate any alternative proposal formats and contents relating to white papers and technical proposals (Volume 1 of the full proposal) with the cognizant technical point-of-contact. Alternative formats and content may be directed by the NPS Principal Investigator/Program Manager or may result from Offerors’ suggestions approved by the NPS Principal Investigator/Program Manager.

a. WHITE PAPERS

White Paper Format

- Paper Size – 8.5 x 11 inch paper
- Margins – 1” inch

- Spacing – single or double-spaced
- Font – Times New Roman, 12 point
- Copies – one (1) original, appropriate number of hard copies as discussed with the cognizant Program Officer and one electronic copy on a CD-ROM (in Microsoft® Word or Excel 97 compatible or .PDF format).

White Paper Content

- **Cover Page:** The Cover Page shall be labeled “WHITE PAPER” and shall include the BAA number, proposed title, offeror’s technical points of contact, telephone number, facsimile number, and e-mail address.
- **Technical Concept:** A description of the technology innovation and technical risk areas.

b. FULL PROPOSALS

Full Proposal Format – Volume 1 - Technical and Volume 2 - Cost Proposal

- Paper Size – 8.5 x 11 inch paper
- Margins – 1” inch
- Spacing – single or double-spaced
- Font – Times New Roman, 12 point
- Discuss the number of pages limit on Volume I with the cognizant NPS Principal Investigator/Program Officer. There are no page limitations to Volume 2. The cover page, table of contents, and resumes are excluded from the page limitations if a limitation is specified by the NPS Principal Investigator/Program Manager.
- Copies – If hard copy submission, one(1) original paper copy is required and electronic version (CD-ROM).

Full Proposal Content

Volume 1: Technical Proposal

- **Cover Page:** This should include the words “Technical Proposal” and the following:
 - 1) BAA number;
 - 2) Title of Proposal;
 - 3) Identity of prime Offeror and complete list of subcontractors, if applicable;
 - 4) Technical contact (name, address, phone/fax, electronic mail address)
 - 5) Administrative/business contact (name, address, phone/fax, electronic mail address) and;
 - 6) Duration of effort (differentiate basic effort and any proposed options)
- **Table of Contents:** An alphabetical/numerical listing of the sections within the proposal, including corresponding page numbers.
- **Statement of Work:** A Statement of Work (SOW) clearly detailing the scope and objectives of the effort and the technical approach. It is anticipated that the proposed SOW will be incorporated as an attachment to the resultant award instrument. To

this end, such proposals must include a severable self-standing SOW without any proprietary restrictions, which can be attached to the contract or agreement award. Include a detailed listing of the technical tasks/subtasks organized by year.

For Basic Research, include a description of potential DoN/DoD relevance and contributions of the proposed effort to the NPS research mission.

For Applied Research, include a description of the project objectives, the concept of operation for the new capabilities to be delivered, and the expected operational performance improvements.

For proposals, in support of graduate education initiatives, include the expected outcomes of the effort, how those outcomes would be achieved, and how they would support the mission of NPS to provide education and research to enhance our national security and facilitate Navy, defense, interagency and international collaborative efforts in support of homeland, national and international security.

- **Project Schedule and Milestones:** A summary of the schedule of events and milestones.
- **Assertion of Data Rights and/or Rights in Computer Software:** For a contract award an Offeror may provide with its proposal assertions to restrict use, release or disclosure of data and/or computer software that will be provided in the course of contract performance. The rules governing these assertions are prescribed in Defense Acquisition Regulation Supplement (DFARS) clauses 252.227-7013, -7014 and -7017. These clauses may be accessed at the following web address: <http://farsite.hill.af.mil/VDFDARA.HTM>.

The Government may challenge assertions that are provided in improper format or that do not properly acknowledge earlier federal funding of related research by the Offeror.

- **Evidence of progress:** **Applicable for grants only; this does not apply to contract instruments.** A detailed description of the results and evidence of progress expected through the grant inclusive of the timeframe in which it will be delivered.
- **Deliverables:** **Applicable for contracts only; this does not apply to grant instruments.** A detailed description of the results and products to be delivered inclusive of the timeframe in which it will be delivered.
- **Qualifications:** A discussion of previous accomplishments and work in this, or closely related, areas, and the qualifications of the investigators. Biographical information of the principal investigator(s) and PhD students/assistants shall be attached to the proposal, and will not count toward the page limitations. Include a description of involvement in other research projects currently undertaken by the applicant, whether or not acting as a principal investigator, lists of his/her publications, professional activities (e.g. organizing and/or serving on a program committee, conferences/workshops; publications/proposals reviewed or served as a consultant; patents; honors; awards and other accomplishments.
- **Management Approach:** A discussion of the overall approach to the management of this effort, including brief discussions of the total organization; use of personnel; project/function/subcontractor/subrecipient relationships; government research interfaces; and planning, scheduling and control practice.

Identify which personnel and subcontractors/subrecipients (if any) will be involved. Include a description of the facilities that are required for the proposed effort with a description of any Government Furnished Equipment/Hardware/Software/Information required, by version and/or configuration.

- **Other Agencies:** Include the name(s) of any other agencies to which the proposal has also been submitted.

VOLUME 2: Cost Proposal

The Cost Proposal shall consist of a cover page and two parts, Part 1 will provide a detailed cost breakdown of all costs by cost category by calendar or Government fiscal year, and Part 2 will provide a cost breakdown by task/sub-task corresponding to the task numbers in the proposed Statement of Work. Options must be separately priced.

Cover Page: The use of the SF 1411 is optional. The words “Cost Proposal” should appear on the cover page in addition to the following information:

- BAA number
- Title of Proposal
- Identity of prime Offeror and complete list of subcontractors, if applicable
- Technical contact (name, address, phone/fax, electronic mail address)
- Administrative/business contact (name, address, phone/fax, electronic mail address) and
- Duration of effort (separately identify basic effort and any proposed options)

Part 1: Detailed breakdown of all costs by cost category by calendar or Government fiscal year:

- Direct Labor – Individual labor category or person, with associated labor hours and unburdened direct labor rates;
- Indirect Costs – Fringe Benefits, Overhead, G&A, COM, etc. (Must show base amount and rate); Note: In accordance with Section 8115 of the Department of Defense Appropriations Act, 2008 (P.L. 110-116). It is important to note that the 35% limitation is not a cap on a grantee’s or contractor’s indirect cost rate. Instead, limits the amount of indirect cost that can be paid on a contract or grant to 35% on the total amount of the award. See attachment 2 for DoD guidance on Indirect Cost Limitation for Basic Research Awards and Explanatory supplement from the Office of Naval Research.
- Proposed Contractor-Acquired Equipment - such as computer hardware for proposed research projects should be specifically itemized with costs or estimated costs. An explanation of any estimating factors, including their derivation and application, shall be provided. Where possible, indicate purchasing method (competition, price comparison, market review, etc...);
- Travel – Number of trips, destination, duration, etc.;
- Subcontract – A cost proposal as detailed as the Offeror’s cost proposal will be required to be submitted by the subcontractor. The subcontractor’s or subrecipient’s cost proposal can be provided in a sealed envelope with the Offeror’s cost proposal or will be requested from the subcontractor prior to award;
- Consultant – Provide consultant agreement or other document which verifies the proposed loaded daily/hourly rate;

- Materials - should be specifically itemized with costs or estimated costs. An explanation of any estimating factors, including their derivation and application, shall be provided. Include a brief description of the Offeror's procurement method to be used (Competition, engineering estimate, market survey, etc.);
- Other Directs Costs - particularly any proposed items of equipment or facilities. Equipment and facilities generally must be furnished by the contractor/recipient. (Justifications must be provided when Government funding for such items is sought). Include a brief description of the Offeror's procurement method to be used (Competition, engineering estimate, market survey, etc.);
- Grant Specific Costs – Costs not normally associated with contracts, such as Graduate Assistant tuition, laboratory fees, report and publication costs and;
- Fee/Profit (contract proposals only)

Part 2: Cost breakdown by task/sub-task corresponding to the same task breakdown in the proposed Statement of Work. When options are contemplated, options must be separately identified and priced by task/subtask.

3. Significant Dates and Times –

This announcement will remain open until 31 March 2009 or until replaced by a successor BAA. Proposals may be submitted any time during this period.

4. Submission of Grant Proposals to Grants.gov

Grant proposals may be submitted through Grants.gov or by hard copy. Regardless of whether Grants.gov is used or “hardcopy” submission, the offeror must use the Grants.gov forms from the application package template associated with the BAA on the Grants.gov website. However, it should be noted that “white papers” should not be submitted through Grants.gov Apply process; the only acceptable media will be hard copy. White papers may be submitted in hard copy (either electronically or paper) directly to the Technical POC identified above. White paper submissions may be either mailed, faxed, or emailed directly to the Technical POC.

For electronic submission, there are several one-time actions that must be completed in order to submit an application through Grants.gov (e.g., obtain a Dun and Bradstreet Data Universal Numbering System (DUNS) number, register with the Central Contract Registry (CCR), register with the credential provider, and register with Grants.gov). See www.grants.gov, specifically www.grants.gov/GetStarted.

Use the Grants.gov Organization Registration Checklist at http://www.grants.gov/applicants/register_your_organization.jsp which will provide guidance through the process. Designating an E-Business Point of Contact (EBiz POC) and obtaining a special password called ‘MPIN’ are important steps in the CCR registration process. Applicants who are not registered with CCR and Grants.gov, should allow at least 21 days to complete these requirements. It is suggested that the process be started as soon as possible. Additionally, in order to download the application package, applicants will need to install PureEdgeViewer. This small, free program will allow applicants to access, complete and submit applications electronically and securely. For a free version of the software, visit the following website: www.grants.gov/DownloadViewer. If any questions that may arise relating to the registration process, system requirements, how an application form works, or the submittal process must be directed to Grants.gov at 1-800-518-4726 or support@grants.gov.

5. Submission of Late Proposals –

Not Applicable (N/A)

6. Address for the Submission of Hard Copy White Papers and Full Proposals

Hard copies of white papers and full proposals for Contracts and Grants should be sent to the Naval Postgraduate School at the following address:

Naval Postgraduate School
Attn: Research and Sponsored Programs Office
Contract and Grant Support
Code 91
Halligan Hall, Bldg 234
Monterey, CA 93943-5138

NOTE: FULL PROPOSALS SENT BY FAX OR E-MAIL WILL NOT BE CONSIDERED UNLESS APPROVED IN ADVANCE BY THE COGNIZANT NPS PRINCIPAL INVESTIGATOR/PROGRAM MANAGER.

V. EVALUATION INFORMATION

1. Evaluation Criteria –

Award decisions will be based on a competitive selection of proposals resulting from a scientific review. Evaluations will be conducted using the following evaluation criteria:

- 1) Overall scientific and technical merits of the proposal;
- 2) Potential relevance and contributions of the effort to the NPS research and/or graduate education mission.
- 3) The offeror's capabilities, related experience, facilities, techniques or unique combinations of these which are integral factors for achieving the proposal objectives;
- 4) The qualifications, capabilities and experience of the proposed Principal Investigator (PI), team leader and key personnel who are critical in achieving the proposal objects; and
- 5) The realism of the proposed costs and availability of funds.

Overall, the technical factors (1 – 4 above) are more important than the cost factor, with the technical factors all being of equal value. Although cost is not the most important evaluation factor, its degree of importance will increase with the degree of equality of the proposals in relation to the other factors on which selection is to be based, or when the cost is so significantly high as to diminish the value of the proposal's technical superiority to the Government.

For proposed awards to be made as contracts to large businesses, the socio-economic merits of each proposal will be evaluated based on the extent of the Offeror's commitment in providing meaningful subcontracting opportunities for small businesses, small disadvantaged

businesses, woman-owned small businesses, HUBZone small businesses, veteran-owned small businesses, service disabled veteran-owned small businesses, historically black colleges and universities, and minority institutions.

If options are applicable to the requirement, the Government may evaluate options utilizing any one of the following methodologies:

(1) Evaluation Exclusive of Options – The Government may evaluate offerors for award purposes by including only the cost for the basic requirement, i.e., options may not be included in the evaluation for award purposes; or

(2) Evaluation of Options Exercised at Time of Contract Award – Except when determined not to be in the Government’s best interests, the Government may evaluate the total cost for the basic requirement together with any option(s) to be exercised at the time of award ; or

(3) Evaluation of Options – Except when it is determined not to be in the Government’s best interests, the Government will evaluate for award purposes by adding the total cost for all options to the total cost for the basic requirement.

The evaluation of options will not obligate the Government to exercise the options at anytime during contract performance.

2. Evaluation Panel -

Technical and cost proposals submitted under this BAA will be protected from unauthorized disclosure in accordance with FAR 3.104-5 and 15.207. The cognizant NPS Principal Investigator/Program Officer and other Government experts will perform the evaluation of technical proposals. Cost proposals will be evaluated by Government business professionals. Restrictive notices notwithstanding, one or more support contractors may be utilized as subject-matter-expert technical consultants. Similarly, support contractors may be utilized to evaluate cost proposals. However, proposal selection and award decisions are solely the responsibility of Government personnel. Each support contractor’s employee having access to technical and cost proposals submitted in response to this BAA will be required to sign a non-disclosure statement prior to receipt of any proposal submissions.

VI. AWARD ADMINISTRATION INFORMATION

1. Administrative Requirements –

- The North American Industry Classification System (NAICS) code – The North American Industry Classification System (NAICS) code for this announcement is “541710” with a small business size standard of “500 employees”.
- CCR - Successful Offerors not already registered in the Central Contractor Registry (CCR) will be required to register in CCR prior to award of any grant, contract, cooperative agreement, or other transaction agreement. Information on CCR registration is available at <http://www.ccr.gov>
- Certifications – Proposals for contracts and assistance agreements over \$100,000 should be

accompanied by a completed lobbying certification, which can be accessed at <http://www.osec.doc.gov/forms/pdf/cd511fll.pdf> .

- **Contracts:**

For contracts, in accordance with FAR 4.1201, prospective contractors shall complete electronic annual representations and certifications at <http://orca.bpn.gov>. In addition to completing the Online Representations and Certifications Application (ORCA), proposals must be accompanied with a completed DFARS and contract specific representations and certification in Section K, see Attachment I. Successful 'contract' proposals that exceed \$550,000, submitted by all but "small business concerns", will be required to submit prior to award a Small Business Subcontracting Plan in accordance with FAR 52.219-9, prior to award.

- **Assistance Agreements (Grant and Cooperative Agreement Proposals):**

. Grant awards greater than \$100,000 requires a certification of compliance with a national policy mandate concerning lobbying." Grant and other assistance applicants may provide this certification in one of three (3) ways:

- 1) By signing and submitting the Standard Form (SF) 424 (R&R) as a part of a hard copy the grant proposal submission (complete Blocks 18 and 19);
- 2) By electronic submission of SF424 (R&R) as a part of an electronic proposal submitted via Grants.gov (complete Blocks 18 and 19); or
- 3) By hard copy submission of the full text lobbying certification in Attachment I.

2. Reporting -

The following are samples of data deliverables that are typically required under a research effort on education initiative:

- *Technical and Financial Progress Reports
- *Presentation Materials
- *Final Report

Additional data deliverables may be proposed and finalized during negotiations. Research or education initiatives performed under contracts may also include the delivery of software, prototypes, and other hardware deliverables.

VII. OTHER INFORMATION

1. Government Property/Government Furnished Equipment (GFE) and Facilities

Each proposer must provide a very specific description of any equipment/hardware that it needs to acquire to perform the work. This description should indicate whether or not each particular piece of equipment/hardware will be included as part of a deliverable item under the resulting award. Also, this description should identify the component, nomenclature, and configuration of

the equipment/hardware that it proposes to purchase for this effort. The purchase on a direct reimbursement basis of special test equipment or other equipment that is not included in a deliverable item will be evaluated for allowability on a case-by-case basis. Maximum use of Government integration, test, and experiment facilities is encouraged in each of the Offeror's proposals.

Government research facilities and operational military units are available and should be considered as potential government-furnished equipment/facilities. These facilities and resources are of high value and some are in constant demand by multiple programs. It is unlikely that all facilities would be used for any one specific program. The use of these facilities and resources will be negotiated as the program unfolds. Offerors should explain as part of their proposals which of these facilities are critical for the project's success..

2. Security Classification

In order to facilitate intra-program collaboration and technology transfer, the Government will attempt to enable technology developers to work at the unclassified level to the maximum extent possible. If access to classified material will be required at any point during performance, the Offeror must clearly identify such need prominently in its proposal.

3. Use of Human Subjects in Research

Proposals for research involving human subjects the Offeror must submit prior to award: documentation of approval from an Institutional Review Board (IRB); IRB-approved informed consent form; IRB-approved research protocol; an executive summary of planned research (one-half to one page in length); proof of completed human research training (e.g., training certificate, institutional verification of training, etc.); an application for a DoD Navy Addendum to the Offeror's DHHS-issued Federal Wide Assurance (FWA) or the Offeror's DoD Navy Addendum number. The forms for assurance applications can be found at http://www.hhs.gov/ohrp/assurances/assurances_index.html/ If the research is determined by the IRB to be greater than minimal risk, the Offeror also must provide the name and contact information for the independent medical monitor. [Note: for research involving human subjects that is greater than minimal risk, administrative procedures to protect human subjects from medical expenses (not otherwise provided or reimbursed) that are the direct result of participation in a research project must be addressed.

4. Recombinant DNA

Proposal which call for experiments using recombinant DNA must include documentation of compliance with Department of Human and Health Services (DHHS) recombinant DNA regulations, approval of the Institutional Biosafety Committee (IBC), and copies of the DHHS Approval of the IBC letter.

5. Department of Defense High Performance Computing Program

The DoD High Performance Computing Program (HPCMP) furnishes the DoD S & T and DT & E communities with use-access to very powerful high performance computing systems. Awardees of FISC contracts, grants, and assistance instruments may be eligible to use HPCMP assets in support of their funded activities if Technical Program Officer approval is

obtained and if security/screening requirements are favorably completed. Additional information and an application may be found at <http://www.hpcmo.hpc.mil/>.

6. Protection of Proprietary and Sensitive Information

The parties acknowledge that, during performance of the contract or grant agreement resulting from this BAA, the recipient may require access to certain proprietary and confidential information (whether in its original or derived form) submitted to or produced by the Government. Such information includes, but is not limited to, business practices, proposals, designs, mission or operation concepts, sketches, management policies, cost and operating expense, technical data and trade secrets, proposed Navy budgetary information, and acquisition planning or acquisition actions, obtained either directly or indirectly as a result of the effort performed on behalf of NPS. The recipient shall take appropriate steps not only to safeguard such information, but also to prevent disclosure of such information to any party other than the Government. The recipient agrees to indoctrinate company personnel who will have access to or custody of the information concerning the nature of the confidential terms under which the Government received such information and shall stress that the information shall not be disclosed to any other party or to recipient personnel who do not need to know the contents thereof for the performance of the contract/agreement. Recipient personnel shall also be informed that they shall not engage in any other action, venture, or employment wherein this information will be used for any purpose by any other party.

7. Use of Animals and Human Subjects in Research

If animals are to be utilized in the research effort proposed, the Offeror must complete a DOD Animal Use Protocol with supporting documentation (copies of AALAC accreditation and/or NIH assurance, IACUC approval, research literature database searches, and the two most recent USDA inspection reports) prior to award.

Proposals for research involving human subjects the Offeror must submit prior to award: documentation of approval from an Institutional Review Board (IRB); IRB-approved informed consent form; IRB-approved research protocol; an executive summary of planned research (one-half to one page in length); proof of completed human research training (e.g., training certificate, institutional verification of training, etc.); an application for a DoD Navy Addendum to the Offeror's DHHS-issued Federal Wide Assurance (FWA) or the Offeror's DoD Navy Addendum number. The forms for assurance applications can be found at http://www.hhs.gov/ohrp/assurances/assurances_index.html/ If the research is determined by the IRB to be greater than minimal risk, the Offeror also must provide the name and contact information for the independent medical monitor. [Note: for research involving human subjects that is greater than minimal risk, administrative procedures to protect human subjects from medical expenses (not otherwise provided or reimbursed) that are the direct result of participation in a research project must be addressed.

ATTACHMENT 1:

CONTRACTS AND GRANTS

CERTIFICATION REGARDING LOBBYING (proposals greater than \$100,000)

Applicants must review the requirements for certification regarding lobbying included in the regulations cited below before completing this form. Applicants must sign this form to comply with the certification requirements under 34 CFR Part 82, "New Restrictions on Lobbying." This certification is a material representation of fact upon which the Fleet & Industrial Supply Center relies when it makes a grant or enters into a cooperative agreement.

As required by Section 1352, Title 31 of the U.S. Code, and implemented at 34 CFR Part 82, for persons entering into a Federal contract, grant or cooperative agreement over \$100,000, as defined at 34 CFR Part 82, Sections 82.105 and 82.110, the applicant certifies that:

(a) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the making of any Federal grant, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal grant or cooperative agreement;

(b) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal grant or cooperative agreement, the undersigned shall complete and submit Standard Form - LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions;

(c) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subgrants and contracts under grants and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

As the duly authorized representative of the applicant, I hereby certify that the applicant will comply with the above certification.

NAME OF APPLICANT PROJECT NAME	PR/AWARD NUMBER AND / OR
PRINTED NAME AND TITLE OF AUTHORIZED REPRESENTATIVE	
SIGNATURE	DATE

ATTACHMENT 1 (Cont'd):

(Note: Section K is applicable to Contracts only)

SECTION K -REPRESENTATIONS, CERTIFICATIONS AND OTHER STATEMENTS OF OFFERORS (R&D Contracts)

NAME OF OFFEROR (Firm or Organization)_____

OFFEROR DUNS NUMBER _____

Proposal Title _____

Proposal Number and/or Date _____

The above referenced proposal was submitted in response to: The NPS Broad Agency Announcement (BAA) #08-003 for Long-Range Research and Education Initiatives at The Naval Postgraduate School

K.1 FAR 52.215-20 -REQUIREMENTS FOR COST OR PRICING DATA OR INFORMATION OTHER THAN COST OR PRICING DATA (OCT 1997)

(a) *Exceptions from cost or pricing data.*

(1) In lieu of submitting cost or pricing data, offerors may submit a written request for exception by submitting the information described in the following subparagraphs. The Contracting Officer may require additional supporting information, but only to the extent necessary to determine whether an exception should be granted, and whether the price is fair and reasonable.

(i) *Identification of the law or regulation establishing the price offered.* If the price is controlled under law by periodic rulings, reviews, or similar actions of a governmental body, attach a copy of the controlling document, unless it was previously submitted to the contracting office.

(ii) *Commercial item exception.* For a commercial item exception, the offeror shall submit, at minimum, information on prices at which the same item or similar items have previously been sold in the commercial market that is adequate for evaluating the reasonableness of the price for this acquisition. Such information may include -

(A) For catalog items, a copy of or identification of the catalog and its date, or the appropriate pages for the offered items, or a statement that the catalog is on file in the buying office to which the proposal is being submitted. Provide a copy or describe current discount policies and price lists (published or unpublished), *e.g.*, wholesale, original equipment manufacturer, or reseller. Also explain the basis of each offered price and its relationship to the established catalog price, including how the proposed price relates to the price of recent sales in quantities similar to the proposed quantities;

(B) For market-priced items, the source and date or period of the market quotation or other basis for market price, the base amount, and applicable discounts. In addition, describe the nature of the market;

(C) For items included on an active Federal Supply Service Multiple Award Schedule contract, proof that an exception has been granted for the schedule item.

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(2) The offeror grants the Contracting Officer or an authorized representative the right to examine, at any time before award, books, records, documents, or other directly pertinent records to verify any request for an exception under this provision, and the reasonableness of price. For items priced using catalog or market prices, or law or regulation, access does not extend to cost or profit information or other data relevant solely to the offeror's determination of the prices to be offered in the catalog or marketplace.

(b) *Requirements for cost or pricing data.* If the offeror is not granted an exception from the requirement to submit cost or pricing data, the following applies:

(1) The offeror shall prepare and submit cost or pricing data and supporting attachments in accordance with Table 15-2 of FAR 15.408.

(2) As soon as practicable after agreement on price, but before contract award (except for unpriced actions such as letter contracts), the offeror shall submit a Certificate of Current Cost or Pricing Data, as prescribed by FAR 15.406-2.

K.2 FAR 52.230-1 COST ACCOUNTING STANDARDS NOTICES AND CERTIFICATION (JUN 2000)

Note: This notice does not apply to small businesses or foreign governments. This notice is in three parts, identified by Roman numerals I through III.

Offerors shall examine each part and provide the requested information in order to determine Cost Accounting Standards (CAS) requirements applicable to any resultant contract.

If the offeror is an educational institution, Part II does not apply unless the contemplated contract will be subject to full or modified CAS coverage pursuant to 48 CFR 9903.201-2(c) (5) or 9903.201-2(c) (6), respectively.

I. Disclosure Statement--Cost Accounting Practices and Certification

(a) Any contract in excess of \$500,000 resulting from this solicitation will be subject to the requirements of the Cost Accounting Standards Board (48 CFR Chapter 99), except for those contracts which are exempt as specified in 48 CFR 9903.201-1.

(b) Any offeror submitting a proposal which, if accepted, will result in a contract subject to the requirements of 48 CFR Chapter 99 must, as a condition of contracting, submit a Disclosure Statement as required by 48 CFR 9903.202. When required, the Disclosure Statement must be submitted as a part of the offeror's proposal under this solicitation unless the offeror has already submitted a Disclosure Statement disclosing the practices used in connection with the pricing of this proposal. If an applicable Disclosure Statement has already been submitted, the offeror may satisfy the requirement for submission by providing the information requested in paragraph (c) of Part I of this provision.

Caution: In the absence of specific regulations or agreement, a practice disclosed in a Disclosure Statement shall not, by virtue of such disclosure, be deemed to be a proper, approved, or agreed-to practice for pricing proposals or accumulating and reporting contract performance cost data.

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(c) Check the appropriate box below:

(1) Certificate of Concurrent Submission of Disclosure Statement. The offeror hereby certifies that, as a part of the offer, copies of the Disclosure Statement have been submitted as follows:

(i) Original and one copy to the cognizant Administrative Contracting Officer (ACO) or cognizant Federal agency official authorized to act in that capacity (Federal official), as applicable; and

(ii) One copy to the cognizant Federal auditor.

(Disclosure must be on Form No. CASB DS-1 or CASB DS-2, as applicable. Forms may be obtained from the cognizant ACO or Federal official and/or from the loose-leaf version of the Federal Acquisition Regulation.)

Date of Disclosure Statement: _____

Name and Address of Cognizant ACO or Federal Official Where Filed:

The offeror further certifies that the practices used in estimating costs in pricing this proposal is consistent with the cost accounting practices disclosed in the Disclosure Statement.

(2) Certificate of Previously Submitted Disclosure Statement. The offeror hereby certifies that the required Disclosure Statement was filed as follows:

Date of Disclosure Statement: _____

Name and Address of Cognizant ACO or Federal Official Where Filed:

The offeror further certifies that the practices used in estimating costs in pricing this proposal is consistent with the cost accounting practices disclosed in the applicable Disclosure Statement.

(3) Certificate of Monetary Exemption. The offeror hereby certifies that the offeror, together with all divisions, subsidiaries, and affiliates under common control, did not receive net awards of negotiated prime contracts and subcontracts subject to CAS totaling \$50 million or more in the cost accounting period immediately preceding the period in which this proposal was submitted. The offeror further certifies that if such status changes before an award resulting from this proposal, the offeror will advise the Contracting Officer immediately.

(4) Certificate of Interim Exemption. The offeror hereby certifies that (i) the offeror first exceeded the monetary exemption for disclosure, as defined in (3) of this subsection, in the cost accounting period immediately preceding the period in which this offer was submitted and (ii) in accordance with 48 CFR 9903.202-1, the offeror is not yet required to submit a Disclosure Statement. The offeror further certifies that if an award resulting from this proposal has not been made within 90 days after the end of that period, the offeror will immediately submit a revised

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certificate to the Contracting Officer, in the form specified under subparagraph (c) (1) or (c) (2) of Part I of this provision, as appropriate, to verify submission of a completed Disclosure Statement.

Caution: Offerors currently required disclosing because they were awarded a CAS-covered prime contract or subcontract of \$50 million or more in the current cost accounting period may not claim this exemption (4). Further, the exemption applies only in connection with proposals submitted before expiration of the 90-day period following the cost accounting period in which the monetary exemption was exceeded.

II. Cost Accounting Standards--Eligibility for Modified Contract Coverage

If the offeror is eligible to use the modified provisions of 48 CFR 9903.201-2(b) and elects to do so, the offeror shall indicate by **checking the box below**. **Checking the box below** shall mean that the resultant contract is subject to the Disclosure and Consistency of Cost Accounting Practices clause in lieu of the Cost Accounting Standards clause.

The offeror hereby claims an exemption from the Cost Accounting Standards clause under the provisions of 48 CFR 9903.201-2(b) and certifies that the offeror is eligible for use of the Disclosure and Consistency of Cost Accounting Practices clause because during the cost accounting period immediately preceding the period in which this proposal was submitted, the offeror received less than \$50 million in awards of CAS-covered prime contracts and subcontracts, or the offeror did not receive a single CAS-covered award exceeding \$1 million. The offeror further certifies that if such status changes before an award resulting from this proposal, the offeror will advise the Contracting Officer immediately.

Caution: An offeror may not claim the above eligibility for modified contract coverage if this proposal is expected to result in the award of a CAS-covered contract of \$50 million or more or if, during its current cost accounting period, the offeror has been awarded a single CAS-covered prime contract or subcontract of \$50 million or more.

III. Additional Cost Accounting Standards Applicable to Existing Contracts

The offeror shall indicate below whether award of the contemplated contract would, in accordance with subparagraph (a) (3) of the Cost Accounting Standards clause, require a change in established cost accounting practices affecting existing contracts and subcontracts.

YES NO

ALTERNATE I (APR 1996)

(5) Certificate of Disclosure Statement Due Date by Educational Institution. If the offeror is an educational institution that, under the transition provisions of 48 CFR 9903.2021(f), is or will be required to submit a Disclosure Statement after receipt of this award, the offeror hereby certifies that (**check one and complete**):

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(i) A Disclosure Statement Filing Due Date of _____ has been established with the cognizant Federal agency.

(ii) The Disclosure Statement will be submitted within the 6-month period ending _____ months after receipt of this award.

Date of Disclosure Statement: _____

Name and Address of Cognizant ACO or Federal Official:

Where Disclosure Statement is Filed:

K.3 DFARS 252.215-7003 EXCESSIVE PASS-THROUGH CHARGES – IDENTIFICATION OF SUBCONTRACT EFFORT (APR 2007)

(a) Definition. “Excessive pass-through charge,” as used in this provision, is defined in the clause of this solicitation entitled “Excessive Pass-Through Charges” (DFARS 252.215-7004).

(b) General. The offeror’s proposal shall exclude excessive pass-through charges.

(c) Performance of work by the Contractor or a subcontractor.

(1) The offeror shall identify in its proposal the percent of effort it intends to perform, and the percent expected to be performed by each subcontractor, under the contract, task order, or delivery order.

(2) If the offeror intends to subcontract more than 70 percent of the total cost of work to be performed under the contract, task order, or delivery order, the offeror shall identify in its proposal—

(i) The amount of the offeror’s indirect costs and profit applicable to the work to be performed by the subcontractor(s); and

(ii) A description of the value added by the offeror as related to the work to be performed by the subcontractor(s).

(3) If any subcontractor proposed under the contract, task order, or delivery order intends to subcontract to a lower-tier subcontractor more than 70 percent of the total cost of work to be performed under its subcontract, the offeror shall identify in its proposal—

(i) The amount of the subcontractor’s indirect costs and profit applicable to the work to be performed by the lower-tier subcontractor(s); and

(ii) A description of the value added by the subcontractor as related to the work to be performed by the lower-tier subcontractor(s).

(End of provision)

K.4 DFARS 252.227-7028 TECHNICAL DATA OR COMPUTER SOFTWARE PREVIOUSLY DELIVERED TO THE GOVERNMENT (JUN 1995)

The Offeror shall attach to its offer an identification of all documents or other media incorporating technical data or computer software it intends to deliver under this contract with

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other than unlimited rights that are identical or substantially similar to documents or other media that the Offeror has produced for, delivered to, or is obligated to deliver to the Government under any contract or subcontract. The attachment shall identify—

- (a) The contract number under which the data or software were produced;
- (b) The contract number under which, and the name and address of the organization to whom, the data or software were most recently delivered or will be delivered; and
- (c) Any limitations on the Government's rights to use or disclose the data or software, including, when applicable, identification of the earliest date the limitations expire.

(End of provision)

K.5 Standard Form-LLL, "Disclosure of Lobbying Activities" which can be retrieved at <http://www.gsa.gov/Portal/gsa/ep/formslibrary.do?viewType=DETAIL&formId=E0F5394ACA9DDC4085256A3E005C7420>

If applicable in accordance with subparagraph (b) (2) of provision 52.203-11 Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions (Found in ORCA), Standard Form-LLL has been completed in accordance with its instructions and is returned herewith.

SIGNATURE

By signature hereto, or to an offer incorporating these representations and certifications, the offeror certifies that they are accurate, current, and complete and that he is aware of the penalty prescribed in 18 U.S.C. 1001 for making false statement in offers.

Date

Name of Contractor

Authorized Signature

Typed or Printed Name

ATTACHMENT 2:



ACQUISITION,
TECHNOLOGY
AND LOGISTICS

THE UNDER SECRETARY OF DEFENSE
3010 DEFENSE PENTAGON
WASHINGTON, DC 20301-3010

DEC 01 2007

MEMORANDUM FOR SECRETARY OF THE ARMY
(ATTN: DEPUTY ASSISTANT SECRETARY OF THE
ARMY (PROCUREMENT))
SECRETARY OF THE NAVY
(ATTN: CHIEF OF NAVAL RESEARCH)
(ATTN: DEPUTY ASSISTANT SECRETARY OF THE
NAVY (ACQUISITION & LOGISTICS MANAGEMENT))
SECRETARY OF THE AIR FORCE
(ATTN: DEPUTY ASSISTANT SECRETARY OF THE AIR
FORCE (CONTRACTING))
DIRECTOR, DEFENSE ADVANCED RESEARCH
PROJECTS AGENCY
ASSISTANT TO THE SECRETARY OF DEFENSE FOR
NUCLEAR & CHEMICAL & BIOLOGICAL DEFENSE
PROGRAMS
DIRECTOR, DEFENSE THREAT REDUCTION AGENCY
DIRECTOR, WASHINGTON HEADQUARTERS SERVICES

SUBJECT: Indirect Cost Limitation for Basic Research Awards

Please expeditiously issue direction to all offices or laboratories within your Military Department or Defense Agency that may obligate or transfer for obligation Basic Research appropriations, to require compliance with the requirements of Section 8115 of the DoD Appropriations Act, 2008. Section 8115 reads:

SEC. 8115. Notwithstanding any other provision of law, none of the funds made available in this Act may be used to pay negotiated indirect cost rates on a contract, grant, or cooperative agreement (or similar arrangement) entered into by the Department of Defense and an entity in excess of 35 percent of the total cost of the contract, grant, or agreement (or similar arrangement): Provided, That this limitation shall apply only to contracts, grants, or cooperative agreements entered into after the date of the enactment of this Act using funds made available in this Act for fiscal year 2008 for basic research.



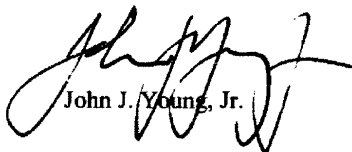
For the purposes of implementing Section 8115:

- Basic Research means funds in programs within Budget Activity 1 of the Research, Development, Test and Evaluation appropriation.
- The restriction on payment of indirect costs applies to all FY 2008 Basic Research appropriations obligated by any award – i.e., procurement contract, grant, cooperative agreement, or any other obligational arrangement – to a non-Federal entity, or awardee.
- The limitation on payment of indirect costs applies to an award entered into at the prime level only and does not flow down to subordinate instruments.
- For the restriction on payment of indirect cost as a percentage of total cost, “total cost” has the meaning given in the Government-wide cost principles that apply to the particular awardee (2 CFR part 220, 225, or 230, or 48 CFR part 31). “Indirect costs” are all costs of a prime award that are Facilities and Administration costs (for awardees subject to the cost principles in 2 CFR part 220) or indirect costs (for awardees subject to the cost principles in 2 CFR part 225 or 230 or 48 CFR part 31).

Please issue direction immediately to affected program and awarding offices to include a:

- Term or condition requiring compliance with Section 8115 in each new award made on or after November 14, 2007, using Basic Research funds made available by the DoD Appropriations Act for FY 2008. Section 8115 does not apply to obligations of FY 2008 funds for awards made before that date.
- Statement requiring compliance with Section 8115 in any document transferring FY 2008 Basic Research funds to another Federal agency for obligation to a non-Federal entity. The statement must require the other agency to include a term or condition, as described in the preceding paragraph, in each new award it makes using those funds.

My points of contact are Dr. Mark Herbst at 703-588-1377, mark.herbst@osd.mil, for grants or cooperative agreements and Mr. Bill Sain at 703-602-0293, bill.sain@osd.mil, for procurement contracts.



John J. Young, Jr.

2

35% Limitation on Payment of Indirect Costs

Section 8115 of the Fiscal Year 2008 Department of Defense Appropriation Act placed a 35% limit on payment of indirect costs under contracts, grants, cooperative agreements and similar agreements awarded using FY 2008 basic research (6.1) funds. The limitation applies only to awards entered into after the date of enactment of the Act (14 November 2007) using FY 08 funds provided by the Act.

The following is provided as clarification to Program Officers, Contracting Officers and Grant Officers to guide their interactions with potential awardees that may be impacted by Section 8115 of the Act.

By memorandum dated 1 December 2007, the Undersecretary of Defense (AT&L) issued guidance on implementation of the Act. The following are the key elements of that guidance with regard to ONR's implementation:

- The limitation on payment of indirect costs applies to all types of 6.1 funded awards, i.e., contracts, grants, cooperative agreements, etc. to any non-Federal entity or awardee. For ONR this means universities, both large and small commercial firms and other non-profit organizations are potentially impacted.
- The limitation on payment of indirect costs applies to prime awards only and **does not** flow down to subcontracts or subgrants.
- The limitation applies to "new" awards funded by FY08 basic research funds. For ONR this means new awards and expansions to existing awards if the new award or expansion is issued on or after 14 November 2007.
- A provision must be placed in each new award using FY 08 basic research funds issued on or after 14 November 2007 requiring compliance with Section 8115 of the DoD Appropriation Act for FY08. ONR Acquisition developed a set of provisions for contracts, grants, etc. meeting these criteria.

The 35% limit on payment of indirect costs is not an indirect cost rate. Instead, it is a limit on the ratio of indirect costs to the total cost of an award; e.g. 35 cents on a dollar. Thus, by dividing the total indirect costs by the total amount of the award we can determine whether the 35% limitation is breached.

Indirect cost rates are negotiated by the government with contractors, grantees and other non-Federal performers who receive funds from the government. The indirect cost rate is a methodology for allocating allowable costs that cannot be readily estimated and charged directly to Federal and non-Federal awards.

University indirect cost rates (referred to as Facility and Administrative rates by regulation) are applied to a restricted set of direct costs (referred to as Modified Total Direct Costs or MTDC) to arrive at the dollar amount of indirect cost applicable to a specific contract, grant or agreement. Included in the MTDC are salaries and wages, fringe benefits, materials and supplies, travel and

the first \$25K of each subgrant of subcontract. Excluded from the MTDC are equipment, capital expenditures, tuition remission (paid to graduate research assistants in lieu of salary), rental costs, scholarships and fellowships, patient care costs and the portion of each subgrant of subcontract in excess of \$25K. Bottom line, if a university cost proposal contains more MTDC exclusions there is less likelihood of exceeding the 35% limitation despite the fact that the negotiated indirect cost rate may be substantially higher than 35%.

Indirect cost rates for commercial firms and other non-profit organizations are substantially different in how they are applied. The total amount of indirect costs for a commercial concern or other non-profit organization may consist elements referred to as indirect costs or overhead, general and administrative costs, material overhead, subcontract overhead, etc. or any combination of the above. The BD25 will ultimately determine whether the total amount of indirect cost beaches the limitation. In some cases, the ONR Indirect Cost Branch, BD242, and or the Defense Contract Auditor Agency may be consulted in determining the total amount of indirect costs being proposed. Program Officers are encouraged to contact the Contracting Officer or Grants Officer if questions arise regarding the limitation on payment of indirect costs.