PROPOSAL PREPARATION INSTRUCTIONS

FA8051-24-S-0001 ATTACHMENT 2

I. General Information

a. Always compare these Proposal Preparation Instructions with the proposal request in each CALL as they may vary for some projects and may differ somewhat from the instructions herein. Should that occur, you must comply with the CALL instructions.

b. All awards resulting from this announcement will contain the mandatory final technical report Contract Data Requirements List (CDRL) item that requires technical data delivered with less-than-unlimited rights to be contained in a separate appendix to the final technical report.

c. **Proposers are cautioned that evaluation ratings may be lowered and/or proposal rejected if proposal preparation (proposal format, content, etc.) and/or submittal instructions are not followed.**

d. Certificate of Current Cost or Pricing Data (CCCPD): In accordance with FAR 15.403-4(a)(1), a CCCPD is required to be submitted by the offeror upon the conclusion of negotiations if the total amount is $2M or more, and none of the exceptions to certified cost or pricing data requirements apply. These instructions anticipate no exceptions will apply due to the one-of-a-kind nature of research and development work.

e. Proposals should contain four sections (Business, Technical Proposal, Contractor-Performance Work Statement (C-PWS), and Cost).

f. AFCEC does not expect R&D efforts to qualify for the Technology Incentive Range as defined in DFARS 215.404-71-2(d)(4) when calculating performance risk using the Weighted Guidelines method. The incentive is to be applied for technology innovation for mature, operational, non-prototype type systems only.

II. Business Section.

a. This section will provide the following information and any other information deemed relevant. If an item does not apply, please state "N/A".

b. Validity Period

c. Award Instrument/Contract Type Requested

d. Place of Performance

e. Period of Performance

f. Unique Entity Identifier (UEI)

g. Business Size & Socio-Economic Designation (if any)

h. Authorized Negotiators

i. Small Business Subcontracting Plan

1) All proposals over $750,000 received from a large business **must** include a subcontracting plan unless the offeror has a Comprehensive Subcontracting Plan in place. The plan format is outlined in FAR 19.704 but see the "DoD Checklist for Reviewing Subcontracting Plans" found at DFARS PGI 219.705-4 for helpful guidance on what elements are required. If a Master Subcontracting Plan is in place with DCMA, submit a copy of the plan with contract-specific goals.

2) If there are no subcontracting possibilities (either via direct subcontracting to small businesses or via other direct cost or indirect costs), a justification must be included. Only a Contracting Officer can make this determination, and this will aid them in their determination.

j. Data Rights and Data Rights Identification and Assertion

1) In accordance with **DFARS 252.227-7017, Identification and Assertion of Use, Release, or Disclosure Restrictions** and as prescribed in DFARS 227.7104(e)(2), or 227.7203-3(a), the **IDENTIFICATION AND ASSERTION OF USE, RELEASE, OR DISCLOSURE RESTRICTIONS** provision applies. Please complete and include the tables in the provision with your proposal. Also, if applicable, please state any SBIR Data Rights currently in effect, including their start and end date and contract number/Government award they are based on.

2) REMEMBER – this assertion is for deliverables under the proposed contract ONLY. If the item is used but not part of the end deliverable, do not list it.

3) Each assertion should state where it is being delivered (i.e., technical data under the DATA CLIN as part of the final technical report; software under CLIN XXXX as part of the deliverable).

4) Do not list commercial items with commercial licenses. These should be identified elsewhere.

k. Foreign Participation

1) IF an exception in BAA Full Text Section III.C.2. is applicable- For each foreign national involved in your effort, either employee or subcontractor/consultant, include visa information. Also, a copy of the DD Form 2345 must be provided.

l. If the requirement is classified as ITAR or Export Controlled, the resulting contracts shall comply with all U.S. export control laws and regulations, including the ITAR and the Export Administration Regulations (EAR). Offerors are responsible for ensuring that all employees who will work on this contract are eligible under export control and International Traffic in Arms (ITAR) regulations. Any employee who is not a U.S. citizen or a permanent resident may be restricted from working on this contract if the technology is restricted under export control and ITAR regulations unless the prior approval of the Department of State or the Department of Commerce is obtained via a technical assistance agreement or an export license. Violations of these regulations can result in criminal or civil penalties. For further information on ITAR visit https://www.pmddtc.state.gov/ddtc_public?id=ddtc_public_portal_itar_landing.

m. Any Restrictions/Sensitivities regarding the Proposed Deliverables. Provide details on any of the following:

1) Export-Controlled Items/Information
2) Item Unique Identification and Validation
3) Safeguarding of Unclassified Controlled Technical Information
4) Protection of Human Subjects – Institutional Review Board (IRB)

n. Equal Employment Opportunity Pre-Award Compliance (Applicable to awards over $10M) (FAR 22.805).

o. Address Limitation on Pass-Through Charges, if applicable (FAR 52.215-23).

p. Contractor Business Systems

1) If you do not have a Government approved accounting system, see the additional instructions entitled "***FA8051-24-S-0001 Attachment 1- Adequate Accounting System.***" **If you are interested in an audit of your accounting system, please complete, and include with your proposal the SF 1408 - PREAWARD SURVEY OF PROSPECTIVE CONTRACTOR ACCOUNTING SYSTEM. If you do not have an approved accounting system, a firm fixed price (FFP) contract might be a viable option, at the Government's discretion. If you wish to pursue a FFP type contract and require milestone payments, please be sure to structure your proposal for payable milestones. If you plan on pursing an audit, please also submit a cost-reimbursement breakout with your FFP proposal showing the rolled-up cost elements by year. This will reduce rework and save time should the audit show that your accounting system is adequate to account for costs on a cost-reimbursement basis.**

q. Organizational Conflict of Interest, if applicable (FAR 9.5)

r. Subcontractors/Consultants to include UEIs.

s. The following additional information should be included for proposals **over** $2,000,000:

1) Have you been awarded any contracts or subcontracts for the same or similar items within the past 3 years? If yes, identify item(s), customer(s) and contract numbers.
2) Will this contract be subject to CASB regulations? If no, explain.
3) Have you submitted a CASB disclosure statement (CASB DS-1 or 2)? If yes, specify the office to which submitted and if determined to be adequate.
4) Have you been notified that you are or may be in noncompliance with your disclosure statement or cost accounting standards? If yes, explain.
5) Is any aspect of this proposal inconsistent with your disclosed practices or applicable cost accounting standards? If yes, explain.
6) When the solicitation requires the submission of certified cost or pricing data, the offeror should complete DFARS 252.215-7009, Proposal Adequacy Checklist. In preparation of the checklist, offerors may elect to have their prospective subcontractors use the same or similar checklist as appropriate to facilitate submission of a thorough, accurate, and complete proposal.

III. Technical Proposal

a. FORMAT- Font shall be standard 12-point, Arial. Character spacing is normal, not condensed. Pages shall be double-spaced, single-sided, 8.5 x 11 inches, with one-inch margins, side, top and bottom. All text, including text in tables and charts, must adhere to font size and line spacing requirements. Font/line spacing does not have to be followed for illustrations/flowcharts/ drawings/diagrams.

b. PAGE COUNT- The Technical Proposal is limited to twenty-five (25) pages, the Offeror's C-PWS is limited to ten (10) pages (see Attachment 3- Contractor PWS), the Business Section is limited to twenty (15) pages, the Cost Section does not have a page restriction, and Resumes/Curriculum Vitae (CV) for Key Personnel shall not exceed two (2) pages per individual. Pages shall be numbered sequentially. The cover page is unnumbered and does not count against any of the page restrictions. If resumes/CV of key personnel are included in the proposal, they do not count against the page limit restrictions. Pages submitted in excess of the proposal/C-PWS page limit will not be read or evaluated.

c. SECTIONS:

    a. TECHNICAL APPROACH: Discussion of the nature and scope of the research and the technical approach. It must convey an understanding of the problems or limitations of the general technology area and the intended application(s). Describe the techniques, methods, materials, or ideas that will be addressed in the proposal, their innovation and to what degree they advance the state-of-the-art. Describe in detail the planned approach and how the plan will be executed. This section should include all technical aspects of the approach. Provide technical detail and analysis necessary to support the technical approach proposed. Clearly identify the core of the intended approach. The "new and creative" solution to the problem(s) should be developed and analyzed in this section. Include a risk assessment of key technical, schedule or cost areas and their potential impact on the program. Identify why proposed subcontractors were selected and what tasks they are to perform.

    b. MILESTONE CHART: Milestone Charts should indicate when specific objectives are expected to be met in the overall program schedule and should identify the specific accomplishments necessary to proceed to the next task. Provide a schedule of when the deliverable items identified in the CALL are to be delivered. Do not use hard dates, use number of days or months after the date of award [e.g. Date of Award (DOA)+3 months].

    c. FACILITIES AND EQUIPMENT DESCRIPTION: Describe the facilities that can be used to achieve the goals of the program, in terms of manufacturing capability, testing facilities, and/or any relevant specialized equipment. Include any expected government furnished items, materials, equipment, and/or facilities.

    d. DESCRIPTION OF RELEVANT PRIOR WORK: Provide a list of related previous or current government, commercial, or internally funded work during the past five years. For each such effort, provide the contract number, title of effort, dollar value, principal investigator, brief summary of results and a technical and contracting point of contact, to include their phone number and email address.

e. MANAGEMENT PLAN. Offerors should provide an approach that demonstrates the ability to effectively and efficiently manage and administer the research program to a successful conclusion.

f. RESUMES/CURRICULUM VITAE (CV) OF KEY INDIVIDUALS. Include brief summaries of resumes/CV of relevant key individuals including any consultants or subcontractors that might be proposed.

IV. Contractor Performance Work Statement (C-PWS).

a. This document should be a separate section in your proposal. Further guidance on C-PWS preparation see Attachment 3. The C-PWS is a stand-alone document and should detail the RDT&E to be accomplished under the technical area and should be suitable for incorporation into the awarded document. Therefore, the PWS should accurately describe the work to be performed, be enforceable, and be void of inconsistencies; Offerors should consult FAR 35.005.

V. Cost/Price Proposal*

a. **The Cost Proposal Table of Contents**: The Table of Contents, as follows, must be used when preparing cost proposals. ***Items 1, 2, 3, 4 and 12 are required for all proposals. Do not omit any topics or elements. Round all dollar amounts to the nearest whole number. Add additional categories as needed. Note as "N/A" any topics below that do not apply.***

COST PROPOSAL
TABLE OF CONTENTS

ITEM	PAGE NO.
1. Summary by cost element and fixed fee for total proposal, including yearly breakout of costs by Government fiscal year.	_____
2. Labor summary for total proposal by categories, rates, and hours. List all key personnel by name as well as the number of hours each will dedicate to the project.	____
3. Explanation of how labor rates are computed including base rates (actuals) and escalation, if any. Provide a copy of any approved rate agreements (Defense Contract Audit Agency (DCAA), Defense Contract Management Agency (DCMA), the Office of Naval Research (ONR) etc. if applicable.	_____
4. Identification of all indirect rates by fiscal year (such as fringe benefits, labor overhead, material overhead, G&A, or F&A, etc.) and the basis for each.	_____
5. Bill of Materials detailing items by type, quantity, unit price, total amount and source of estimate. Provide vendor written quotes or screenshots of material quotes.	_____
6. Summary of all travel, including the purpose and number of trips, origin and destination(s), duration, travelers per trip and all travel costs (air fare, per diem, car rental, etc.).	_____

7. Consultants by name, rate and number of days or hours. Furnish copy of consulting agreement, and identify prior agreement(s) under which the consultant commanded proposed rate, as well as the consultant's resume. _____

8. Computer use by type, rate and quantity, if charged direct. _____

9. Other direct costs by type, amount, cost per unit and purpose (specifically identify any costs for printing or publication). _____

10. DD Forms 1861 (if proposing facilities capital cost of money). _____

11. Subcontractor's proposal, with prime offeror's price/cost analysis of subcontractor's proposal (FAR 15.404-3). If subcontract was not competed, include justification. _____

12. Forecast of monthly & cumulative dollar commitments for the proposed contract period. _____

13. Interdivisional transfers (detailed breakout of costs). _____

14. If conference attendance is proposed at the Prime or Subcontractor level, provide the following for each conference: the specific conference(s) that attendance to is anticipated, the purpose for attendance, details on how attendance specifically supports the proposed work and mission under the effort, and a quote or basis for the proposed registration fee. _____

**** If proposal is selected, an Excel spreadsheet of proposals may be requested if deemed necessary by evaluators.***

b. **Subcontractors**: Subcontractors' proposals must be similarly structured. All subcontracted work must be properly identified as such.

If a subcontractor elects to submit an abbreviated proposal to the offeror, it is the offeror's responsibility to ensure the subcontractor submits a complete proposal (unburden rates, etc.) directly to the Government's point of contact.

FAR 15.404-3 requires that the offeror provide an analysis of subcontractors' cost proposals. To that end, offeror's proposal must:

(1) Identify principal items/services to be subcontracted.
(2) Identify prospective subcontractors and the basis on which they were selected. If non-competitive, provide selected source justification.
(3) Identify the type of contractual business arrangement contemplated for the subcontract and provide a rationale for same.
(4) Identify the basis for the subcontract costs (e.g., firm quote or engineering estimate, etc.)
(5) Identify the cost or pricing data or information other than cost or pricing data submitted by the subcontractor.
(6) **Provide an analysis of the proposed subcontract in accordance with FAR 15.404-3(b).** Provide an analysis concerning the reasonableness, realism and completeness of each subcontractor's proposal. If the analysis is based on comparison with prior prices, identify the basis on which the prior prices were determined to be reasonable. The analysis should include, but not be limited to, an analysis of: materials, labor, travel, other direct costs and proposed profit or fee rates.

NOTE: Failure to provide an adequate analysis of subcontractors' proposals will result in unplanned delay in award, hamper program execution, and could result in failure to award.

An analysis of the subcontractor's costs **MUST** be accomplished and submitted whenever a subcontractor is involved (no dollar limitation).

Please start your prime's analysis for each subcontractor with the following:

1) A brief description of the supplies or services to be subcontracted.

2) Identification of the type of subcontract to be used (e.g., cost-plus-fixed-fee, firm-fixed-price, etc.) along with justification for the type of subcontract selected. Explain why it makes sense given the work to be performed by the sub and the contract type selected for the prime contract. For other than FFP type subcontracts, the selection needs to consider the adequacy of the subcontractor's accounting system to ensure that it will permit timely development of all necessary cost data in the form required by the proposed contract type. Some primes think that a T&M type subcontract is a viable alternative to a CPFF type subcontract if the sub doesn't have an adequate accounting system; however, this is not the case. T&M contracts still require an adequate accounting system for accurately tracking number of labor hours expended and material costs incurred. Reference FAR 16.104(i). Confirm subcontractor accounting systems with DCMA.

3) Rationale for how the subcontractor was chosen (e.g., competitive selection, single source solicited due to unique technical expertise in the area(s) of _____, etc.). Need rationale as to why prime did not compete subcontract if that's the case.

4) For other than FFP type subcontracts, documentation from the prime to show how they will provide appropriate surveillance of subcontractor performance so as to give reasonable assurance that efficient methods and effective cost controls will be used.

The prime contractor must provide for each subcontractor an analysis that documents the reasonableness, realism and completeness of the subcontractor's proposal. Analysis should include but not be limited to a statement as to whether the subcontract will be competitively selected or awarded on a sole source basis, an analysis of materials, labor and reasonableness of other direct costs (types and quantities), and proposed fee/profit rates. Merely a statement concerning technical necessity does not demonstrate reasonableness, realism and completeness.

LABOR: Comments should be made concerning the adequacy of the proposed labor hours and mix. The labor rates, which may be fully burdened, should be reviewed and comments should be provided regarding the reasonableness of the rates and how those rates were determined to be reasonable. For instance, proposed rates may be compared to rates negotiated for previous efforts, to the prime's own similar type rates or to other subcontractor's similar type proposed rates. The Prime should provide details of the comparison which clearly depicts the specific rates used in the comparison.

MATERIAL: These costs should be reviewed and comments should be made concerning quantities, types and needs of material items. In addition, a value review of the materials should be performed and submitted (is the value of the item commensurate with the effort's requirement).

TRAVEL: Comments should be made concerning the duration, number of trips, number of travelers and necessity of proposed trips as well as the reasonableness of the per diem rates, air fares, and car rental rates. If conferences are proposed, provide the following details for each conference: the specific conference(s) name(s) anticipated to attend, the purpose of conference attendance and how it specifically supports the proposed work and mission under the effort, and a quote or basis for the proposed conference registration fee.

OTHER DIRECT COSTS: These costs should be reviewed, and comments made concerning the necessity and reasonableness of the proposed costs and how the proposed costs were determined to be reasonable.

FEE/PROFIT: Is the fee/profit reasonable for the type effort contemplated? Support your conclusions.
If you take exception to any of the subcontractor's proposed cost or fee/price elements, highlight these changes in your analysis and incorporate into your cost proposal.

c. **Changes to Pricing Proposals**: Changes to previously submitted proposals must include documentation indicating how a previously submitted proposal is impacted or affected. If changes to the original proposal are relatively insignificant and involve only minor changes to elements such as labor rates, overhead and General and Administrative (G&A) rates, bill of material changes, travel costs, and Other Direct Costs (ODC's), these changes can be accomplished through the use of change pages or slip pages accompanied by new cost summaries.