Defense Technology Information Center
IR&D Reporting Requirements

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DFARS 231.205-18  Independent Research and Development and Bid and Proposal Costs was amended on January 30, 2012 to include clause (c)(3)(C) regarding allowability:

“(C) For a contractor's annual IR&D costs to be allowable, the IR&D projects generating the costs must be reported to the Defense Technical Information Center (DTIC) using the DTIC's on-line input form and instructions at http://www.dtic.mil/ird/dticdb/index.html. The inputs must be updated at least annually and when the project is completed. Copies of the input and updates must be made available for review by the cognizant administrative contracting officer (ACO) and the cognizant Defense Contract Audit Agency auditor to support the allowability of the costs. Contractors that do not meet the threshold as a major contractor are encouraged to use the DTIC on-line input form to report IR&D projects to provide DoD with visibility into the technical content of the contractors' IR&D activities.”
The purpose of the DFARS clause is to shift responsibility of determining whether IR&D/B&P projects are of potential interest to DoD from the ACO to the Defense Technical Innovation Center (DTIC).

The purpose of DTIC and its Defense Innovation Marketplace is:
  - For Industry, to learn about DoD investment priorities and capability needs and comply with the new DFARS rule.
  - For Government, to provide new search tools to assess and then leverage industry technology projects for current and future programs.
Most important aspects of clause (c)(3)(C):

- IR&D projects must be reported to the DTIC.
- Inputs must be updated at least annually and when the project is completed.
- Input and updates must be made available to the administrative contracting officer (ACO) and the cognizant Defense Contract Audit Agency auditor to support allowability.
- Note: “Major contractor” means any contractor whose covered segments allocated a total of more than $11,000,000 in combined IR&D/B&P costs to covered contracts during the preceding fiscal year.
DTIC’s Defense Innovation Marketplace requires major contractors to have a PIN.

Email comments@defenseinnovationmarketplace.mil to receive a unique PIN.

Enter the following project information either through a batch of data via XML or manually for each IR&D project:

- Project Title (required)
- Project Number
- Status of Effort (required)
- Anticipated Expenditures (required)
- Primary Defense Technology Area and Subarea (required)
- Targeted DoD Organization(s)
- Technology Readiness Levels (TRL) (required)
Enter the IR&D Project Summary:
- Project Summary (required)
- Keyword(s) (required)
- Project Description and/or Project Documents (required)

It is recommended to include answers to the following questions:
- What problem are you trying to solve?
- What is new about your approach?
- If you succeed, what difference will it make?
- What will it provide in terms of new capabilities for the Department of Defense?
Enter Contact Information:

> **Contact Information (required):** Need individual’s first and last name, phone number, and email address.

> **Technical Contact(s) (required):** Need first and last name, phone number, and email address of any POC who can discuss this project with interested DoD users. List up to five contacts.

Review and submit
Reporting Requirements

Some IR&D project data may not be currently captured in a format that is readily available, for example:

- Status of Effort (New Start or Follow On)
- Anticipated Expenditures (over next year)
- Primary Defense Technology Area and Subarea (Appendix A)
- Target DoD Organization (Appendix B)
- Technology Readiness Levels (Appendix C)
- Project Summary
- Keywords
- Project Description and/or Project Documents
- Contact Information
- Technical Contact(s)
Proprietary Information Issues

Information Protection

> Per notes published in the commentary of the final rule, only unclassified IR&D project summary information should be reported.

> Within the DTIC system, system screens and printouts will be marked ``Proprietary,'' and any markings on attachments provided by a contractor will not be altered.

Access and Information Controls

> As published, the rule makes no changes to existing laws and regulations dealing with Government use of proprietary information.

> Contractors should have adequate controls in place to protect valuable information.

Data Inputs

> Contractors have control over information presented to meet rule requirements so as to avoid full release of proprietary information.

FOIA Exemption (b) 4

> This rule still allows for a FOIA exemption related to “trade secrets and commercial or financial information obtained from a person [that is] privileged or confidential.”
Recommended Risk Mitigation Steps

> Ensure IR&D and/or B&P policy has language around opening initiatives
  - Require that all information required by DTIC be populated in a central location in order to set up IR&D projects
  - Require that information on existing IR&D projects be updated now or when a new project is completed
> Assign responsibility for reviewing IR&D information before setting up IR&D projects
> Determine method for capturing information on IR&D projects annually or when project is completed
> Assign responsibility for establishing a PIN with DTIC
> Assign responsibility for updating IR&D project information with DTIC annually or when a project is completed
> Gather relevant data on current IR&D projects and report to DTIC as soon as possible