Open Systems Acquisition (OSA) and the C4ISR Other Transaction Authority (OTA)
Motivation – Open Systems Acquisition
OTA Overview
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Contact Information
• Open System Approaches are promising, but so far government success has been elusive…

• Better Buying Power 3.0 says “Do more without more…”

• Congress (Sect 801 FY15 NDAA) says for MDAP and MAIS programs, Thou Shalt use Modular Open Systems Architecture to get better, faster, and cheaper…within 10 years

• etc…(lots of unfunded mandates and wonderful ideas)

• Bending the Cost Curve OSA aims to help beleaguered PMs by providing top cover, training, and tools…such as the OSA OTA…
OTA Overview

What is an Other Transactions Authority (OTA)?

- Not a standard procurement contract, grant, or cooperative agreement
- Is a legally binding instrument more like a commercial-sector contract between the govt and industry
- Encourages collaboration and promotes innovation from non-traditional defense contractors as well as traditional defense contractors
- Congress authorized OTAs under 10 USC 2371, Section 845 of Public Law 103-160; changed to Section 815 in FY16 NDAA
• Purpose is to develop C4ISR Information System prototypes; not for basic or applied research

• Prototypes developed will modernize C4ISR Information Systems using agile developed “plug-n-play” technologies via modern Open Systems Architectures to provide rapid adaptation and integration of new capabilities.

• Competition is open to industry partners unable or unwilling to comply with the FAR, its supplements, or laws limited in applicability to procurement contracts

• What doesn’t apply under the OTA?
  • GAO protest rules, Truth in Negotiations Act, Cost Accounting Standards (CAS), Buy American Act, Berry Amendment, Sections 35 USC 202-204 of Bayh-Dole Act, Anti-kickback Act, Procurement Integrity Act, Contract Disputes Act, …etc.

• Fiscal laws still apply; $99M ceiling, 5 year PoP

• Govt sets Government Purpose Rights as minimum for effort under the OTA; while the developer retains the right to commercialize what it developed
AF C4ISR OTA & Considerations

- **Air Force C4ISR OTA**
  - An agreement with SOSSEC consortium
  - Government awards agreement to SOSSEC, which then enters into agreements with the industry partner
    - Must be a member of SOSSEC to participate

- **Considerations**
  - The authority to award may be used only when:
    - At least 1 non-traditional defense contractor participates to a significant extent **or**
    - >1/3 total cost (cash or in-kind) of project must be paid out of funds provided by non-Federal parties to the transaction, **or**
    - Senior Procurement Executive for Military Service determines exceptional circumstances
What is a PlugTest?
- A Commercial Best-Practice – the OTA was designed around having PlugTests!
- An event where multiple industry partners demonstrate their initial prototypes to the govt to allow an assessment/down-select decision

Why choose a PlugTest?
- Includes COTS demo + 2-4 months of development
- Demo initial prototypes *free of charge
- Allows non-traditionals to better demonstrate their capabilities
- Allows for “crowd-sourcing” solutions with reduced red tape

Why choose a Whitepaper?
- Prefer a traditional approach to acquisition

Regardless of initial choice, proposal acceptance results in a prototype delivery
Notional Value Returned Across Investment Portfolio

Development Time = Contracting + AoA + Engineering + T&E + Cert + Etc.
For companies wishing to participate:

- SOSSEC Consortium (System of Systems Security)
- www.sossecconsortium.com
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