# Understanding FFRDCs

A federally funded research and development center (FFRDC) is a unique organization sponsored by a government agency that assists with research and development, study and analysis, and/or systems engineering and integration. MITRE operates FFRDCs for the Department of Defense, the Federal Aviation Administration, the Internal Revenue Service and Department of Veterans Affairs, the Department of Homeland Security, the Centers for Medicare & Medicaid Services, the Administrative Office of the U.S. Courts, and the National Institute of Standards and Technology.

## FFRDCs: Then and Now

The government first instituted FFRDCs in the 1940s as a way to focus scientific and engineering expertise on pressing national security issues. The new organizations provided technical capabilities that were not readily available within government or the private sector at that time. Over the years, as the government's needs changed, the role of FFRDCs evolved.

The challenges the federal government faces today are different, but no less complex. They range from cybersecurity threats and the transformation of our National Airspace System to the rising cost of healthcare and an evolving military landscape. Finding the best solutions to these problems requires the collaboration of many entities, including government, industry, and FFRDCs.

FFRDCs work in the fields of aviation, defense, energy, cybersecurity, health and human services, space, enterprise systems modernization, and homeland security. They provide support across a full spectrum of analysis, planning, and concept development; research and development; engineering; and systems acquisition. They address long-term problems of considerable complexity, approach technical questions with a high degree of objectivity, and provide creative and cost-effective solutions to national problems.

There are currently more than 40 FFRDCs, each bringing distinctive capabilities, skills, and long-term perspective to their respective sponsoring agencies. The National Science Foundation maintains a master list of FFRDCs that includes information about sponsoring agency, administrator, location, and activity.





Since their inception, FFRDCs have made significant contributions to solving key national challenges. For this reason, when the government examines the continuing need for FFRDCs, it has consistently reaffirmed their value.









#### FFRDCs Operate in the Public Interest

Formally established under Federal Acquisition Regulation (FAR) 35.017, FFRDCs meet special, long-term research and development needs that are integral to the mission of the sponsoring agency—work that existing in-house or contractor resources cannot fulfill as effectively. They must operate in the public interest, free from commercial conflicts of interest. Additionally, they are operated, managed, and/or administered by universities, not-for-profit organizations, or industrial firms as separate operating units.

To ensure the highest levels of objectivity, the FAR limits FFRDC activities. For example, the FAR prohibits FFRDCs from manufacturing products, competing with industry, or working for commercial companies. These restrictions enable industry and government to confidently provide FFRDCs with sensitive or proprietary information without fear of improper use or disclosure. Additionally, as private entities, FFRDCs have greater flexibility than the government in recruiting and managing a highly skilled technical workforce that is capable of quickly responding to the sponsor's needs.

#### Continuing Relevance and Value

The FAR also mandates a formal sponsoring agreement between the government agency and the FFRDC operator that defines the purpose, mission, and scope of work. Government sponsors conduct comprehensive reviews of their FFRDCs every five years to confirm the quality, efficiency, and appropriateness of the work program.

Since their inception, FFRDCs have made significant contributions to solving key national challenges. For this reason, the government has consistently reaffirmed their value. Moreover, because FFRDCs share the practical results of their work—through such methods as cooperative research and development agreements, technology licensing, open source participation, and contributions to industry standards—commercial industries benefit as well.

Working together, government, industry, and FFRDCs deliver the outcomes that make our nation stronger.

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Revised 4/1/15