

JUSTIFICATION AND APPROVAL
FOR AN EXCEPTION TO FAIR OPPORTUNITY

1. Contracting Activity: Department of Veterans Affairs (VA)
Office of Acquisition Operations
Technology Acquisition Center
260 Industrial Way West
Eatontown, NJ 07724

2. Description of Action: This proposed action is for a firm-fixed-price (FFP) Delivery Order (DO) issued under the National Aeronautics and Space Administration (NASA) Solutions for Enterprise-Wide Procurement (SEWP) IV Government Wide Acquisition Contract (GWAC) to acquire Learning Content Management System (LCMS) professional support above and beyond the services which are available from Kenexa's standard license maintenance support. The period of performance is 12 Months with a 6 Month option.

3. Description of Supplies or Services: VA, Office of Information Technology (OIT), Product Development (PD) provides benefits and services to Veterans of the United States. VA has been using the Kenexa Evolution LCMS since 2006. This procurement is required to ensure upgraded applications work within VA's environment, apply the previously developed VA customizations/extensions and configurations, and to provide training for new authors to ensure fullest use of the current LCMS capability. LCMS is an object-based learning content development environment which offers complete content reusability, personalization, enterprise content management capability, and multi-modal output (Web, CD, Word, mobile, etc.) to support the consolidation of all training initiatives. It also ensures all content is Section 508 conformant prior to publication. VA has 280 perpetual developer licenses and Kenexa Evolution LCMS is hosted at St. Louis, MO. VA's goal is to continue access to the LCMS so that it can maintain the number of VA entities producing content on the existing Kenexa LCMS platform. This accomplishes efficiencies across VA and adds greater assurance that VA and Federal requirements are met. The total estimated value of the proposed action is \$619,076.55.

4. Statutory Authority: The statutory authority permitting an exception to fair opportunity is Section 41 U.S.C. 4106(c) as implemented by the Federal Acquisition Regulation (FAR) Subpart 16.505(b)(2)(i)(B), entitled "Only one awardee is capable of providing the supplies or services required at the level of quality required because the supplies or services ordered are unique or highly specialized."

5. Rationale Supporting Use of Authority Cited Above: This is a brand name justification in support of FAR 11.105, Items Peculiar to One Manufacturer. The services under this effort include modification of VA-specific customizations (called "Extensions") to the Kenexa Evolution LCMS base commercial off-the-shelf (COTS) product. These Extensions have been developed by Kenexa, using proprietary code to implement VA-required features in their application. As a result, each time VA

upgrades the base COTS product, someone with access to the source code must customize the extension to reflect VA specific requirements. At times, this VA Specific customization effort requires modification of the Extension's proprietary Kenexa owned code is essential so that it may function correctly within VA environment.

If VA were to decide to use a different product, the current LCMS technical platform and all the progress made in VA's LCMS arena would need to be reworked to configure with VA's other systems, and would result in a break in service for developing and maintaining learning content and training of VA staff. Furthermore, another product would require retraining and involve a steep learning curve for VA content developers and a delay in the ability to maintain training requirements on VA staff. Additionally, the over 180 courses currently in the LCMS would need to be completely reworked and re-certified to be Section 508 compliant. Without access to the Kenexa proprietary code no other source has the ability to install VA-specific Extensions and configure them within the current infrastructure.

6. Efforts to Obtain Competition: Market research was conducted and details of which are in the market research section of this document. This effort did not yield any additional sources that can meet the Government's requirements. It was determined however that limited competition is viable among authorized resellers for this brand name item. In accordance with FAR 5.301 and 16.505(b)(2), this action will be synopsisized at award on the Federal Business Opportunities Page (FBO) and the justification will be made publicly available.

7. Actions to Increase Competition: The Government will continue to conduct market research to ascertain if there are changes in the market place that would enable future actions to be competed.

8. Market Research: Market research was conducted by the Technology Acquisition (TAC) July 2013 by issuing request for information on NASA SEWP. IBM was the only respondent to the RFI and is the primary reseller for Kenexa products due to their recent acquisition of Kenexa. Based on the market research, only a vendor with access to and the requisite knowledge of the Kenexa source code and how updates will affect VA-customizations will be able to meet the technical requirements.

9. Other Facts: None.

10. Technical and Requirements Certification: I certify that the supporting data under my cognizance, which are included in this justification, are accurate and complete to the best of my knowledge and belief.

Debbi Lawson

Date: 8/16/13

Program Manager

Signature: Debbi Lawson

11. Fair and Reasonable Cost Determination: I hereby determine that the anticipated price to the Government for this contract action will be fair and reasonable based on SEWP IV pricing having already been determined fair and reasonable. Finally, the successful quotation will be compared to the Independent Government Cost Estimate.

Carol G. Newcomb

Date: 8/20/2013

Procuring Contracting Officer

Signature: Carol G. Newcomb

12. Procuring Contracting Officer Certification: I certify that this justification is accurate and complete to the best of my knowledge and belief. As this contract action does not exceed \$650,000, the certification below required by FAR 6.303-2(b) (12) serves as approval.

Carol G. Newcomb

Date: 8/20/2013

Procuring Contracting Officer

Signature: Carol G. Newcomb