

JUSTIFICATION AND APPROVAL  
FOR A LIMITED SOURCE AWARD UNDER A FEDERAL SUPPLY SCHEDULE

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: The proposed action is for a 12-month firm-fixed price (FFP) task order issued under General Services Administration (GSA) Federal Supply Schedule (FSS) Contract Number GS-35F-0363L to Vecna Technologies, Inc. (Vecna) to provide defect resolution support for critical Vetlink kiosk software issues.
  
3. Description of the Supplies or Services: The proposed action is to provide defect resolution support for critical Vetlink kiosk software deployed to VA Medical Centers (VAMCs) and Community Based Outpatient Centers (CBOCs) nationwide. The Contractor shall provide defect resolution support, specifically the full range of technical, managerial and administrative services to VA in support of defect resolution for Vetlink software. The required defect resolution support includes support for engineering changes, updates, repairs, and other technical services involving the Vetlink kiosk software as well as providing all support required for maintenance and continuity of operation services across the VA enterprise. Vetlink kiosks provide streamlined approaches for Veterans to perform various administrative and clinical functions through a self-service model. Implementations of Vetlink kiosks are varied to suit the context in which they are deployed; however, these systems tend to feature specialty hardware/software combinations for specific, high volume applications with intuitive touch screens and/or other interface devices. The Contractor shall resolve all Vetlink software issues with a severity level of 1, 2, or 3; and Vetlink software issues that negatively impact hospital business operations such as revenue collection. This defect resolution support is required to ensure the existing Vetlink kiosk software remains fully operational. The total estimated value of the proposed action is [REDACTED].
  
4. Authority Cited: Federal Acquisition Regulation (FAR) Part 8.405-6(a)(1)(i)(B), Only one source is capable of providing the supplies or services required at the level of quality required because the supplies or services are unique or highly specialized.
  
5. Rationale Supporting Use of Authority Cited Above: The proposed source is Vecna, located at 6404 Ivy Lane, Suite 500, Greenbelt, MD 20770. Vecna is not a distributor of kiosks. It assembles the Vetlink kiosks that VA has purchased, and has developed the Vetlink kiosk software operating system. Vecna's kiosk solution is a proprietary software solution whose software code is legally the

property of Vecna. Without having access to the proprietary code, any software vendors other than Vecna would be unable to make the necessary code fixes to resolve identified software defects. There are no authorized resellers or servicers of the software other than Vecna. The proprietary data allows Vecna to create, maintain, repair, and enhance the existing VetLink kiosks software deployed to VAMCs and CBOCs nationwide. No other source can provide the aforementioned defect resolution without the proprietary software data. In August 2013, VA inquired if Vecna is willing to sell its proprietary software data, and Vecna advised VA that its proprietary software data is not for sale.

6. Efforts to Obtain Competition: Market research was conducted, 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. There is no competition anticipated for this acquisition.

7. Actions to Increase Competition: Market research will be conducted for future acquisitions of defect resolution support to determine if Vecna authorizes resellers to perform software maintenance or other sources become available to support VetLink software defect resolution. Additionally the Government is currently in the process of defining future kiosk requirements to be included under a planned competitive indefinite-delivery, indefinite-quantity (IDIQ) type contract with an anticipated award in fiscal year 2014.

8. Market Research: Market research was conducted in August 2013 by posting a Request for Information (RFI) on the Federal Business Opportunities website seeking qualified contractors capable of providing defect resolution support for VetLink kiosk hardware and software. The RFI yielded two responses, NCR Government Systems, LLC a Large Business, and Vecna, a Woman-Owned Small Business. The responses were sent to Government technical evaluators from the VPS program office.

The Government technical experts determined that only Vecna has the ability to meet the software requirements. Vecna's kiosk solution is a proprietary software solution whose software code is legally the property of Vecna. Without having access to the proprietary code, any software vendors other than Vecna would be unable to make the necessary code fixes to resolve identified software defects.

The market research showed that multiple vendors may be able to provide the required hardware support; however, no vendor other than Vecna can provide the required software defect resolution. Based on these findings, a determination was made to separate the hardware defect repair from the software defect resolution requirements. The Government is currently in the process of defining future kiosk requirements to be included under a planned competitive indefinite-delivery, indefinite-quantity (IDIQ) type contract with an anticipated award in fiscal year 2014. VA contacted NCR on August 27, 2013

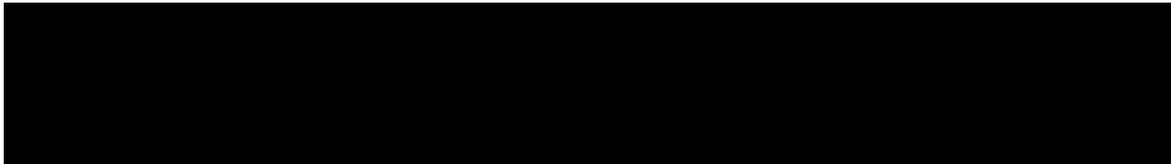
to advise them of their findings and intention to pursue a sole source software defect resolution contract with Vecna, and a separate future competitive hardware and software defect repair IDIQ. A follow-up call was held between NCR and VA on August 30, 2013 and NCR agreed with VA's findings.

9. Other Facts: The objective of the VPS Program is to improve the efficiency and effectiveness of client-facing interactions. At the start of the VPS Program, Veterans Health Administration (VHA) issued a moratorium on all new kiosk purchases to prevent the number of non-compatible kiosks at VAMCs from increasing. New kiosks are only to be procured and deployed through the VPS Program. The VPS program is dependent on a cohesive system of compatible kiosks and software. In 2010, the VPS Program selected Vecna to provide the VetLink kiosk hardware and software to all VAMCs and CBOCs through a competitive acquisition.

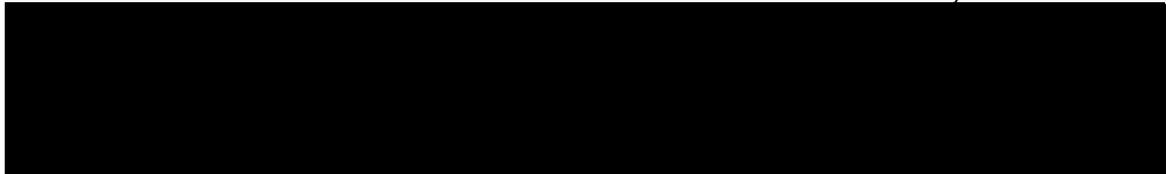
10. Technical and Requirements Certification: I certify that the supporting data under my cognizance, which are included in this justification, are accurate and complete to the best of my knowledge and belief.



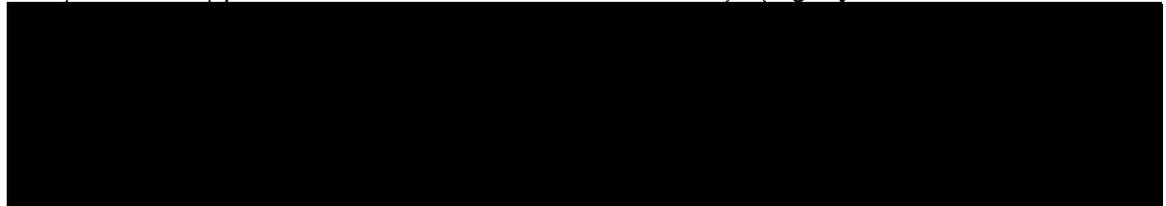
11. Determination of Best Value: I hereby determine that the proposed contract action will represent the best value to the Government. GSA has already determined that the prices on the FSS contract are fair and reasonable. Further price analysis, to include an analysis of proposed level of effort and mix of labor, will be conducted and subsequent negotiations held as necessary. Additionally, price discounts will be sought.



12. Procuring Contracting Officer Certification: I certify that this justification is accurate and complete to the best of my knowledge and belief.



13. Legal Sufficiency Certification: I have reviewed this justification and find it adequate to support a limited source award and deem it legally sufficient.



Approval

In my role as Contracting Activity Competition Advocate, based on the foregoing justification, I hereby approve the acquisition of a twelve (12) month firm-fixed price (FFP) task order to provide defect resolution support for critical VetLink kiosk software issues, pursuant to the authority cited in paragraph 4 above, subject to availability of funds, and provided that the services herein described have otherwise been authorized for acquisition.

