

Attachment 2: Request for Sole Source Memo Format

DEPARTMENT OF VETERANS AFFAIRS

Justification and Approval

For

Other Than Full and Open Competition

1. **Contracting Activity:** Department of Veterans Affairs, VISN 11, Is the organization requesting this service with the Institute for Diversity Management Summer Enrichment Program (SEP). This is justification for other than Full and Open Competition. The Purchase Transaction Number is 488-14-3-615-0315. The SAO Central VISN 11 Network Contract Office is the contracting agency.
2. **Nature and/or Description of the Action Being Processed:** This will be a new firm fixed-price contract for services by the Institute for Diversity SEP to cover administrative fees for summer interns. The estimated price for this procurement is 5 SEP interns at a cost of \$2,000.00 each totaling \$10,000.00.
3. **Description of Supplies/Services Required to Meet the Agency's Needs:** There has been little progress made in the statistic of minorities comprising 20% of hospital employees but hold less than one percent of top management positions. The Institute for Diversity Management's SEP is an excellent program for developing diverse talent. SEP interns are highly qualified, future health leaders who showcase their skills, knowledge and enthusiasm to their host sites. VISN 11 is given a valuable opportunity to enhance the student's awareness and perceptions of VA as an employer of choice. The student Career Work experiences build a foundation for future VA employment. VISN 11 is committed to a workforce and leadership that mirror the veterans we serve. Interns are employed for ten weeks with a salary set at GS-5, step 1. There is a \$2000 administrative fee per intern. The administrative fee covers the database, website, mailings, printing and staff salaries. Institute for Diversity & Health management, 1 N. Franklin St., Chicago, IL 60606. Total: \$10,000. POP:
4. **Statutory Authority Permitting Other than Full and Open Competition:** 41 USC §253(g), as Summer 2014 implemented by FAR 6.302-1.

( X ) (1) Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements per FAR 6.302-1;

5. **Demonstration that the Contractor's Unique Qualifications or Nature of the Acquisition Requires the Use of the Authority Cited Above (applicability of authority):**

In 1992, the American College of Healthcare Executives (ACHE), an international society of health care executives, joined the National Association of Health Services Executives (NAHSE), the association of African-American health care executives, to take a close look at the relative career advancement of their memberships.

The study found that minorities represent more than 20 percent of hospital employees but hold less than 1 percent of top management positions. It also disclosed that African-American health care executives made less money, held lower positions, and had less job satisfaction than their white counterparts. A 1997 follow-up study, expanded to include Latinos and Asians, found that although the gap had narrowed in some areas, not much had changed.

The 1992 study was a call to action for three progressive health care organizations—the American Hospital Association (AHA), ACHE and NAHSE—which united to create the Institute for Diversity in Health Management (IFD) in 1994. The Institute has since gained two partners, the Association of Hispanic Healthcare Executives (AHHE) and the Catholic Health Association.


Due in large part to the convergence and partnering of these organizations, there are no other organizations that meet the requirements of the intern program that the VISN 11 Network has used successfully over the past several years.

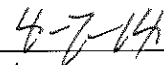
- a. **Only One Responsible Source (FAR6.302-1)** – The Institute for Diversity Summer Enrichment Program attracts talented students who are minorities into leadership positions. The SEP was used during the summers of 2011-2013. There were positive compliments from the interns regarding their job assignments and work environments. The medical center staff that interns worked with were extremely impressed with the skills, work ethics, enthusiasm and overall productivity of the interns and requested that the program be continued each year to afford both parties to experience the continued successes this program offers. The SEP program is another facet of the Workforce Succession Plan to address the concerns of minority groups within the VA workplace. The Institute administrative fees cover an extensive matching capability to facilitate intern placement. The cost per intern is \$2,000 which is a decrease from \$2,500 in 2011, due to previous assignments within the VA organization. The institute has also shown a commitment to Federal Employees, they took feedback and incorporated positive changes to the program structure to include weekly conference calls with interns and the option of selecting intern of the year.

6. **Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable:** Internet articles and advertising articles in Executive Health Care Leadership were the only sources available for us to solicit inquiries from interested parties and the services provided by organizations other than the Institute for Diversity were not comparable. The Institute for Diversity was the sole organization that provided us any information when requested.
7. **Determination by the Contracting Officer that the Anticipated Cost to the Government will be Fair and Reasonable:** Because of the successes that have been realized within the VISN 11 Network, administrative fees for SEP interns was \$2,500 in 2011 and has been reduced to \$2,000 per intern over the past two years. The quote for these fees is considered fair and reasonable.
8. **Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted:** As described in Section 6 above, market research, in accordance with FAR Part 10, was conducted by synopsis of the proposed acquisition advising the industry of pending acquisition and soliciting inquiries from interested parties. The institute is a premiere organization for developing high caliber minority leaders in VISN 11. The services provided by other organizations were not comparable. Internet articles and articles in monthly

subscription magazines for Executive Health Care Leaders were the only available products while conducting market research for diversity management programs.

9. **Any Other Facts Supporting the Use of Other than Full and Open Competition:** Past success with the Institute for Diversity SEP over the past several years and the lack of similar organizations that provide the high caliber minority interns stands as firm justification to continue with sole source procurement options with the Institute for Diversity.
10. **Listing of Sources that Expressed, in Writing, an Interest in the Acquisition:** See Section 6 above.
11. **A Statement of the Actions, if any, the Agency May Take to Remove or Overcome any Barriers to Competition before Making subsequent acquisitions for the supplies or services required:**  
Past efforts to obtain information from other organizations that claim to provide the same services have failed to provide valid offers for the same highly qualified minority interns for our summer program.
12. **Requirements Certification:** I certify that the requirement outlined in this justification is a Bona Fide Need of the Department of Veterans Affairs and that the supporting data under my cognizance, which are included in the justification, are accurate and complete to the best of my knowledge and belief.

  
Tony Zapata, FACHE  
Deputy Network Director  
VISN 11

  
Date

13. **Approvals in accordance with FAR 6.304**

- a. **Contracting Officer's Certification:** (required) I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.

\_\_\_\_\_  
Name  
Title  
Network 11 Contracting Office

\_\_\_\_\_  
Date

- b. **DOC/PCM (Required \$3K and above):** I certify the justification meets requirements for other than full and open competition.

\_\_\_\_\_  
Name

\_\_\_\_\_  
Date

Director of Contracting/Supervisory Contract Specialist (as appropriate)  
Network 11 Contracting Office

- c. **SAO(If over \$650K):** I certify the justification meets requirements for other than full and open competition.

\_\_\_\_\_  
Ricky L. Lemmon  
SAO Director  
Central Region

\_\_\_\_\_  
Date

- d. **VHA HCA Review and Approval:** I have reviewed the foregoing justification and find it to be complete and accurate to the best of my knowledge and belief and recommend approval (if over \$12.5 million) or approve (\$650K to \$12.5 million) for other than full and open competition.

\_\_\_\_\_  
NORBERT S. DOYLE  
Chief of Procurement and Logistics Officer  
VHA, Head of Contracting Activity (HCA)

\_\_\_\_\_  
Date

- e. **VA Deputy Senior Procurement Executive Approval (over \$12.5 million but not exceeding \$50 million):** I have reviewed the foregoing justification and find it to be complete and accurate to the best of my knowledge and belief and approve for other than full and open competition.

\_\_\_\_\_  
C. FORD HEARD  
Deputy Senior Procurement Executive (DSPE)  
Assistant Secretary for Acquisition and Logistics  
Department of Veterans Affairs

\_\_\_\_\_  
Date

- f. **VHA Senior Procurement Executive Approval (over \$50 million):** I have reviewed the foregoing justification and find it to be complete and accurate to the best of my knowledge and belief and approve for other than full and open competition.

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JAN R. FRYE

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Date

Deputy Assistant Secretary for Acquisition and Logistics  
Senior Procurement Executive (SPE)  
Department of Veterans Affairs